

# THE SAID FOUNDATION

England & Wales · Charity number 1125521

## Details

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Status	Registered
Legal form	Charitable company
Company number	<a href="#">06621764</a>
Registered	2008-08-14
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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Address	College House 272 King's Road Chelsea London
Phone	02075935420
Email	<a href="mailto:admin@saidfoundation.org">admin@saidfoundation.org</a>
Website	<a href="http://www.saidfoundation.org">www.saidfoundation.org</a>

## Activities

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**Objects:** THE CHARITY IS ESTABLISHED TO ADVANCE ALL EXCLUSIVELY CHARITABLE PURPOSES IN ACCORDANCE WITH ENGLISH LAW FOR THE PUBLIC BENEFIT

**Activities:** The Said Foundation's mission is to bring positive and lasting change to the lives of children, young people and the wider community through carefully selected investments in themes and geographies with which the Said family and The Said Foundation have developed strong links and expertise.

## Classification

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- **How:** Makes Grants To Individuals, Makes Grants To Organisations
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, Arts/culture/heritage/science, Economic/community Development/employment
- **Who:** Children/young People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, Other Defined Groups

## Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE, NATIONAL AND OVERSEAS.
- Throughout England And Wales

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£4,895,000	£19,356,000	£25,259,000	4
2023-08-31	£8,881,000	£8,480,000	£43,149,000	5
2022-08-31	£3,353,000	£5,372,000	£56,056,000	5
2021-08-31	£3,857,000	£4,816,000	£53,178,000	7
2020-08-31	£3,904,000	£5,713,000	£59,099,000	7

## Trustees

Name	Role	Appointed
Dr Rasha Rida Said		
KHALED SAID		
LORD POWELL OF BAYSWATER		
Nadine Zakaria		2015-11-25
SIRINE IDILBY		

**THE SAID FOUNDATION**

England & Wales - Charity number 1125521

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# Accounts

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## **The Saïd Foundation**

Annual Report and Audited Accounts  
for the year ended 31 August 2024

Charity Number: 1225521  
Company Number: 06621764



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**Reference and Administrative Information**

<b>Charity Registration Number</b>	1125521
<b>Company Registration Number</b>	06621764
<b>Correspondence and registered office address</b>	Floor 3, College House, 272 King's Road, London, SW3 5AW
<b>Website</b>	<a href="http://www.saidfoundation.org">www.saidfoundation.org</a>
<b>Board of Trustees</b>	Mr Wafic R Saïd (Chairman) Dr Rasha Saïd (Deputy Chair) Revd Jonathan Aitken Mrs Sirine Idilby Sir Michael Peat Lord Powell of Bayswater Mrs A Rosemary Saïd Mr Khaled R Saïd (Benefactor) Mrs Nadine Zakaria
<b>Chief Executive Officer</b>	Mr Hani Jesri (from 24 June 2024) Ms Catherine Thomé (to 24 June 2024)
<b>Auditors</b>	Crowe U.K. LLP R+ Building 2 Blagrove Street Reading RG1 1AZ
<b>Bankers</b>	Citi Private Bank Citigroup Centre Canada Square Canary Wharf London E14 5LB  UBS Zurich AG Paradeplatz 6 CH-8098 Zurich Switzerland
<b>Legal Advisers</b>	Bates Wells 10 Queen Street Place London EC4R 1BE  Stephenson Harwood 1 Finsbury Circus London EC2M 7SH
<b>Investment and Property Advisers</b>	Capital Generation Partners LLP Berkeley Square House London W1J 6BX

## Trustees' Report incorporating the Strategic Report

The Trustees present the report and financial statements for the period from 1 September 2023 to 31 August 2024. The Trustees are also Directors of the company for the purposes of the Companies Act 2006. The financial statements have been prepared in accordance with the accounting policies set out therein and comply with the Memorandum and Articles of Association, applicable law, *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)*, the Charities Act 2011, as amended by the Charities Act 2022, and the Companies Act 2006.

### 1. Mission, Objectives and Programmes

The charitable object of The Saïd Foundation as set out in its Memorandum and Articles of Association is "to advance all exclusively charitable purposes in accordance with English law for the public benefit".

The Trustees retain a focus on the Middle East, particularly the priority areas of Syria, Palestine, Lebanon and Jordan. However, they also fund projects in the United Kingdom including through the Saïd Business School Programme and at world-leading medical research institutions. In November 2024, the Board of Trustees reviewed the vision, mission, guiding principles and objectives set out below.

The **vision** is of a world where people from all backgrounds can realise their full potential.

The **mission** is to bring positive and lasting change to the lives of children, young people and the wider community through carefully selected investments in themes and geographies with which the Saïd family and The Saïd Foundation have developed strong links and expertise.

The **guiding principles** are as follows:

1. A conviction that education is a powerful tool to change lives for the better and that higher education, in particular, plays a valuable role in creating enlightened and effective leadership which benefits the broader community.
2. An approach that is non-sectarian and non-political.
3. Recognition of the need to build capacity and capability across the countries in which the Foundation works.
4. An understanding of the importance of bridge building, communication, and respect across cultures.
5. A desire to enhance and learn from the thematic and regional experience of the Foundation and to benefit from synergy between programmes.
6. A desire to promote philanthropy and to maximise the impact of specific projects through partnerships with organisations that share our objectives.

The **objectives** are:

1. To assist the Saïd Business School at Oxford University in its pursuit of excellence and its goal of achieving a top ten place among global business schools, as well as in its desire to promote the beneficial role of business in society.
2. To support the humanitarian relief and development needs of displaced Syrian people and improve the lives of disadvantaged children in the Levant region.
3. To support the higher education of students in order to promote the sustainable development of the Levant region.
4. To enable disadvantaged students in the UK and overseas to realise their full potential through educational and vocational training, and internship opportunities.
5. To promote better health outcomes for people everywhere by supporting innovative and impactful projects at world-leading medical research institutions.

These objectives are pursued through three main related **programmes**:

1. The **Saïd Business School Programme** makes grants to the Saïd Business School Foundation for its Strategic Development Fund with a view to establishing and maintaining the School as one of the world's top and most influential business schools.

2. The **Humanitarian Programme** supports the educational and development needs of displaced Syrians in Lebanon and in Jordan.
3. The **Scholarships Programme** provides financial support, sometimes with partner organisations, to students from the Levant region who demonstrate particular potential to pursue higher education so that they can expand their skills and knowledge in relevant fields and thereby enhance their contribution to the development of the region.

In addition to these three main programmes, the Foundation also funds other charitable organisations.

The Foundation is non-sectarian and non-political. Its partners are individuals, non-governmental organisations (NGOs), educational institutions, UN agencies and other charities. The Foundation regularly reviews its objectives and programme priorities, especially those in the Levant region, to ensure the most effective deployment of its funds.

## 2. Review of Programmes

### Summary

The Foundation made grant commitments of £17.3 million in 2023/24 across the three main charitable programmes, as well as through other charitable expenditure, after taking account of unspent grants returned. A summary of this grant expenditure is shown below, with further detail set out at note 4 to the accounts.

Programme	Grants Committed 2023/24 (£'000s)	Grants Committed 2022/23 (£'000s)
Saïd Business School Programme	11,359	1,294
Humanitarian Programme	781	-
Scholarship Programme	1,198	982
Other Charitable Grants	4,010	4,265
<b>TOTAL</b>	<b>17,348</b>	<b>6,541</b>

Other charitable grant recipients in 2023/24 included: The King's Foundation and The Rhodes Trust. There was an unspent grant returned from Amal. Other charitable grant recipients in 2022/23 included: the Chance to Change Foundation, Saïd Research Initiative on Age-related Macular Degeneration at University College London (Institute of Ophthalmology), and Turquoise Mountain (Palestine).

The following sections give more detail about the aims and impact of each programme.

### Saïd Business School Programme

An important focus for the Saïd Foundation is to assist the strategic development of the Saïd Business School at the University of Oxford. In support of that goal, the Foundation provides annual funding to the Saïd Business School Foundation (SBSF) for its Strategic Development Fund (SDF) and for its legal and administrative costs. That annual funding rises each year in line with the CPI inflation index, with a 5% cap on the annual uplift. In 2023/24 the annual grant to SBSF for its SDF was £1.4 million. In addition, during 2023/24 there was a £10 million grant for the Oxford Saïd Future Leaders Scholarships, of which £6 million is dependent upon the School raising matched funding of at least twice the value of the Foundation's donations.

The purpose of the SDF is to support initiatives which will make a strategic difference to the successful development of the Saïd Business School and to assist the School in its pursuit of excellence in research, teaching and relevance to business practitioners, with a view to establishing and maintaining the School as one of the best in the world.

During 2023/24, SBSF made payments, under multi-year agreements entered into in previous years, which support its medium-term objectives:

- to assist the School to strengthen those functions which are of critical importance to the success of a business school;
- to assist the School to strengthen the key points of differentiation that underpin and enhance its brand;
- to assist the School to attract top calibre students, particularly through the provision of scholarships, and to attract and retain top calibre faculty and staff; and
- to assist the School to establish and maintain itself as the UK's top school, one of Europe's top two schools and one of the world's top ten schools, both in the fields of MBA and Executive Education, as measured by a range of authoritative rankings of business schools.

Further details about this grant-making activity can be found in SBSF's annual report.

In 2023/24, five new grants totalling £1,600,000 were awarded by SBSF from its SDF (2022/23: five new grants totalling £3,602,000 plus one £250,000 uplift for an existing grant commitment).

In 2017/18, the Foundation made a significant commitment to support the School's redevelopment of the Osney Power Station, which is in close proximity to the School, to provide a new world-class executive education facility called the Global Leadership Centre. With matched funding from the University, SBSF made a commitment of £15 million to support the project, funded by the Chairman and made via the Saïd Foundation. The full amount of £15,000,000 had been paid to the School by 31 August 2024.

In 2023/24, the Foundation signed an agreement with the School for Oxford Saïd Future Leaders Scholarships. This provides £4,000,000 of funding for scholarships from 2024 to 2027, with an additional £6,000,000 dependent on the School raising matched funding of at least twice the value of the Foundation's donations. As at 31 August 2024, there was £9,000,000 still to be paid under this gift agreement.

#### *Assessment of impact*

The Foundation's funding for SBSF's SDF requires, amongst other conditions, that the School does not cease to be ranked as one of the top three schools in the UK for more than three consecutive years. The Board therefore assesses the impact of its support by monitoring the achievement of this objective. In 2024, the School was placed 26<sup>th</sup> globally (2023: 28<sup>th</sup>) and second in the UK (2023: third) in the Financial Times' MBA rankings. This means the School continues to meet the objective set by the Board. Improving the global ranking is an ongoing strategic focus for the School.

### **Humanitarian Programme**

Since 2011/12, the Foundation has focussed the Humanitarian Programme on relief and development support for Syrian refugees and host communities in Jordan and Lebanon, by funding over £20 million in grants for projects in the fields of education, healthcare, child protection and emergency relief.

This support continued during the year ended 31 August 2024, with a grant of £781,000 to UNHCR, the United Nations refugee agency, for the support of refugees in Lebanon.

#### *Assessment of Impact*

By supporting implementing partners that have a strong record of capability and achievement in the region, the Foundation aims to maximise the impact of its grant-making and to reach the most vulnerable beneficiaries.

Within three months of the grant to UNHCR being paid, a narrative and financial report was provided to the Foundation. It provided monitoring and evaluation of the grant and details of the impact on the beneficiaries who were supported.

## Scholarship Programme

### *Scholarships in the UK*

The Saïd Foundation has offered educational scholarships and training opportunities since 1984. Its Scholarship Programme aims to empower students through educational opportunities and provide skills needed for the development of the region. It is targeted towards outstanding individuals who demonstrate the potential to be future leaders and drivers of change within the Levant. Since 1984 the Foundation has supported over 700 scholars from the region to study in the UK.

By bringing talented scholars to study at a postgraduate level in the UK, the intention is to provide them with skills and knowledge not widely available in the Middle East, to expose them to critical and independent ways of learning and thinking, and thereby to help to create future leaders in their professional fields.

Saïd Foundation Scholarships are awarded based on merit. Applications are carefully considered by officers and Trustees of the Foundation as well as by external assessors selected from among the Foundation's alumni. The Foundation bases its decisions on candidates' academic excellence, the usefulness of the subjects to their home countries, the candidates' leadership potential, their commitment to serving their communities, their future career plans and their practical abilities to make use of the knowledge to be gained in the UK on their return to the Middle East.

In the 2024/25 application round, the Saïd Foundation received 845 (2023/24: 708) applications, of which 742 (2023/24: 600) met the programme's eligibility criteria. The selection process lasted eight months, with award letters sent from June to August 2024. Selected scholars arrived in the UK in September and October 2024. The Foundation is supporting 24 scholars for one-year master's degree studies in the UK during the academic year 2024/25, with scholars from Syria (11), Jordan (5), Lebanon (3) and Palestine (5) (academic year 2023/24: 20 scholars studying a one-year master's degree, and one scholar concluding PhD studies).

The total amount granted under the Scholarship Programme (including tuition fees, maintenance awards and travel expenses, and after unspent grants returned from previous cohorts) was £1,198,000 (2023: £982,000). This figure includes the £110,000 (2023: £146,000) cost of scholars selected separately to the main programme (see Other Scholarship Grants below).

The Foundation seeks to maximise the number of scholars it can support by working with partners who contribute financially towards scholarships. Of the 24 current scholars, three scholars are also supported by the Foreign, Commonwealth & Development Office's Chevening Scholarship programme. In addition, the Saïd Foundation has partnership agreements with 25 UK universities each providing a tuition fee discount of 20-50%. Over the last few years, the Foundation has improved communications with its alumni and keeps an up-to-date database of over 700 former scholars.

### *Rhodes Scholarships for Syria, Jordan, Lebanon and Palestine*

In academic year 2023/24, two new Rhodes Scholars from the Foundation's target countries arrived in the UK to begin their postgraduate studies at the University of Oxford, one from Syria and one from Palestine. They will spend between three to four years at the University of Oxford. This was the seventh year of the scholarship agreement between the Saïd Foundation, the Rhodes Trust and the University of Oxford, bringing the total number of Saïd Rhodes past and present students to fifteen.

### *Assessment of Impact*

The Foundation continues to monitor the Scholarships Programme throughout the year, with a formal internal evaluation report prepared every 3-5 years. The latest evaluation report in September 2022 concluded that the Scholarships Programme continued to meet its objectives of providing talented individuals with educational opportunities that enhance their personal careers and also contribute to the development of the Levant region.

### *Other Scholarship Grants*

In addition to the main Scholarship Programme, two other scholarships were awarded for undergraduate studies for one student in Spain and one student in Canada. There were also three grant payments contributing towards the tuition fees of three Gazan students studying medicine at an Egyptian University.

## Other Charitable Grants

### *The King's Foundation*

In December 2023, an agreement was signed with The King's Foundation for a grant of £4,000,000, with an additional £1,000,000 contributed directly by the Chairman himself. The grant is for the general work of The King's Foundation, which aims to create a more sustainable future by understanding the balance, the order and the relationships between humans and the natural world. As at 31 August 2024, £2,000,000 remains to be paid.

### *The Rhodes Trust*

In February 2024, an agreement was signed with The Rhodes Trust for £250,000 in support of the redevelopment of Rhodes House. This was paid in full by 31 August 2024.

### *Other Grants*

There was an unspent grant returned from Amal at the end of the matched funding period on 31 December 2023 of £240,000.

Grant payments remain ongoing for The Turquoise Mountain (Palestine) for Preserving Palestinian Craft Heritage, with £609,000 still to be paid as at the 31 August 2024. Payments are made quarterly subject to the provision of appropriate reporting.

There remains £2,000,000 to be paid in annual instalments of £500,000 to the Saïd Research Initiative on Age-related Macular Degeneration.

### Plans

The Saïd Foundation plans to continue funding the Saïd Business School Programme and Scholarship Programme, along with supporting Humanitarian work whenever funds permit.

## 3. Trustees and Management

During the year, the Board of Trustees met in October 2023 and June 2024. The Audit Committee met twice in February 2024. The Investment Committee met in September 2023, November 2023, February 2024 and June 2024. The Projects Committee met in May 2024. The Student Committee met in April and May 2024.

## 4. Financial Review

### Summary of Financial Performance

The Foundation monitors its financial performance through six key performance indicators (KPIs) which are reported to the Audit Committee and Board.

A summary of these is set out below.

KPI Area	Description	Target	2023/24	2022/23
Investment performance	Return, after fees, on financial investments	>4% above rate of CPI inflation	2.1% above target	10.4% below target
	Management fees as a percentage of financial investments	<1%	0.01%	0.00%
	Net yield from freehold properties	>5%	-2.1%	-20.6%
	Property management costs as a percentage of gross rental income	<10%	24.6%	16.6%
Operational performance	Staff and administrative costs as a percentage of charitable expenditure	<15%	3.2%	6.9%

Financial investment performance during the year exceeded the long-term objective, with a gross return of 8.3% exceeding the target of 6.3% (i.e. 4% above the 2.3% CPI inflation rate at 31 August 2024).

The net yield from the commercial freehold properties fell short of target for the second year in a row, having been impacted by the £3 million property revaluation loss.

Property management costs of £938,000 for the year ended 31 August 2024 significantly exceeded their target limit of £382,000 (i.e. 10% of gross rental income), largely related to ongoing vacancy costs at One Kingsway.

Staff and administrative costs as a percentage of charitable expenditure are below target for 2023/24, as in the previous year, largely due to significant charitable grants of £17.3 million in the year.

The value and allocation of the Foundation's investment portfolio at 31 August 2024 are summarised below, with further detail provided at note 8 to the financial statements.

	2024 (£'000s)	2024 (%)	2023 (£'000s)	2023 (%)
<b>Investment Properties</b>				
College House, London*	33,900	59%	34,000	51%
One Kingsway, Cardiff*	6,175	11%	9,100	14%
King William St, London*	7,800	14%	7,800	12%
<b>Financial Investments</b>				
Mixed Asset Funds	8,951	16%	15,554	23%
Fixed income and cash	17	0%	5	0%
Private equity	314	0%	749	1%
<b>TOTAL</b>	<b>57,157</b>	<b>100%</b>	<b>67,208</b>	<b>100%</b>

\* The values of the Investment Properties are stated without any deduction for borrowing secured on those properties. As at 31 August 2024, borrowing secured across all three properties was £27,993,000 (2023: £27,903,000)

Capital Generation Partners LLP is the Foundation's sole adviser for its financial and property investments. The financial investments are primarily invested in a multi-asset strategy designed to achieve a 4% real return over the cycle.

#### Charitable expenditure

The activities of the Foundation are funded from its investments, which are managed by professional investment and property managers. Total charitable expenditure in the year to 31 August 2024 was £17.6 million (2023: £6.9 million) and is analysed at note 4 of the financial statements.

## 5. Governance Information

### Governance and Decision Making

The Saïd Foundation is the successor organisation to the Karim Rida Saïd Foundation (KRSF) that was established in 1986. It is a UK charity registered with the Charity Commission for England and Wales and is also a company limited by guarantee and registered at Companies House. The Saïd Foundation is based in London. During the year under review, all staff, programmes and financial matters were overseen by the Chief Executive Officer (CEO).

The Trustees of the Saïd Foundation who have served during the year are set out on page 3. The Trustees normally meet twice a year and are empowered under the Articles of Association to delegate authority to sub-committees. There are five standing committees, the Nominations, Investment, Audit, Projects and Student Committees, which meet as necessary. The mandates and membership of the sub-committees are reviewed and agreed annually by the Board.

New Trustees may be appointed by the Foundation's Benefactor and the current trustees. Mr Khaled Saïd is the current Benefactor. Any transactions with Trustees or other related parties are disclosed at note 19 to the financial statements.

The Foundation's Audit Committee reviews governance arrangements annually to assess compliance with the *Charity Governance Code* published in July 2017, as updated in December 2020. While the Code is not a legal or regulatory requirement, Trustees seek to ensure the Foundation complies with it to the fullest extent reasonably possible.

### Remuneration Policy

The Board of Trustees has delegated to the Audit Committee the authority to set the salaries of the Foundation's officers in line with positions of similar responsibility in comparable organisations. The salary of the CEO is also approved by the Chairman.

### Risk Management

The Foundation's Audit Committee reviews the full risk register and the accompanying systems and controls, adding any new risks, as required, with a summary of key risks presented to the Board on an annual basis.

Trustees have identified the following principal risks facing the Foundation and have controls in place for their active management:

Principal Risks	Present Controls
<p><b>Misuse of Funds</b> The Foundation may inadvertently fund an extremist organisation or individual.</p>	<ul style="list-style-type: none"> <li>• Procedures are in place for pre-selection due diligence, and performance monitoring for all students and project partners.</li> <li>• Grant agreements are drafted to include stage payments dependent on reports detailing the delivery of agreed outcomes.</li> <li>• Projects in the Levant are implemented by large charities and international NGOs with experience of working in complex environments and with appropriate due diligence and monitoring in place.</li> </ul>
<p><b>Humanitarian Programme</b> Conflict and political instability in the Foundation's priority countries causes disruption to the delivery of projects.</p>	<ul style="list-style-type: none"> <li>• The Foundation runs no direct activity in the Middle East but maintains relationships with major agencies (the IRC, Save the Children, UNHCR and Turquoise Mountain) which have been chosen because of their experience in delivering projects in conflict-affected areas.</li> <li>• Risk assessment is undertaken during the project selection process, recognising that some risk is inevitable in order to meet the humanitarian needs. Grant agreements are drafted to include stage payments dependent on reports detailing the delivery of agreed outcomes.</li> </ul>
<p><b>Charitable Impact and Strategy</b> The Foundation's strategy is not sufficiently focussed to maximise its charitable impact, leading to charitable funds being wasted</p>	<ul style="list-style-type: none"> <li>• Annual review of objectives by the Board informs all SF programmes and funding priorities / criteria.</li> <li>• Achievement of objectives is reviewed annually by the Board and more frequently by sub-committees.</li> <li>• All funding is subject to decision by Trustees, either at Board or Projects Committee level.</li> <li>• Regular communication between Chairman and CEO on project proposals and funding.</li> </ul>

<p><b><i>Stewardship of Assets and Investments</i></b> The Foundation is unable to continue funding charitable activity due to sustained underperformance of its investment portfolio</p>	<ul style="list-style-type: none"> <li>• The Investment Committee is tasked with setting investment policy and asset allocation to achieve target returns.</li> <li>• Procedures and internal controls are in place to safeguard the Foundation's assets and to manage its liabilities.</li> </ul>
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### **Grant-making Policy**

As a charitable foundation, making grants is the primary means through which the Foundation achieves its charitable objectives. The grant-making policies for each charitable programme are summarised as follows.

- The annual funding provided for the Saïd Business School Foundation's Strategic Development Fund will continue to be provided as long the School does not cease to be ranked as one of the top three schools in the UK for more than three consecutive years; and as long as the Foundation does not reasonably consider that the annual funding paid to SBSF would be better granted to other beneficiaries.
- The Foundation's criteria for funding scholarships are available on the Foundation's website as well as through academic partners in the target countries, such as the British Council. The Student Committee awards scholarships annually following a rigorous selection process that includes interview by the Foundation, verification of references and academic transcripts, and background checks on each successful candidate. Each successful candidate must sign an award letter setting out the terms of the scholarship and funds are not advanced until those terms are met.
- The Humanitarian Programme makes grants to established international organisations and is not open to speculative applications. The Foundation selects partners with experience of working successfully in complex conflict-affected environments.
- Other grants made in pursuit of other Foundation objectives are identified as matching these objectives by Trustees and approved by the Projects Committee.

### **Public Benefit**

The Trustees have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. The Trustees consider that each of the Foundation's programmes is aimed at one or more of: the advancement of education, advancement of health / saving lives, advancing the arts and heritage, and assisting the young and/or disabled. Furthermore, while there are eligibility criteria for each of the Foundation's programmes, the Trustees are also satisfied that each programme is targeted at a sufficiently wide section of the public to meet the 'public benefit' test.

### **Investment Policy**

Under the Articles of Association, the Trustees have wide investment powers, including the power to appoint investment managers provided the managers are given clear investment guidelines and are monitored by the Trustees. The overall financial and investment objectives of the Fund are to provide a stream of income to support the Foundation's mission.

### **Reserves Policy**

As the Foundation does not usually fundraise externally, income from investments represents its primary source of revenue alongside new donations from the Chairman and Benefactor. Until last year, the objective of the Trustees was that the value of the endowment fund should not be permitted to fall below (across the economic cycle) the value of the unrestricted donations made by the Chairman since 1986, uplifted in line with inflation. In light of the current property market and recent new grant commitments, the Trustees approved an updated reserves policy at the Board meeting in November 2024.

The Foundation's new reserves policy has been determined by the Trustees and is to hold reserves of at least five years' funding for its core programmes (the Scholarship Programme and the Saïd Business School Strategic Development Fund, together with the associated staff and administrative costs). The Trustees review performance against this objective on an annual basis and when reviewing new grant commitments.

At 31 August 2024, the Foundation's endowment fund was valued at £25.3 million (2023: £43.1 million). In line with the new reserves policy, the total projected cost of the core charitable programmes, plus staff and administrative costs, for the next five years produced a minimum reserve figure of £16.4 million.

### **Fundraising Policy**

The Foundation is an endowed charity and does not rely on donations from the public or third parties to fund its charitable activities. It therefore has no fundraising requirement and does not devote significant resources to fundraising. However, the Foundation follows the Fundraising Regulator's Code of Fundraising Practice to the extent that it is applicable.

### **Appointment of Auditors**

Crowe U.K. LLP were appointed as auditors for the 2023/24 financial year in accordance with section 485 of the Companies Act 2006.

### **Audit information**

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report was approved by the Trustees on 19/05/2025 and signed on its behalf by:

*Sir Michael Peat*

Sir Michael Peat  
Trustee and Chairman of the Audit Committee

### Statement of Trustees' responsibilities

The Trustees (who are also Directors of the Saïd Foundation for the purposes of company law) are responsible for preparing the Trustees' Report 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'.

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming/outgoing resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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
- prepare the financial statements on the going concern basis, unless it is inappropriate to assume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that 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 also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF THE SAÏD FOUNDATION****Opinion**

We have audited the financial statements of The Saïd Foundation (the charitable company) for the year ended 31 August 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow statement and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2024 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

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

**Other information**

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purpose of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the Strategic Report and the Directors' Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

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

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

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

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

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities on page 14, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We obtained an understanding of the legal and regulatory frameworks within the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Employment law and tax law.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context are charity law.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within valuation of investments, recognition of debtor from Chairman, discounting of grants and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, testing of discount rate and direct confirmation from the Chairman with respect to the debtor balance, and reading minutes of meetings of those charged with governance.

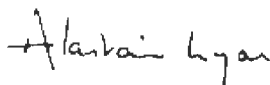
Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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

#### **Use of our report**

This report is made solely to the charitable company's member 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 member those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's member, for our audit work, for this report, or for the opinions we have formed.



Alastair Lyon  
Senior Statutory Auditor  
For and on behalf of  
**Crowe U.K. LLP**  
Statutory Auditor  
**Reading**

**21 May 2025**

**The Saïd Foundation**  
**Statement of Financial Activities**  
**incorporating Income and Expenditure Account**  
**for the year ended 31 August 2024**

	Note	Unrestricted Funds - Expendable Endowment £000's	Total 2024 £000's	Total 2023 £000's
<b>INCOME FROM:</b>				
- Donations	2	1,034	1,034	5,093
- Investments	3	3,840	3,840	3,767
- Other income		21	21	21
<b>Total income</b>		<u>4,895</u>	<u>4,895</u>	<u>8,881</u>
<b>EXPENDITURE ON:</b>				
<i>Raising funds:</i>				
- Investment management costs		(938)	(938)	(624)
- Interest on borrowings		(843)	(843)	(968)
- Other expenditure on raising funds		(1)	(1)	(4)
- Movement on bad debt provision		58	58	59
<i>Charitable expenditure:</i>				
- Humanitarian Programme	4	(819)	(819)	(20)
- Saïd Business School Programme		(11,255)	(11,255)	(1,525)
- Scholarship Programme		(1,386)	(1,386)	(1,250)
- Other Charitable Expenditure		(4,172)	(4,172)	(4,148)
<b>Total expenditure</b>		<u>(19,356)</u>	<u>(19,356)</u>	<u>(8,480)</u>
Net (losses) on investment properties		(3,025)	(3,025)	(12,658)
Net gains on financial investments		1,067	1,067	44
Net (losses) on interest rate swap		(1,368)	(1,368)	(149)
Net (losses) on foreign currency movements		(103)	(103)	(545)
<b>Net (losses)</b>		<u>(3,429)</u>	<u>(3,429)</u>	<u>(13,308)</u>
<b>Net (expenditure) and net movement in funds for the year</b>	6	<u>(17,890)</u>	<u>(17,890)</u>	<u>(12,907)</u>
<b>RECONCILIATION OF FUNDS</b>				
Funds brought forward 1st September	13,14	43,149	43,149	56,056
<b>Funds carried forward 31st August</b>	13,14	<u>25,259</u>	<u>25,259</u>	<u>43,149</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

**The Saïd Foundation**  
**Balance Sheet at 31 August 2024**

	Note	2024 £000's	2023 £000's
<b>Fixed assets</b>			
Investment properties	8b	47,875	50,900
Financial investments	8c	<u>9,282</u>	<u>16,308</u>
<b>Total fixed assets</b>		<u><b>57,157</b></u>	<u><b>67,208</b></u>
<b>Current assets</b>			
Debtors, prepayments and accrued income	9	10,895	12,597
Cash at bank and in hand		1,307	1,534
Interest rate swap		<u>234</u>	<u>1,602</u>
<b>Total current assets</b>		<u><b>12,436</b></u>	<u><b>15,733</b></u>
Creditors falling due within one year	10a	(6,199)	(9,593)
<b>Net current assets</b>		<u><b>6,237</b></u>	<u><b>6,140</b></u>
<b>Total assets less current liabilities</b>		<b>63,394</b>	<b>73,348</b>
Creditors falling due after more than one year	10b	(38,135)	(30,199)
<b>Net assets</b>		<u><b>25,259</b></u>	<u><b>43,149</b></u>
<b>The funds of the charity</b>			
Restricted funds	13	-	-
Unrestricted funds			
- Expendable endowment fund	14	25,259	43,149
<b>Total charity funds</b>		<u><b>25,259</b></u>	<u><b>43,149</b></u>

The notes on pages 21 to 31 form part of the financial statements.

Approved by the Board of Trustees on 19/05/2025

and signed on its behalf by:

*Sir Michael Peat*

.....  
Sir Michael Peat  
Trustee

Registered Company No: 06621764

**The Saïd Foundation**  
**Cash Flow Statement**  
**for the year ended 31 August 2024**

	Note	2024 £000's	2023 £000's
<b>Cash used in operating activities</b>	12a	(11,022)	(3,883)
<b>Cash flows from investing activities</b>			
- Interest and rents received	12b	3,347	3,583
- Receipts from sale of investments		7,980	1,414
- Payments to buy new investments		-	(295)
- Additions to tangible fixed assets		-	-
- Capital expenditure on investment properties		-	-
		<u>11,327</u>	<u>4,702</u>
<b>Cash flows from financing activities</b>			
- Payment of interest		(532)	(759)
		<u>(532)</u>	<u>(759)</u>
(Decrease)/Increase in cash and cash equivalents during the year		<u>(227)</u>	<u>60</u>
Cash and cash equivalents at the beginning of the year		1,534	1,474
<b>Cash and cash equivalents at the end of the year</b>		<u><u>1,307</u></u>	<u><u>1,534</u></u>

A reconciliation of net debt is included at note 12(c).

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2024**

## 1 ACCOUNTING POLICIES

### a) Basis of preparation

The financial statements have been prepared in accordance with *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)*, the Charities Act 2011, as amended by the Charities Act 2022, and the Companies Act 2006. The Foundation meets the definition of a 'public benefit entity' under FRS 102. The financial statements are prepared under the historic cost convention except where otherwise stated. The majority of the Foundation's assets and liabilities are denominated in Pounds Sterling. The functional currency of the Foundation is therefore considered to be Pounds Sterling and the Financial Statements are presented in that currency. The Saïd Foundation is a company limited by guarantee and is incorporated in England and Wales. Its registered office address is Floor 3, College House, 272 King's Road, London, SW3 5AW.

### b) Income

Income is recognised when the Foundation has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Income from operating leases is recognised on a straight-line basis over the lease term, net of lease incentives. Lease incentives are typically granted at the commencement of the lease term and are then accrued and recognised on a straight-line basis over the lease term.

### c) Expenditure and irrecoverable VAT

Expenditure is recognised once: there is a legal or constructive obligation to make a payment to a third party arising from a past event; it is probable that settlement will be required; and the amount of the obligation can be measured reliably. Expenditure relates either to raising funds (principally the costs directly attributable to managing the investment portfolio and investment properties) or to charitable activities. Expenditure on charitable activities is analysed between the Foundation's major charitable programmes at note 4 to the accounts.

The Foundation is registered for VAT and recovers input tax to the fullest extent possible. However, the majority of the Foundation's transactions are outside of the scope of VAT and irrecoverable VAT is therefore charged as a cost against the activity for which the expenditure was incurred.

### d) Fund accounting

Restricted funds are donations which the donor has specified are to be solely used for particular grant-making activities. Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Foundation. Analyses of income, expenditure and net assets of the Foundation's restricted and unrestricted funds are shown at notes 13, 14 and 15 to the accounts.

### e) Financial instruments

The Foundation holds financial assets and financial liabilities classified as 'basic' financial instruments, such as receivables, loans and payables, as well as 'other' financial instruments, being an interest rate swap. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest rate method. Other financial instruments are measured at market value at each reporting date, with movements in market value included in net income. In October 2021, the Foundation entered into an interest rate swap in relation to the facility agreement with Citibank. This is measured at market value at each reporting date, with movements in market value included in net income.

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2024**

**1 ACCOUNTING POLICIES (continued)**

**f) Foreign currencies**

Transactions denominated in foreign currency are recognised at the exchange rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at the exchange rate on the balance sheet date. All gains and losses on exchange, realised and unrealised, are charged to the Statement of Financial Activities and included in the net movement on funds.

**g) Investment properties**

Investment properties are held to earn rental income and for capital appreciation, and are not used in connection with the Foundation's charitable activities. Investment properties are held at fair value at the balance sheet date. Depreciation is not provided on investment property.

Subsequent to purchase, an investment property carried at fair value may be subject to further expenditure on improvements or refurbishment. Such expenditure is capitalized where it is expected that the work will enhance the income-generating potential of the asset. The costs of such work are added to the carrying value of the asset which is subject to re-measurement as part of future revaluations.

The Foundation determines the fair value of its investment properties by commissioning valuations from independent, third-party valuers with appropriate professional skills and experience. These valuations are commissioned on a 'market value' basis sufficiently frequently to satisfy the Trustees that the book value is a materially accurate estimate of the fair value at the reporting date. Further details about the valuations of individual investment properties are shown at note 8 to the accounts.

**h) Financial investments**

Quoted investments are stated at market value at the balance sheet date. Unquoted investments are valued at the Foundation's best estimate of fair value based on valuations provided by fund managers and reviewed by the Foundation's investment advisers.

Where a valuation is not available at the balance sheet date, the most recent valuation from the fund manager is used, adjusted for cash flows and foreign exchange movements in the period between the valuation and the balance sheet date, and for any evidence of impairment between the most recent valuation date and the financial year end.

**i) Grant commitments**

Grant expenditure is recognised when the grant has been approved by the Foundation's Board of Trustees, Student Committee or Projects Committee and a constructive obligation is considered to exist. Grants which remain unpaid at the end of a period are carried forward as liabilities, as set out in note 10 to the accounts.

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2024**

**1 ACCOUNTING POLICIES (continued)**

**j) Going concern**

The Foundation's Statement of Investment Policies states that the objectives of the investment portfolio are to provide a stream of funding in support of the Foundation's mission, and to preserve and enhance the real (inflation-adjusted) purchasing power of the assets. The Foundation holds a prudent level of cash to meet short-term liabilities, and its Financial Controller, CEO and Audit Committee members regularly review a cash flow forecast to ensure that the level of cash held is sufficient to meet all expected liabilities as they fall due.

The majority of the Foundation's investment portfolio is held in directly-owned properties which provides the Foundation with a regular stream of cash receipts from tenants. In the event of an unexpected shortfall in rental income, the mixed asset funds within the Foundation's financial asset portfolio can be exchanged for cash on a monthly basis.

Accordingly, the Trustees consider it appropriate to continue to adopt the going concern basis in preparing the financial statements.

**k) Critical accounting judgments and sources of estimation uncertainty**

In the application of these accounting policies, the Trustees have made two judgments that have a significant effect on the financial statements.

The Grant Agreement between the Foundation and SBSF confirms that the Foundation has a long-term commitment to SBSF for at least five years. For 2023/24 that commitment was for £1.4 million (2022/23: £1.3 million) and it rises each year in line with the annual increase in the CPI inflation index. In January 2023 it was agreed to cap the uplift at 5% for the current and future years. However, the agreement also states that there are circumstances in which this funding could cease. Therefore, SF recognises one year's funding for SBSF in each year's financial statements.

In applying the requirement under paragraph 7.9 of the FRS 102 SORP to discount long-term grant liabilities to their present value, the Trustees have used HM Treasury's forecast medium-term CPI inflation rate for 2024 and beyond which was 2.27% at the end of August 2024. In accordance with paragraph 11.20 of FRS 102, grants committed in prior years are discounted using the original discount rate (i.e. the prevailing CPI inflation rate forecast in the year of initial recognition).

The CPI inflation rate forecast was chosen as the discount rate because SF's charitable expenditure is funded from an endowment which is invested to achieve a return calculated with reference to the rate of change in the CPI inflation index. Further information about HM Treasury's forecast inflation rates can be found at <https://www.gov.uk/government/collections/data-forecasts>.

The Trustees have also noted one significant valuation, being the valuation of investment property assets. The Trustees' approach to the valuation of each investment property is described at note 8 to the accounts. However, there remains a risk that, if the assets were realised, the sale proceeds might differ materially from the estimates made by the Trustees and their professional advisers.

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2024**

**2 Donations**

	Restricted 2024 £000's	Unrestricted Funds - Expendable Endowment 2024 £000's	Total 2024 £000's	Total 2023 £000's
General donations	-	34	34	-
Donations from the Benefactor	-	1,000	1,000	-
Donations from the Chairman	-	-	-	5,093
<b>Total</b>	<b>-</b>	<b>1,034</b>	<b>1,034</b>	<b>5,093</b>

**3 Income from investments**

	Total 2024 £000's	Total 2023 £000's
Bank interest	20	8
Rents and other income from investment properties	3,820	3,759
<b>Total</b>	<b>3,840</b>	<b>3,767</b>

No income is received from the main part of the Foundation's financial assets, which are managed by Capital Generation Partners. The income is accumulated. The movement in the value of the investments managed by Capital Generation Partners is shown under net gains/losses on financial investments.

**4 Analysis of expenditure on charitable activities**

	Humanitarian Programme £000's	Saïd Business School Programme £000's	Scholarship Programme £000's	Other Charitable Expenditure £000's	Total 2024 £000's	Total 2023 £000's
- Grant commitments	781	11,359	1,216	4,250	17,606	6,584
- Unspent grants returned	-	-	(18)	(240)	(258)	(43)
- Financing adjustment related to discounting future grant liabilities	-	(359)	-	(66)	(425)	(314)
- Financing cost related to the unwinding of discounted grant liabilities	-	-	-	128	128	202
- Staff costs (note 7)	22	16	137	16	191	201
- Directly allocated support costs	-	-	22	-	22	35
- Apportioned support cost (note 5)	13	191	23	67	294	197
- Governance costs (note 5)	3	48	6	17	74	81
<b>Total</b>	<b>819</b>	<b>11,255</b>	<b>1,386</b>	<b>4,172</b>	<b>17,632</b>	<b>6,943</b>

Expenditure on charitable activities was £17.6 million, including the following significant grant commitments:

- £10.0 million to the Oxford Saïd Future Leaders Scholarships (under Saïd Business School Programme);
- £4.0 million to The King's Foundation (under Other Charitable Expenditure);
- £1.4 million to the Saïd Business School Foundation for the Strategic Development Fund;
- £1.2 million of scholarship grants largely related to scholars studying in the 2024/25 academic year;
- £0.8 million to UNHCR in support of refugees in Lebanon; and
- £0.25 million to The Rhodes Trust (under Other Charitable Expenditure).

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2024**

**5 Analysis of governance and support costs**

The Foundation initially identifies support costs which relate directly to each of the charitable programmes listed above and allocates them to the activity to which they relate. The remaining support costs which cannot be directly allocated (such as premises expenses and general office expenses) are then apportioned between 'support' and 'governance' functions, and further apportioned between the four charitable activities based on total charitable expenditure attributable to each programme. This apportionment is shown at note 4, above.

The table below shows the support and governance costs which have been apportioned in this way, and notes the basis on which the apportionment has been made:

	Support £000's	Governance £000's	Total £000's	Basis of Apportionment
Premises expenses	30	-	30	<i>Allocated to support</i>
Salaries, wages and related costs	177	44	221	<i>Estimate of staff time</i>
General office expenses	83	-	83	<i>Allocated to support</i>
Audit fees	-	19	19	<i>Allocated to governance</i>
Travelling	3	-	3	<i>Allocated to support</i>
Legal and professional fees	1	11	12	<i>Allocated on nature of advice received</i>
	<u>294</u>	<u>74</u>	<u>368</u>	

**6 Analysis of net movement in funds for the year**

Net movement in funds for the year is stated after charging:

	Total 2024 £000's	Total 2023 £000's
Auditors' remuneration (excluding irrecoverable VAT):		
- Statutory audit fees	19	28

**7 Analysis of staff costs and remuneration of key management personnel**

	Total 2024 £000's	Total 2023 £000's
Salaries	297	284
National Insurance	29	31
Employer's pension contributions and other benefits	43	45
Staff training	1	-
Settlement payments	42	-
	<u>412</u>	<u>360</u>

Of the £412,000 total staff costs analysed above, £191,000 has been allocated to charitable programmes and other charitable expenditure (see note 4) and £221,000 has been allocated to support and governance costs (see note 5).

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2024**

**7 Analysis of staff costs and remuneration of key management personnel (continued)**

The average full-time equivalent (FTE) employees during the year was 5 (2023: 5). The average number of staff on a head count basis in the year was 5 (2023: 5). The Foundation contributed between 5-10% of each employee's gross salary to a registered pension scheme. In addition, all employees contributed 3% of gross salary. Employees are also entitled to membership of a private medical insurance scheme after satisfactory completion of their probationary period. No other employee benefits were paid during the year.

The charity's key management personnel comprised the Chief Executive Officer (CEO). The CEO's total remuneration (excluding employer's pension contributions) in the year to 31 August 2024 was £102,883 (2023: £102,887). The Foundation also made pension contributions to a money purchase pension scheme of £14,226 (2023: £14,167) and paid employer's National Insurance contributions of £12,943 (2023: £13,139) in respect of the CEO. The staff costs for the year to 31 August 2024 include £41,660 of settlement payments in relation to two staff members, as a result of a reorganisation.

The numbers of employees whose remuneration and benefits, excluding employer's pension and employer's National Insurance contributions, for the year fell within the following bands were:

	2024 Number	2023 Number
£100,000 to £109,000	1	1

The Foundation's trustees were not paid any remuneration nor received any other benefits from the Foundation or a related entity. No trustees (2023: one trustee) received reimbursements for administrative expenses incurred whilst on Saïd Foundation business (2023: £60).

**8 Fixed Assets**

**a) Analysis of Investments**

The Foundation's Statement of Investment Policies sets out the overall objectives for the investment portfolio, which are to provide a stream of funding in support of the Foundation's mission, and to at least preserve the real (inflation-adjusted) purchasing power of the assets. The Board of Trustees alone is empowered to vary these policies, although management of the portfolio within these objectives is delegated to the Investment Committee.

The Foundation's investment portfolio consists of the following asset classes, all of which are held at fair value:

	2024 £000's	2024 %	2023 £000's	2023 %
<i>Investment properties:</i>				
- College House, London SW3	33,900	59%	34,000	51%
- One Kingsway, Cardiff	6,175	11%	9,100	14%
- King William Street, London EC4	7,800	14%	7,800	12%
<i>Financial investments:</i>				
- Mixed asset funds	8,951	16%	15,554	23%
- Fixed income and cash	17	0%	5	0%
- Private equity	314	0%	749	1%
	57,157	100%	67,208	100%

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2024**

**b) Analysis of Investment Properties**

	2024 £000's	2023 £000's
Market value at 1st September	50,900	62,405
Additions (costs of improvement and refurbishment work)	-	295
Reclassification as tangible fixed asset	-	858
Net revaluation (losses)	(3,025)	(12,658)
<b>Market value at 31st August</b>	<b>47,875</b>	<b>50,900</b>
Historical cost at 31st August	66,224	66,224

The Foundation holds three investment properties:

College House, King's Road, London, SW3

The property was purchased in October 2014 for £36.4 million. A professional valuation undertaken in August 2024 by Knight Frank in accordance with the Royal Institute of Chartered Surveyors (RICS) Red Book valued the asset at £33.9 million. The Trustees believe that this represented fair value at 31 August 2024. This valuation reflects a £0.1 million reduction compared to the November 2023 Knight Frank valuation.

One Kingsway, Cardiff

The property was purchased in February 2016 for £18.15 million. A professional valuation, undertaken in August 2024 by Cushman & Wakefield in accordance with the RICS Red Book, valued the asset at £6.175 million. The Trustees consider this represented a fair value at 31 August 2024. It represents a £2.925 million reduction compared to the December 2023 valuation of £9.1 million.

King William Street, London, EC4

The property was purchased in May 2017 for £9.40 million. A professional valuation undertaken in August 2024 by Cushman & Wakefield in accordance with the RICS Red Book valued the asset at £7.8 million, with no change in value since November 2023. The Trustees consider this represented a fair value at 31 August 2024.

**c) Analysis of financial investments**

	Market value at 01.09.2023 £000's	Purchase of new investments £000's	Proceeds from sale / distribution £000's	Investment Gains/(Losses) and Foreign Exchange Movement £000's	Market value at 31.08.2024 £000's
Mixed asset funds	15,554	-	(7,682)	1,079	8,951
Fixed income and cash	5	-	-	12	17
Private equity	749	-	(298)	(137)	314
<b>Total</b>	<b>16,308</b>	<b>-</b>	<b>(7,980)</b>	<b>954</b>	<b>9,282</b>

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2024**

**9 Debtors and prepayments**

	2024 £000's	2023 £000's
Sundry debtors	9,807	11,494
Accrued income	991	809
Prepayments	97	294
<b>Total</b>	<b>10,895</b>	<b>12,597</b>

Within Sundry debtors, £9.5 million is owed by the Chairman (2023: £9.7 million) in relation to the following grant commitments: £3.1 million Osney Power Station, £3.0 million Saïd Research Initiative, £1.2 million Turquoise Mountain (Palestine), £2.2 million Humanitarian Programme, and £50,000 Chance to Change Foundation.

**10 Creditors****a) Amounts falling due within one year**

	2024 £000's	2023 £000's
Grant commitments not yet paid	5,307	8,184
Accruals and deferred income	669	1,059
Trade creditors	102	108
Taxation and social security	121	242
<b>Total</b>	<b>6,199</b>	<b>9,593</b>

'Accruals and deferred income' includes a balance of £236,000 (2023: £547,000) relating to rental income from investment properties received in advance. The balance at year end will be recognised in the income and expenditure account in full by September 2024, as the standard rental quarter invoiced in June 2024 runs from 24 June to 28 September 2024.

**b) Amounts falling due after more than one year**

	2024 £000's	2023 £000's
Bank loans	27,992	27,903
Grant commitments not yet paid	10,143	2,296
	<b>38,135</b>	<b>30,199</b>

In October 2021, the Foundation refinanced from two bank loans to one £28 million facility. The £28 million loan is secured on all three investment properties. The Foundation is committed to make quarterly payments of interest over a three-year term, with the principal repayable in full at the end of the term. The loan was extended by one year in October 2024 at a reduced principal of £25.5 million, which is repayable in full at the end of the term in October 2025. The lender holds a first legal charge over the properties as security, and rental income from the properties is remitted to the Foundation after the lender's interest and fees are deducted.

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2024**

**11 Grant commitments not yet paid**

Grant commitments not yet paid at 31 August 2024 comprised the following balances:

	£000's
Saïd Business School (Oxford Saïd Future Leaders Scholarships)	9,000
Saïd Research Initiative	2,000
The King's Foundation	2,000
Saïd Business School Foundation (Strategic Development Fund)	1,359
Turquoise Mountain (Palestine)	609
Amal	3
UK Scholarship Programme	1,053
Other Scholarship Programmes	37
Less: adjustment to discount grant liabilities required by FRS102	(611)
<b>Total grant commitments not yet paid</b>	<b><u>15,450</u></b>

**12 Cash Flow Statement****a) Reconciliation of net movement in funds to net cash flow from operating activities:**

	2024 £000's	2023 £000's
Net income / (loss) for the year (as per Statement of Financial Activities)	(17,753)	(12,907)
Adjusted for:		
Returns on investment	(3,820)	(3,759)
Losses on investments and investment properties	1,934	13,168
Depreciation charge	-	8
Interest paid on borrowings	843	968
Interest received on cash balances	(20)	(8)
Decrease in debtors	1,884	472
Decrease in creditors	4,542	(1,974)
Gains on interest rate swap	1,368	149
<b>Net cash (used in) operating activities</b>	<b><u>(11,022)</u></b>	<b><u>(3,883)</u></b>

**b) Analysis of cash flows from interest and rents from investment properties:**

	2024 £000's	2023 £000's
Interest from financial investments	20	8
Rental income from investment properties	3,327	3,575
<b>Total</b>	<b><u>3,347</u></b>	<b><u>3,583</u></b>

**c) Reconciliation of movements on net debt**

	Net debt at 01.09.2023 £000's	Cash flows £'000s	Non-cash movements £'000s	Net debt 31.08.2024 £000's
Cash at bank and in hand	1,534	(227)	-	1,307
Bank loans due within one year	-	-	-	-
Bank loans due after one year	(27,903)	-	(89)	(27,992)
Total bank loans	(27,903)	-	(89)	(27,992)
<b>Net debt</b>	<b><u>(26,369)</u></b>	<b><u>(227)</u></b>	<b><u>(89)</u></b>	<b><u>(26,685)</u></b>

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2024**

**13 Analysis of restricted funds**

During the year, the Foundation received no restricted donations.

**14 Analysis of unrestricted funds**

	Balance 01.09.23 £000's	Income £000's	Expenditure £000's	Other Gains and (Losses) £000's	Balance 31.08.24 £000's
Expendable endowment fund	<u>43,149</u>	<u>4,895</u>	<u>(19,356)</u>	<u>(3,429)</u>	<u>25,259</u>

**Expendable endowment fund**

The Foundation's endowment fund is maintained to generate income to enable the continuing fulfilment of the Foundation's objectives. The Trustees' power to spend the Fund is not restricted by donors or by the Foundation's constitution, providing it is spent to meet the charitable objectives. The Trustees' agreed in November 2024 to amend the reserves policy to maintain sufficient reserves for five years of core activities.

**15 Analysis of net assets between funds**

	Restricted Funds £000's	Unrestricted Funds - Expendable Endowment £000's	Total 2024 £000's	Total 2023 £000's
Investment properties	-	47,875	47,875	50,900
Financial investments	-	9,282	9,282	16,308
Current assets	-	12,436	12,436	15,668
Creditors falling due within one year	-	(6,199)	(6,199)	(9,528)
Creditors falling due after one year	-	(38,135)	(38,135)	(30,199)
<b>Net Assets</b>	<u>-</u>	<u>25,259</u>	<u>25,259</u>	<u>43,149</u>

**16 Contingent liabilities and commitments**

The Foundation's grant agreement with SBSF, as updated in June 2023, states that, in the event that the Trustees decide to cease the annual SDF funding for SBSF, the Foundation will nevertheless provide funding to SBSF to ensure that the SDF commitments already made can be met.

At 31 August 2024, these future grant commitments totalled £4.7 million. In addition, the Foundation has a creditor balance of £1.4 million under Grant Commitments due within one year in respect of the annual funding commitment for 2023/24.

The Trustees do not consider it likely that there would be a change to the annual funding approach which would cause the contingent liability of £4.7 million to be crystallised. However, the new reserves policy from November 2024 onwards is based on preserving a minimum reserves figure that includes the projected cost of the annual grant for SDF.

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2024**

**17 Operating leases**

The Foundation is lessor of 22 individual lease arrangements for office and retail units at its three investment properties. The leases are all classified as operating leases and the income from these leases is recognised on a straight-line basis over the lease term. In addition to amounts accrued to the period end, the Foundation is entitled to receive the following future minimum lease payments under non-cancellable operating leases:

	2024 £000's	2023 £000's
Amounts due:		
Not later than one year from 31 August	3,178	3,144
Later than one year and not later than five years from 31 August	9,287	8,625
Later than five years from 31 August	9,215	7,838
<b>Total rental income from operating leases</b>	<b>21,680</b>	<b>19,607</b>

**18 Financial instruments**

	2024 £000's	2023 £000's
Financial investments	9,282	16,308
Interest rate swap	234	1,602
Financial assets held at fair value	<b>9,516</b>	<b>17,910</b>

Financial assets held at fair value comprise financial investments and an interest rate swap.

**19 Transactions with trustees and connected persons**

Three Saïd Foundation Trustees are also Directors of The Saïd Business School Foundation Trustee Ltd, which is sole trustee of the Saïd Business School Foundation. They are Mr Wafic Saïd, Mr Khaled Saïd and Lord Powell of Bayswater. Grants made to the Saïd Business School Foundation during the year, and amounts owed at 31 August (before discounting), were:

	Grant Commitments 2024 £000's	Amount owed 2024 £000's	Grant Commitments 2023 £000's	Amount owed 2023 £000's
Osney Power Station grant	-	-	-	4,835
Strategic Development Fund	1,359	1,359	1,294	1,294
<b>Total</b>	<b>1,359</b>	<b>1,359</b>	<b>1,294</b>	<b>6,129</b>

Donations made by the Chairman are disclosed separately at note 2 to the financial statements. The Chairman made no donations during the year to 31 August 2024 (2023: £5,093,000). £9.5 million of Chairman's commitments from the current and previous years were outstanding as at 31 August 2024 (2023: £9.7 million).

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2024**

**19 Transactions with trustees and connected persons (continued)**

During the year ended 31 August 2024, Mr Khaled Saïd (the Foundation's Benefactor) made a donation of £1 million to the Foundation, as shown in note 2 to the financial statements.

Mr Khaled Saïd is a Partner of Capital Generation Partners LLP which provides the Foundation with investment and property management advice. In the year to 31 August 2024, the firm charged £128,000 before VAT for property management advice (2023: £128,000 before VAT) and nil for investment management services (2023: nil). Of this, no balance remained outstanding at year end (2023: £38,400). Mr Khaled Saïd recused himself from decisions made about the appointment of Capital Generation Partners at meetings of the Foundation's Board of Trustees.

Mr Khaled Saïd is also a trustee of The Turquoise Mountain Trust. In June 2023, the Foundation signed a grant agreement with The Turquoise Mountain Trust. The grant amount outstanding at the year end is £609,000 (2023: £1,063,000).

Lord Powell of Bayswater is a member of the Board of the Northern Trust Corporation of the United States which provides custody and brokerage services for investments held by the Foundation. In the year to 31 August 2024, the Foundation paid Northern Trust £798 in custody fees (2023: £831) and nil in brokerage commissions (2023: nil). The decision to appoint Northern Trust was taken by the Investment Committee of which Lord Powell is not a member.

Since September 2020, Ms Catherine Roe, one of the Foundation's Trustees until 6<sup>th</sup> January 2021, has been the Chief Executive of Amal (registered charity number 1190887). The Foundation pledged funding of up to £800,000 to Amal, of which £3,000 remained unpaid at the year-end (2023: £256,927).

**20 Analysis of Statement of Financial Activities – prior year comparatives**

There were no restricted funds in 2023. All income and expenditure was part of unrestricted funds (the expendable endowment).

**THE SAID FOUNDATION**

England & Wales - Charity number 1125521

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# Accounts

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# **The Saïd Foundation**

Annual Report and Audited Accounts for the  
year ended 31 August 2023

Charity number: 1125521

Company number: 06621764



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**Reference and Administrative Information**

<b>Charity Registration Number</b>	1125521
<b>Company Registration Number</b>	06621764
<b>Correspondence and registered office address</b>	Floor 3, College House, 272 King's Road, London, SW3 5AW
<b>Website</b>	<a href="http://www.saidfoundation.org">www.saidfoundation.org</a>
<b>Board of Trustees</b>	Mr Wafic R Saïd (Chairman) Dr Rasha Saïd (Deputy Chair) Mr Jonathan Aitken Mrs Sirine Idilby Sir Michael Peat Lord Powell of Bayswater Mrs A Rosemary Saïd Mr Khaled R Saïd Mrs Nadine Zakaria
<b>Chief Executive Officer</b>	Ms Catherine Thomé
<b>Auditors</b>	CLA Evelyn Partners Limited Cumberland House 15-17 Cumberland Place Southampton SO15 2BG
<b>Bankers</b>	Citi Private Bank Citigroup Centre Canada Square Canary Wharf London E14 5LB  UBS Zurich AG Paradeplatz 6 CH-8098 Zurich Switzerland
<b>Legal Advisers</b>	Bates Wells 10 Queen Street Place London EC4R 1BE  Stephenson Harwood 1 Finsbury Circus London EC2M 7SH
<b>Investment and Property Advisers</b>	Capital Generation Partners LLP Berkeley Square House London W1J 6BX

## Trustees' Report incorporating the Strategic Report

The Trustees present the report and financial statements for the period from 1 September 2022 to 31 August 2023. The Trustees are also Directors of the company for the purposes of the Companies Act 2006. The financial statements have been prepared in accordance with the accounting policies set out therein and comply with the Memorandum and Articles of Association, applicable law, *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 2019)* and the Companies Act 2006.

### 1. Mission, Objectives and Programmes

The charitable object of The Saïd Foundation as set out in its Memorandum and Articles of Association is “to advance all exclusively charitable purposes in accordance with English law for the public benefit”.

The Trustees retain a focus on the Middle East, particularly the priority areas of Syria, Palestine, Lebanon and Jordan. However, they also fund projects in the UK through the Saïd Business School Programme and the Saïd Research Initiative. In October 2023, the Board of Trustees reviewed the vision, mission, guiding principles and objectives set out below.

The **vision** is of a world where people from all backgrounds can realise their full potential.

The **mission** is to bring positive and lasting change to the lives of children, young people and the wider community through carefully selected investments in themes and geographies with which the Saïd family and The Saïd Foundation have developed strong links and expertise.

The **guiding principles** are as follows:

1. A conviction that education is a powerful tool to change lives for the better and that higher education, in particular, plays a valuable role in creating enlightened and effective leadership which benefits the broader community.
2. An approach that is non-sectarian and non-political.
3. Recognition of the need to build capacity and capability across the countries in which the Foundation works.
4. An understanding of the importance of bridge building, communication, and respect across cultures.
5. A desire to enhance and learn from the thematic and regional experience of the Foundation and to benefit from synergy between programmes.
6. The potential to promote philanthropy and to maximise the impact of specific projects through partnerships with organisations that share our objectives.

The **objectives** are:

1. To assist the Saïd Business School at Oxford University in its pursuit of excellence and its goal of achieving a top ten place among global business schools, as well as in its desire to promote the beneficial role of business in society.
2. To support the humanitarian relief and development needs of displaced Syrian people.
3. To support the higher education of students in order to promote the sustainable development of the Levant region.
4. To improve the lives of disadvantaged communities in the Levant region.
5. To increase understanding of Britain's Muslim communities among its non-Muslims and to foster a stronger sense of belonging in the UK among Muslim communities in the UK.
6. To enable disadvantaged students in the UK and overseas to realise their full potential through educational and vocational training, and internship opportunities.

These objectives are pursued through three main related **programmes**:

1. The **Saïd Business School Programme** makes grants to the Saïd Business School Foundation for its Strategic Development Fund with a view to establishing and maintaining the School as one of the world's top and most influential business schools.

2. The **Humanitarian Programme** supports the educational and development needs of displaced Syrians in Lebanon and in Jordan.
3. The **Scholarships Programme** provides financial support, directly and with partner organisations, to students from the Levant region who demonstrate particular potential to pursue higher education so that they can expand their skills and knowledge in relevant fields and thereby enhance their contribution to the development of the region.

In addition to these three main programmes, the Foundation also funds other charitable organisations.

The Foundation is non-sectarian and non-political. Its partners are individuals, non-governmental organisations, educational institutions, UN agencies and other charities. The Foundation regularly reviews its objectives and programme priorities, especially those in the Levant region, to ensure the most effective deployment of its funds.

## 2. Review of Programmes

### Summary

The Foundation made grant commitments of £6.5 million in 2022/23 across the three main charitable programmes, as well as through other charitable expenditure. A summary of this grant expenditure is shown below, with further detail set out at note 4 to the accounts:

Programme	Grants Committed 2022/23 (£'000s)	Grants Committed 2021/22 (£'000s)
Saïd Business School Programme	1,294	1,232
Humanitarian Programme	-	10
Scholarship Programme	982	1,326
Other Charitable Expenditure	4,265	-
<b>TOTAL</b>	<b>6,541</b>	<b>2,568</b>

Other charitable expenditure included: the Chance to Change Foundation, Saïd Research Initiative and Turquoise Mountain (Palestine).

The following sections give more detail about the aims and impact of each programme.

### Saïd Business School Programme

An important focus for the Saïd Foundation is to assist the strategic development of the Saïd Business School at the University of Oxford. In support of that goal, the Foundation provides annual funding to the Saïd Business School Foundation (SBSF) for its Strategic Development Fund (SDF) and for its legal and administrative costs. That annual funding rises each year in line with the CPI inflation index, with a 5% cap on the annual uplift. In 2022/23 it was £1.3 million.

The purpose of the SDF is to support initiatives which will make a strategic difference to the successful development of the Saïd Business School and to assist the School in its pursuit of excellence in research, teaching and relevance to business practitioners, with a view to establishing and maintaining the School as one of the best in the world.

During 2022/23, SBSF made payments, under multi-year agreements entered into in previous years, which support its medium-term objectives:

- to assist the School to strengthen those functions which are of critical importance to the success of a business school;
- to assist the School to strengthen the key points of differentiation that underpin and enhance its brand;
- to assist the School to attract top calibre students, particularly through the provision of scholarships;

- to attract and retain top calibre faculty and staff; and
- to assist the School to establish and maintain itself as one of the world's top ten schools as measured by a range of authoritative rankings of business schools. Further details about this grant-making activity can be found in SBSF's annual report.

During 2022/23, SBSF awarded five new and one increased multi-year SDF grants, totalling £3,852,000 (2022: one grant for £500,000). The new and increased grants related to Oxford Saïd Online (£1.6 million), Strategic Programme Management Office (£0.5 million), Development and Alumni Relations (£0.5 million), Doctoral Student Research Fund (£0.1 million) and continuing support for the School in awarding scholarships to MBA students (£1.1 million). In addition, the School returned to the SBSF £20,000 of unspent grants (2022: £1.7 million) relating to DPhil Research Expenses Fund.

In 2017/18, the Foundation made a significant commitment to support the School's redevelopment of the Osney Power Station, which is adjacent to the School, to provide a new world-class executive education facility called the Global Leadership Centre. With matched funding from the University, SBSF made a commitment of £15 million to support the project, funded by the Chairman and made via the Saïd Foundation. Of this total, £10,165,000 had been paid to the School by 31 August 2023. £4,835,000 remains to be paid.

#### *Assessment of impact*

The Foundation's funding for the Strategic Development Fund requires, amongst other conditions, that the School does not cease to be ranked as one of the top three schools in the UK for more than three consecutive years. The Board therefore assesses the impact of its support by monitoring the achievement of this objective. In 2023, the School was placed 28<sup>th</sup> globally (2022: 31<sup>st</sup>) and third in the UK (2022: third) in the Financial Times' MBA rankings. This means the School continues to meet the objective set by the Board. Improving the global ranking is an ongoing strategic focus for the School.

#### **Humanitarian Programme**

Since 2011/12, the Foundation has focussed the Humanitarian Programme on relief and development support for Syrian refugees and host communities in Jordan and Lebanon, by funding projects in the fields of education, healthcare, child protection and emergency relief. In 2022/23, the Foundation had three continuing partnerships focused on child protection, higher education, and vocational training.

- Further to an Appeal held in November 2018, the Asfari Foundation and the Saïd Foundation granted the **International Rescue Committee (IRC)** £5.5 million to continue their work in Lebanon to improve Syrian refugee children's protection and access to education. A four-year agreement was signed between the parties. The programme started in January 2019 and ended in December 2022. In 2022, the IRC provided case management services and psychosocial support to street working children. One hundred teenagers received vocational training enabling them to set up work initiatives in a safe environment. Close to a thousand households received emergency cash assistance to address emergencies such as eviction threats. Adolescent girls at risk of gender-based violence or early marriage were empowered through life skills training.
- The Foundation has partnered with the **UNHCR** since 2014. UNHCR implements a worldwide scholarship programme for refugees known as the DAFI programme. This programme has been enabling access to higher education for refugee students in their country of asylum since 1992. The Foundation has been funding scholarships for Syrian refugees in Lebanon and Jordan since 2014. In November 2019, the Board of Trustees approved a further grant of \$1,061,051 to fund the undergraduate studies of 41 young Syrians in Lebanon and in Jordan from 2019 until graduation in 2023.
- In July 2021, the Board granted \$504,132 for a one-year **UNHCR for livelihood project** to train 100 students in Jordan. This programme provided accredited vocational and micro-business training for Syrian refugees and vulnerable Jordanians in urban areas across Jordan. Following the successful completion of the training, beneficiaries received seed funding and technical support through mentors to assist them in starting their own businesses. This programme was completed in September 2022.

### *Assessment of Impact*

By supporting implementing partners that have a strong record of capability and achievement in the region, the Foundation aims to maximise the impact of its grant-making and to reach the most vulnerable beneficiaries. All projects are funded under formal agreements with payment instalments conditional upon the effective achievement and reporting of project outcomes.

The CEO conducted visits to Lebanon and to Jordan to monitor these programmes in May and July 2022.

Throughout the year, partners provided regular updates as well as monitoring and evaluation reports, and case studies of beneficiaries who were supported.

### **Scholarship Programme**

#### *Scholarships in the UK*

The Saïd Foundation has offered educational scholarships and training opportunities since 1984. Its Scholarship Programme aims to empower students through educational opportunities and provide skills needed for the development of the region. It is targeted towards outstanding individuals who demonstrate the potential to be future leaders and drivers of change within the Levant. Since 1984 the Foundation has supported over 670 scholars from the region to study in the UK.

By bringing talented scholars to study at a postgraduate level in the UK, the intention is to provide them with skills and knowledge not widely available in the Middle East, to expose them to critical and independent ways of learning and thinking, and thereby to help to create future leaders in their professional fields.

Saïd Foundation Scholarships are awarded based on merit. Applications are carefully considered by officers and Trustees of the Foundation as well as by external assessors selected from among the Foundation's alumni. The Foundation bases its decisions on candidates' academic excellence, the usefulness of the subject to their home countries, the candidates leadership potential, their commitment to serving their communities, their future career intentions and their practical ability to make use of the knowledge to be gained in the UK on their return to the Middle East.

For the 2023/24 application round, the Saïd Foundation received 708 (2022/23: 796) applications, of which 600 (2022/23: 700) met the programme's eligibility criteria. The selection process lasted eight months, with award letters sent from June to August 2023. Selected scholars arrived in the UK in September 2023. The Foundation supports 21 scholars for postgraduate study in the UK (2022/23 academic year: 29 scholars); 20 scholars are supported for a one-year master's degree, with one scholar concluding PhD studies. The scholars come from Syria (9), Jordan (3), Lebanon (5) and Palestine (4).

The total amount granted under Scholarship Programmes (including tuition fees, maintenance awards and travel expenses) was £982,000 (2022: £1,326,000). This figure includes the £146,000 (2022: £280,000) cost of scholars selected separately to the main programme (see Other Scholarship Grants below).

The Foundation seeks to maximise the number of scholars it can support by working with partners who contribute financially towards scholarships. Of the 21 current scholars, three scholars are also supported by the Foreign, Commonwealth & Development Office's Chevening Scholarship programme. The Saïd Foundation has partnership agreements with 28 UK universities each providing a tuition fee discount of 20-50%.

Over the last few years, the Foundation has improved communications with its alumni and keeps an up-to-date database of over 630 former scholars.

#### *Rhodes Scholarships for Syria, Jordan, Lebanon and Palestine*

In September 2022, two new Rhodes Scholars from the Foundation's target countries arrived in the UK to begin their postgraduate studies at the University of Oxford, one from Syria and one from Lebanon. They will spend between three to four years at the University of Oxford. This was the sixth year of the scholarship agreement between the Saïd Foundation, the Rhodes Trust and the University of Oxford, bringing the total number of Saïd Rhodes students to thirteen.

### *Assessment of Impact*

The Foundation continues to monitor the Scholarships Programme throughout the year and an internal evaluation report is prepared every 3-5 years. The latest evaluation report in September 2022 concluded that the Scholarships Programme continued to meet its objectives of providing talented individuals with educational opportunities that not only enhance their personal careers but also contribute to the development of the Levant region.

### *Other Scholarship Grants*

In addition to the main Scholarship Programme, four other scholarships were awarded to one European, one US, one Canadian and one UK scholar.

### **Other Charitable Expenditure**

#### *Chance to Change Foundation*

In October 2022, an agreement was signed with the Chance to Change Foundation (CCF) The £50,000 grant assists the fulfilment of CCF's objectives: to promote the care, resettlement and rehabilitation of offenders and ex-offenders and the prevention of crime in particular but not exclusively by providing educational programmes within prisons and by acting as a resource for people leaving prison.

#### *Saïd Research Initiative*

In March 2023, the Foundation signed a six-year £3 million grant agreement with University College London. The grant funds researcher positions across UCL and Moorfields Eye Hospital to work collaboratively on research to prevent or cure vision loss due to dry age-related macular degeneration (AMD). The donation is used to fund a team of two research fellows, one clinical fellow, one technician, two PhD students and one project administrator. Mr Khaled Saïd is on the Advisory Board which meets annually to monitor progress.

#### *Turquoise Mountain (Palestine)*

In June 2023, an agreement for a three-year grant of up to \$1.5 million was signed with Turquoise Mountain (TM) for Preserving Palestinian Craft Heritage. As successfully achieved in Jordan (and other countries), TM will assist artisans to innovate on their designs and techniques and produce quality products that can access higher value segments of the craft economy locally and internationally. TM's objectives are to: mentor and train entrepreneurs; support 50 small businesses and workshops to become financially sustainable; generate craft sales for artisans; save 20 workshops from closure; upskill 250 artisans and designers through business skills and design training; launch 10 new artisanal businesses; immerse 3,000 people in Palestinian in craft heritage through an exhibition; and run engagement events for 1,000 members of the community.

#### *Other Grants*

In October 2022, a grant agreement was signed between the Foundation and Homerton College for £1,500 to support two disadvantaged students to participate in the Homerton Changemakers project during the academic year 2022/23.

In November 2022, a grant was signed with The Prince's Trust for £9,500 to support ten young people from disadvantaged backgrounds through vocational training in London.

### **Plans**

The Saïd Foundation plans to continue funding the Saïd Business School Programme and Scholarship Programme, along with supporting Humanitarian work whenever funds permit.

## **3. Trustees and Management**

During the year, the Board of Trustees met in September 2022 and February 2023. The Audit Committee met in February 2023. The Investment Committee met in November 2022, April 2023 and August 2023. Both the Projects Committee and the Student Committee met in May 2022.

## 4. Financial Review

### Summary of Financial Performance

The Foundation monitors its financial performance through six key performance indicators (KPIs) which are reported to the Audit Committee and Board.

A summary of these is set out below.

KPI Area	Description	Target	2022/23	2021/22
<b>Maintaining the endowment</b>	Value of endowment compared with the value adjusted for CPI inflation since inception.	Value should be in surplus against inflation adjusted-value.	£24.9 million shortfall	£7.7 million shortfall
<b>Investment performance</b>	Return, after fees, on financial investments	>4% above rate of CPI inflation	10.4% below target	7.3% below target
	Management fees as a percentage of financial investments	<1%	0.00%	0.00%
	Net yield from investment properties	>5%	-20.6%	5.4%
	Property management costs as a percentage of gross rental income	<10%	16.6%	26.0%
<b>Operational performance</b>	Staff and administrative costs as a percentage of charitable expenditure	<15%	6.9%	19.7%

The Trustees' primary financial target is to ensure that the value of the endowment is maintained in real terms (i.e. after adjusting for inflation). There is a shortfall of £24.9 million, 37%, as at 31 August 2023. This primarily reflects reduced commercial property valuations following the Covid pandemic and increased interest rates, as well as high CPI inflation rates (6.7% as of 31 August 2023). The Trustees expect the property valuations to recover in due course.

Investment performance during the year remains below the long-term objective. The gross return of 0.3% was well below the target of 10.7% (i.e. 4% above the 6.7% CPI inflation rate at 31 August 2023). The shortfall against target reflected the defensive positioning of the portfolio in challenging markets.

The net yield from the commercial freehold properties have been significantly impacted by the £12.7 million property revaluation loss and have continued to suffer from a combination of lower economic activity and muted rental markets, higher interest rates and higher vacancy costs following the pandemic. If the valuation loss were excluded from the net yield from investment properties, the KPI would be 4.3% in 2022/23 (2021/22: 2.2%).

Whilst improved from prior year, property management costs have continued to exceed their target limit of 10% of gross rental income. This largely reflects vacancy costs, both lost rent and services charges falling back on the landlord during vacant periods.

The KPI "Staff and administrative costs as a percentage of charitable expenditure" has met the target for the year at 6.9% because of the increase in charitable expenditure in the year. The staff and administrative costs in 2022/23 were £479,000 (2021/22: £699,000), compared to charitable expenditure of £6,943,000 (2021/22: £3,543,000).

The value and allocation of the Foundation's investment portfolio at 31 August 2023 are summarised below, with further detail provided at note 8 to the financial statements.

	2023 (£'000s)	2023 (%)	2022 (£'000s)	2022 (%)
<b><u>Investment Properties</u></b>				
College House, London*	34,000	51%	37,600	47%
One Kingsway, Cardiff*	9,100	14%	16,300	20%
King William St, London*	7,800	12%	8,505	11%
<b><u>Financial Investments</u></b>				
Mixed Asset Funds	15,554	23%	17,246	21%
Fixed income and cash	5	0%	10	0%
Private equity	749	1%	976	1%
<b>TOTAL</b>	<b>67,208</b>	<b>100%</b>	<b>80,637</b>	<b>100%</b>

\* The values of the Investment Properties are stated without any deduction for borrowing secured on those properties. As at 31 August 2023, borrowing secured across all three properties was £27,903,000 (2022: £27,814,000)

Capital Generation Partners LLP is the Foundation's sole adviser for its financial and property investments. The financial investments are primarily invested in a multi-asset strategy designed to achieve a 4% real return over the cycle.

### Charitable expenditure

The activities of the Foundation are funded through income from its investments, which are managed by professional investment and property managers. Total charitable expenditure in the year to 31 August 2023 was £6.9 million (2022: £3.5 million) and is analysed at note 4 of the financial statements.

## 5. Governance Information

### Governance and Decision Making

The Saïd Foundation is the successor organisation to the Karim Rida Saïd Foundation (KRSF) that was established in 1986. It is a UK charity registered with the Charity Commission for England and Wales and is also a company limited by guarantee and registered at Companies House. The Saïd Foundation is based in London. During the year under review, all staff, programmes and financial matters were overseen by the Chief Executive Officer (CEO).

The Trustees of the Saïd Foundation who have served during the year are set out on page 3. The Trustees normally meet twice a year and are empowered under the Articles of Association to delegate authority to sub-committees. There are five standing committees, the Nominations, Investment, Audit, Projects and Student Committees, which meet as necessary. The mandates and membership of the sub-committees are reviewed and agreed annually by the Board.

New or additional Trustees may be appointed by the Foundation's Benefactor and the current trustees. Mr Khaled Saïd is the current Benefactor. Any transactions with Trustees or other related parties are disclosed at note 19 to the financial statements.

The Foundation's Audit Committee reviews governance arrangements annually to assess compliance with the *Charity Governance Code* published in July 2017, as updated in December 2020. While the Code is not a legal or regulatory requirement, Trustees seek to ensure the Foundation complies with it to the fullest extent reasonably possible.

### Remuneration Policy

The Board of Trustees has delegated to the Audit Committee the authority to set the salaries of the Foundation's officers in line with positions of similar responsibility in comparable organisations. The salary of the CEO is also be approved by the Chairman.

### Risk Management

New and existing risks are assessed by the Foundation's sub-committees on an ongoing basis to ensure that they are appropriately identified and managed. The Foundation's Audit Committee reviews the full risk register and the accompanying systems and controls, with a summary of key risks presented to the Board, on an annual basis.

Trustees have identified the following principal risks facing the Foundation and have controls in place for their active management:

Principal Risks	Present Controls
<p><b>Misuse of Funds</b> The Foundation may inadvertently fund an extremist organisation or individual.</p>	<ul style="list-style-type: none"> <li>Procedures are in place for pre-selection due diligence, and performance monitoring for all students and project partners.</li> <li>Grant agreements are drafted to include stage payments dependent on reports detailing the delivery of agreed outcomes.</li> <li>Projects in the Levant are implemented by large international NGOs with experience of working in complex environments and with appropriate due diligence and monitoring in place.</li> </ul>
<p><b>Charitable Programmes</b> Conflict and political instability in the Foundation's priority countries causes disruption to the delivery of projects.</p>	<ul style="list-style-type: none"> <li>The Foundation runs no direct activity in the Middle East but maintains relationships with major agencies (the IRC, Save the Children, UNHCR and Turquoise Mountain) which have been chosen because of their experience in delivering humanitarian projects in conflict-affected areas.</li> <li>Risk assessment is undertaken during the project selection process, recognising that some risk is inevitable in order to meet the humanitarian needs. Grant agreements are drafted to include stage payments dependent on reports detailing the delivery of agreed outcomes.</li> </ul>
<p><b>Humanitarian Programmes</b> The programme may be unclear, or there is a failure to focus on and deliver objectives, which wastes the Foundation's charitable funding.</p>	<ul style="list-style-type: none"> <li>Annual review of objectives by the Board informs all SF programmes and funding priorities.</li> <li>All funding is subject to decision by Trustees, either at Board or Projects Committee level.</li> <li>Regular communication between Chairman and CEO on project proposals and funding.</li> </ul>
<p><b>Charitable Impact and Strategy</b> The Foundation's strategy is not sufficiently focussed to maximise its charitable impact, leading to charitable funds being wasted</p>	<ul style="list-style-type: none"> <li>Annual review of objectives by the Board informs all SF programmes and funding priorities / criteria.</li> <li>Achievement of objectives is reviewed annually by the Board and more frequently by sub-committees.</li> <li>Performance against objectives is reported regularly in management accounts, quarterly updates to Trustees, and in Projects and Student Committee papers.</li> <li>Established operating guidelines and work manuals are in place for all charitable programmes.</li> </ul>

<p><b><i>Stewardship of Assets and Investments</i></b> The Foundation is unable to continue funding charitable activity due to sustained underperformance of its investment portfolio and/or poor stewardship of its assets and liabilities</p>	<ul style="list-style-type: none"> <li>• The target return of 4% above inflation and 4% of investment assets spending policy work together to ensure the real value of the endowment is maintained over time.</li> <li>• The Investment Committee is tasked with setting investment policy and asset allocation to achieve target returns.</li> <li>• Procedures and internal controls are in place to safeguard the Foundation’s assets and to manage its liabilities securely.</li> </ul>
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### **Grant-making Policy**

As a charitable foundation, making grants is the primary means through which the Foundation achieves its charitable objectives. The grant-making policies for each charitable programme are summarised as follows.

- The annual funding provided for the Saïd Business School Foundation’s Strategic Development Fund will continue to be provided as long the School does not cease to be ranked as one of the top three schools in the UK for more than three consecutive years; and as long as the Foundation does not reasonably consider that the annual funding paid to SBSF would be better granted to other beneficiaries.
- The Foundation’s criteria for funding scholarships are available on the Foundation’s website as well as through academic partners in the target countries, such as the British Council. The Student Committee awards scholarships annually following a rigorous selection process that includes interview by the Foundation, verification of references and academic transcripts, and background checks on each successful candidate. Each successful candidate must sign an award letter setting out the terms of the scholarship and funds are not advanced until those terms are met.
- The Humanitarian Programme makes grants to established international organisations and is not open to speculative applications. The Foundation selects partners with experience of working successfully in complex conflict-affected environments.

### **Public Benefit**

The Trustees have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission’s general guidance on public benefit. The Trustees consider that each of the Foundation’s programmes is aimed at one or more of: the advancement of education, advancement of health / saving lives, advancing the arts and heritage, and assisting the young and/or disabled. Furthermore, while there are eligibility criteria for each of the Foundation’s programmes, the Trustees are also satisfied that each programme is targeted at a sufficiently wide section of the public to meet the ‘public benefit’ test.

### **Investment Policy**

Under the Articles of Association, the Trustees have wide investment powers, including the power to appoint investment managers provided the managers are given clear investment guidelines and are monitored by the Trustees. The overall financial and investment objectives of the Fund are to provide a stream of income to support of the Foundation’s mission and to preserve and enhance the real purchasing power of its investment assets. For the Foundation to be able to pursue its charitable objects effectively the Trustees have targeted an inflation adjusted total return of at least 4%.

### **Reserves Policy**

As the Foundation does not usually fundraise externally, income from investments represents its primary source of revenue alongside new donations from the Chairman. Trustees therefore seek to maintain the value of the endowment in inflation adjusted terms in order to maintain the purchasing power of the endowment over the long-term, and to provide income to meet continuing charitable expenditure. The objective of the Trustees is that the value of the endowment fund should not be permitted to fall below (across the economic cycle) the value of the donations made by the Chairman since 1986, uplifted in line with inflation. The Trustees review performance against this objective on an annual basis.

At 31 August 2023, the Foundation's endowment fund was valued at £43.1 million which represented a shortfall of £24.9 million compared with the inflation-adjusted value of £68.0 million at the same date (2022: £56.1 million, representing a £7.7 million shortfall compared with the inflation-adjusted value of £63.8 million).

### **Fundraising Policy**

The Foundation is an endowed charity and does not rely on donations from the public or third parties to fund its charitable activities. It therefore has no fund raising requirement, and does not devote significant resources to fund raising. However, the Foundation follows the Fundraising Regulator's Code of Fundraising Practice to the extent that it is applicable.


### **Audit information**

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report was approved by the Trustees on 20/02/2024

and signed on its behalf by:

  
[Michael Peat \(Feb 20, 2024 16:41 GMT\)](#)

Sir Michael Peat  
Trustee and Chairman of the Audit Committee

## Statement of Trustees' responsibilities

The Trustees (who are also Directors of the Saïd Foundation for the purposes of company law) are responsible for preparing the Trustees' Report 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'.

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming/outgoing resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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
- prepare the financial statements on the going concern basis, unless it is inappropriate to assume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that 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 also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SAÏD FOUNDATION

### Opinion

We have audited the financial statements of The Saïd Foundation (the 'charitable company') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow statement and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

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

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

### Other information

The other information comprises the information included in the Annual Report and Audited Accounts, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Annual Report and Audited Accounts. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which incorporates the Strategic Report and the Directors' Report prepared for the purpose of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the Strategic Report and the Directors' Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

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

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

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

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

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities on page 14, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We obtained a general understanding of the charitable company's legal and regulatory framework through enquiry of management concerning their understanding of relevant laws and regulations, the entity's policies and procedures regarding compliance, and how they identify, evaluate and account for litigation claims. We also drew on our existing understanding of the charitable company's sector and regulation.

We understand that the charitable company complies with the framework through:

- Subscribing to relevant updates from external experts, and making changes to internal procedures and controls as necessary.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the charitable company's ability to conduct its business, and/or where there is a risk that failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the charitable company:

- The Companies Act 2006, Charities Act 2011 and FRS102 (including the provisions of the Charities SORP) in respect of the preparation and presentation of the financial statements.

We performed the following specific procedures to gain evidence about compliance with the significant laws and regulations identified above:

- Enquiry of management and responsible staff members
- The inspection of any relevant correspondence.
- The review of Board minutes.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. The areas identified in this discussion were:

- Manipulation of the financial statements via fraudulent journal entries, particularly as the size and nature of the charitable company means that there is little opportunity for segregation of duties.

These areas were communicated to the other members of the engagement team not present at the discussion. The procedures we carried out to gain evidence in the above areas included:

- Testing journal entries, focusing particularly on postings to unexpected or unusual accounts and those posted at unusual times.

Overall, the senior statutory auditor was satisfied that the engagement team collectively had the appropriate competence and capabilities to identify or recognise irregularities. In particular, both the senior statutory auditor and the audit manager have a number of years' experience in dealing with charities and companies that operate in this sector.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

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

*CLA Evelyn Partners Limited*  
[CLA Evelyn Partners Limited \(Feb 20, 2024 16:43 GMT\)](#)

Julie Mutton (Senior Statutory Auditor)

For and on behalf of

**CLA Evelyn Partners Limited**

Statutory Auditor

Chartered Accountants

4th Floor, Cumberland House

15-17 Cumberland Place

Southampton

Hampshire

SO15 2BG

Date: 20/02/2024

**The Saïd Foundation**  
**Statement of Financial Activities**  
**incorporating Income and Expenditure Account**  
**for the year ended 31 August 2023**

	Note	Unrestricted Funds - Expendable Endowment £000's	Total 2023 £000's	Total 2022 £000's
<b>INCOME FROM:</b>				
- Donations	2	5,093	<b>5,093</b>	79
- Investments	3	3,767	<b>3,767</b>	3,252
- Other income		21	<b>21</b>	22
<b>Total income</b>		<b>8,881</b>	<b>8,881</b>	3,353
<b>EXPENDITURE ON:</b>				
<i>Raising funds:</i>				
- Investment management costs		(624)	<b>(624)</b>	(846)
- Interest on borrowings		(968)	<b>(968)</b>	(1,006)
- Other expenditure on raising funds		(4)	<b>(4)</b>	(6)
- Movement on bad debt provision		59	<b>59</b>	29
<i>Charitable expenditure:</i>				
- Humanitarian Programme	4	(20)	<b>(20)</b>	(129)
- Saïd Business School Programme		(1,525)	<b>(1,525)</b>	(1,645)
- Scholarship Programme		(1,250)	<b>(1,250)</b>	(1,769)
- Other Charitable Expenditure		(4,148)	<b>(4,148)</b>	-
<b>Total expenditure</b>		<b>(8,480)</b>	<b>(8,480)</b>	(5,372)
Net (losses) / gains on investment properties		(12,658)	<b>(12,658)</b>	1,960
Net gains on financial investments		44	<b>44</b>	1,223
Net (losses) / gains on interest rate swap		(149)	<b>(149)</b>	1,751
Net (losses) on foreign currency movements		(545)	<b>(545)</b>	(37)
<b>Net (losses) / gains</b>		<b>(13,308)</b>	<b>(13,308)</b>	4,897
<b>Net (expenditure) / income and net movement in funds for the year</b>	6	<b>(12,907)</b>	<b>(12,907)</b>	2,878
<b>RECONCILIATION OF FUNDS</b>				
Funds brought forward 1st September	13,14	56,056	<b>56,056</b>	53,178
<b>Funds carried forward 31st August</b>	13,14	<b>43,149</b>	<b>43,149</b>	56,056

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.


**The Saïd Foundation**  
**Balance Sheet at 31 August 2023**

	Note	2023 £000's	2022 £000's
<b>Fixed assets</b>			
Tangible Fixed Assets	8a	-	866
Investment properties	8c	50,900	62,405
Financial investments	8d	16,308	18,232
<b>Total fixed assets</b>		<b>67,208</b>	<b>81,503</b>
<b>Current assets</b>			
Debtors, prepayments and accrued income	9	12,597	12,560
Cash at bank and in hand		1,534	1,474
Interest rate swap		1,602	1,751
<b>Total current assets</b>		<b>15,733</b>	<b>15,785</b>
Creditors falling due within one year	10a	(9,593)	(8,695)
<b>Net current assets</b>		<b>6,140</b>	<b>7,090</b>
<b>Total assets less current liabilities</b>		<b>73,348</b>	<b>88,593</b>
Creditors falling due after more than one year	10b	(30,199)	(32,537)
<b>Net assets</b>		<b>43,149</b>	<b>56,056</b>
<b>The funds of the charity</b>			
Restricted funds	13	-	-
Unrestricted funds			
- Expendable endowment fund	14	43,149	56,056
<b>Total charity funds</b>		<b>43,149</b>	<b>56,056</b>

The notes on pages 21 to 33 form part of the financial statements.

Approved by the Board of Trustees on 20/02/2024

and signed on its behalf by:

  
Michael Peat (Feb 20, 2024 16:41 GMT)

.....  
Sir Michael Peat  
Trustee

Registered Company No: 06621764

**The Saïd Foundation**  
**Cash Flow Statement**  
**for the year ended 31 August 2023**

	Note	2023 £000's	2022 £000's
<b>Cash used in operating activities</b>	12a	<b>(3,883)</b>	<b>(4,795)</b>
<b>Cash flows from investing activities</b>			
- Interest and rents received	12b	3,583	3,485
- Receipts from sale of investments		1,414	2,557
- Payments to buy new investments		(295)	-
- Additions to tangible fixed assets		-	(75)
- Capital expenditure on investment properties		-	(190)
		<u>4,702</u>	<u>5,777</u>
<b>Cash flows from financing activities</b>			
- Repayment of borrowings		-	(27,682)
- New loans drawn (net of arrangement fees)		-	27,732
- Payment of interest		(759)	(855)
		<u>(759)</u>	<u>(905)</u>
Increase in cash and cash equivalents during the year		<u>60</u>	<u>177</u>
Cash and cash equivalents at the beginning of the year		1,474	1,297
<b>Cash and cash equivalents at the end of the year</b>		<u><b>1,534</b></u>	<u><b>1,474</b></u>

A reconciliation of net debt is included at note 12(c).

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2023**

## **1 ACCOUNTING POLICIES**

### **a) Basis of preparation**

The financial statements have been prepared in accordance with *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)*, the Charities Act 2011 and UK Generally Accepted Accounting Practice. The Foundation meets the definition of a 'public benefit entity' under FRS 102. The financial statements are prepared under the historic cost convention except where otherwise stated. The majority of the Foundation's assets and liabilities are denominated in Pounds Sterling. The functional currency of the Foundation is therefore considered to be Pounds Sterling and the Financial Statements are presented in that currency. The Saïd Foundation is a company limited by guarantee and is incorporated in England and Wales. Its registered office address is 70-72 King William Street, London, EC4N 7HR.

### **b) Income**

Income is recognised when the Foundation has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Income from operating leases is recognised on a straight-line basis over the lease term, net of lease incentives. Lease incentives are typically granted at the commencement of the lease term and are then accrued and recognised on a straight-line basis over the lease term.

### **c) Expenditure and irrecoverable VAT**

Expenditure is recognised once: there is a legal or constructive obligation to make a payment to a third party arising from a past event; it is probable that settlement will be required; and the amount of the obligation can be measured reliably. Expenditure relates either to raising funds (principally the costs directly attributable to managing the investment portfolio and investment properties) or to charitable activities. Expenditure on charitable activities is analysed between the Foundation's major charitable programmes at note 4 to the accounts.

The Foundation is registered for VAT and recovers input tax to the fullest extent possible. However, the majority of the Foundation's transactions are outside of the scope of VAT and irrecoverable VAT is therefore charged as a cost against the activity for which the expenditure was incurred.

### **d) Fund accounting**

Restricted funds are donations which the donor has specified are to be solely used for particular grant-making activities. Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Foundation. Analyses of income, expenditure and net assets of the Foundation's restricted and unrestricted funds are shown at notes 13, 14 and 15 to the accounts.

### **e) Financial instruments**

The Foundation holds financial assets and financial liabilities classified as 'basic' financial instruments, such as receivables, loans and payables, as well as 'other' financial instruments, being an interest rate swap. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest rate method. Other financial instruments are measured at market value at each reporting date, with movements in market value included in net income.

In October 2021, the Foundation entered into an interest rate swap in relation to the facility agreement with Citibank. This is measured at market value at each reporting date, with movements in market value included in net income.

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2023**

**1 ACCOUNTING POLICIES (continued)****f) Foreign currencies**

Transactions denominated in foreign currency are recognised at the exchange rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at the exchange rate on the balance sheet date. All gains and losses on exchange, realised and unrealised are charged to the Statement of Financial Activities and included in the net movement on funds.

**g) Investment properties**

Investment properties are held primarily to earn rental income and for capital appreciation, and not for use in connection with the Foundation's charitable activities. Investment properties are held at fair value at the balance sheet date. Depreciation is not provided on investment property.

Subsequent to purchase, an investment property carried at fair value may be subject to further expenditure on improvements or refurbishment. Such expenditure is capitalized where it is expected that the work will enhance the income-generating potential of the asset. The costs of such work are added to the carrying value of the asset which is subject to re-measurement as part of future revaluations.

The Foundation determines the fair value of its investment properties by commissioning valuations from independent, third-party valuers with appropriate professional skills and experience. These valuations are commissioned on a 'market value' basis sufficiently frequently to satisfy the Trustees that the book value is a materially accurate estimate of the fair value at the reporting date. Further details about the valuations of individual investment properties are shown at note 8 to the accounts.

**h) Tangible Fixed Assets**

Fixtures and fittings are shown at cost less accumulated depreciation. Depreciation is provided on a straight line basis over ten years (10% of cost per annum once in use).

During the year, the Foundation has decided to move out of the King William Street property. As a result the fifth floor has been reclassified back to investment property.

**i) Financial investments**

Quoted investments are stated at market value at the balance sheet date. Unquoted investments are valued at the Foundation's best estimate of fair value based on valuations provided by fund managers and reviewed by the Foundation's investment advisers.

Where a valuation is not available at the balance sheet date, the most recent valuation from the fund manager is used, adjusted for cash flows and foreign exchange movements in the period between the valuation and the balance sheet date, and for any evidence of impairment between the most recent valuation date and the financial year end.

**j) Grant commitments**

Grant expenditure is recognised when the grant has been approved by the Foundation's Board of Trustees, Student Committee or Projects Committee and a constructive obligation is considered to exist. Grants which remain unpaid at the end of a period are carried forward as liabilities, as set out in note 10 to the accounts.

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2023**

**1 ACCOUNTING POLICIES (continued)**

**k) Going concern**

The Foundation's Statement of Investment Policies states that the objectives of the investment portfolio are to provide a stream of funding in support of the Foundation's mission, and to preserve and enhance the real (inflation-adjusted) purchasing power of the assets. The Foundation holds a prudent level of cash to meet short-term liabilities, and its Financial Controller, CEO and Audit Committee members regularly review a cash flow forecast to ensure that the level of cash held is sufficient to meet all expected liabilities as they fall due.

The majority of the Foundation's investment portfolio is held in directly-owned properties which provides the Foundation with a regular stream of cash receipts from tenants. In the event of an unexpected shortfall in rental income, the Foundation's financial asset portfolio also includes substantial holdings in highly liquid assets, which could be readily exchanged for cash.

Accordingly, the Trustees consider it appropriate to continue to adopt the going concern basis in preparing the financial statements.

**l) Critical accounting judgments and sources of estimation uncertainty**

In the application of these accounting policies, the Trustees have made two judgments that have a significant effect on the financial statements.

The Grant Agreement between the Foundation and SBSF confirms that the Foundation has a long-term commitment to SBSF for at least five years. For 2022/23 that commitment was £1.3 million (2021/22: £1.2 million) and it rises each year in line with the annual increase in the CPI inflation index. In January 2023 it was agreed to cap the uplift at 5% for the current and future years. However, the agreement also states that there are circumstances in which this funding could cease. Therefore, SF recognises one year's funding for SBSF in each year's financial statements.

In applying the requirement under paragraph 7.9 of the FRS 102 SORP to discount long-term grant liabilities to their present value, the Trustees have used HM Treasury's forecast medium-term CPI inflation rate for 2023 and beyond which was 4.10% at the end of August 2023. In accordance with paragraph 11.20 of FRS 102, grants committed in prior years are discounted using the original discount rate (i.e. the prevailing CPI inflation rate forecast in the year of initial recognition).

The CPI inflation rate forecast was chosen as the discount rate because SF's charitable expenditure is funded from an endowment which is invested to achieve a return calculated with reference to the rate of change in the CPI inflation index. Further information about HM Treasury's forecast inflation rates can be found at <https://www.gov.uk/government/collections/data-forecasts>.

The Trustees have also noted one significant valuation, being the valuation of investment property assets. The Trustees' approach to the valuation of each investment property is described at note 8 to the accounts. However, there remains a risk that, if the assets were realised, the sale proceeds might differ materially from the estimates made by the Trustees and their professional advisers.

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2023**

**2 Donations**

	<b>Restricted</b>	<b>Unrestricted Funds - Expendable Endowment</b>	<b>Total</b>	<b>Total</b>
	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
General donations	-	-	-	1
Donations from the Chairman	-	5,093	5,093	78
<b>Total</b>	<b>-</b>	<b>5,093</b>	<b>5,093</b>	<b>79</b>

**3 Income from investments**

	<b>Restricted</b>	<b>Unrestricted Funds - Expendable Endowment</b>	<b>Total</b>	<b>Total</b>
	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
Bank interest	-	8	8	2
Rents and other income from investment properties	-	3,759	3,759	3,250
<b>Total</b>	<b>-</b>	<b>3,767</b>	<b>3,767</b>	<b>3,252</b>

No income is received from the main part of the Foundation's financial assets, which are managed by Capital Generation Partners. The income is accumulated. The movement in the value of the investments managed by Capital Generation Partners is shown under net gains/losses on financial investments.

**4 Analysis of expenditure on charitable activities**

	<b>Humanitarian Programme</b>	<b>Saïd Business School Programme</b>	<b>Scholarship Programme</b>	<b>Other Charitable Expenditure</b>	<b>Total 2023</b>	<b>Total 2022</b>
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
- Grant commitments	-	1,294	982	4,265	6,541	2,568
-Financing adjustment related to discounting future grant liabilities	-	-	-	(314)	(314)	(229)
- Financing cost /(credit) relating to the unwinding of discounted grant liabilities	2	159	31	10	202	22
- Staff costs (note 7)	17	18	154	12	201	233
- Directly allocated support costs	-	-	35	-	35	68
- Apportioned support cost (note 5)	1	38	34	124	197	378
- Governance costs (note 5)	-	16	14	51	81	89
<b>Total</b>	<b>20</b>	<b>1,525</b>	<b>1,250</b>	<b>4,148</b>	<b>6,943</b>	<b>3,543</b>

Expenditure on charitable activities was £6.9 million, including the following significant grant commitments:

- £3.0 million to the Saïd Research Initiative (under Other Charitable Expenditure);
- £1.3 million to the Saïd Business School Foundation for the Strategic Development Fund;
- £1.2 million to the Turquoise Mountain (Palestine) (under Other Charitable Expenditure);
- £1.0 million of scholarship grants largely related to scholars studying in the 2023/24 academic year;
- £50,000 to Chance to Change Foundation (under Other Charitable Expenditure); and
- £11,000 to Homerton College and The Prince's Trust, in relation to the Toucan Project (under Other Charitable Expenditure).

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2023**

**5 Analysis of governance and support costs**

The Foundation initially identifies support costs which relate directly to each of the charitable programmes listed above and allocates them to the activity to which they relate. The remaining support costs which cannot be directly allocated (such as premises expenses and general office expenses) are then apportioned between 'support' and 'governance' functions, and further apportioned between the four charitable activities based on total charitable expenditure attributable to each programme. This apportionment is shown at note 4, above.

The table below shows the support and governance costs which have been apportioned in this way, and notes the basis on which the apportionment has been made:

	Support £000's	Governance £000's	Total £000's	Basis of Apportionment
Premises expenses	36	-	36	<i>Allocated to support</i>
Salaries, wages and related costs	109	50	159	<i>Estimate of staff time</i>
General office expenses	49	-	49	<i>Allocated to support</i>
Audit fees	-	28	28	<i>Allocated to governance</i>
Travelling	2	-	2	<i>Allocated to support</i>
Legal and professional fees	1	3	4	<i>Allocated on nature of advice received</i>
	<u>197</u>	<u>81</u>	<u>278</u>	

**6 Analysis of net movement in funds for the year**

Net movement in funds for the year is stated after charging:

	Total 2023 £000's	Total 2022 £000's
Auditors' remuneration (excluding irrecoverable VAT):		
- Statutory audit fees	28	28

**7 Analysis of staff costs and remuneration of key management personnel**

	Total 2023 £000's	Total 2022 £000's
Salaries	284	331
National Insurance	31	35
Employer's pension contributions and other benefits	45	50
	<u>360</u>	<u>416</u>

Of the £360,000 total staff costs analysed above, £201,000 has been allocated to charitable programmes and other charitable expenditure (see note 4) and £159,000 has been allocated to support and governance costs (see note 5).

**The Saïd Foundation**  
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**7 Analysis of staff costs and remuneration of key management personnel (continued)**

The average full-time equivalent (FTE) employees during the year was 5 (2022: 7). The average number of staff on a head count basis in the year was 5 (2022: 7). The Foundation contributed 10% of each employee's gross salary to a registered pension scheme. In addition, all employees contributed 3% of gross salary. Employees are also entitled to membership of a private medical insurance scheme after satisfactory completion of their probationary period. No other employee benefits were paid during the year.

The charity's key management personnel comprised the Chief Executive Officer (CEO). The CEO's total remuneration (excluding employer's pension contributions) in the year to 31 August 2023 was £102,887 (2022: £101,255). The Foundation also made pension contributions to a money purchase pension scheme of £14,167 (2022: £14,082) and paid employer's National Insurance contributions of £13,139 (2022: £13,242) in respect of the CEO.

The numbers of employees whose remuneration and benefits, excluding employer's pension and employer's National Insurance contributions, for the year fell within the following bands were:

	<b>2023</b>	<b>2022</b>
	<b>Number</b>	<b>Number</b>
£100,000 to £109,000	1	1

The Foundation's trustees were not paid any remuneration nor received any other benefits from the Foundation or a related entity. One trustee (2022: nil) received reimbursement of £60 for administrative expenses incurred whilst on Saïd Foundation business (2022: nil).

**8 Fixed Assets**

**a) Analysis of Tangible Fixed Assets**

The Foundation moved into the fifth floor of 70-72 King William Street in February 2022. The deemed cost of the fifth floor at King William Street was based on the square footage as a percentage of the total square footage of the premises. During the year, the Foundation has decided to move out of King William Street, so the property has been reclassified back to Investment Property.

	<b>Leasehold Property £000's</b>	<b>Fixtures and Fittings £000's</b>	<b>Total £000's</b>
<i>Cost:</i>			
Balance at 1 September 2022	795	75	870
Reclassification during the year	(795)	(75)	(870)
<b>Balance at 31 August 2023</b>	-	-	-
<i>Accumulated Depreciation:</i>			
Balance at 1 September 2022	-	4	4
Additions during the year	-	8	8
Reclassification during the year	-	(12)	(12)
<b>Balance at 31 August 2023</b>	-	-	-
<i>Net Book Value:</i>			
<b>Balance at 31 August 2023</b>	-	-	-
Balance at 1 September 2022	795	75	870

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2023**

**8 Fixed Assets (continued)**

**b) Analysis of Investments**

The Foundation's Statement of Investment Policies sets out the overall objectives for the investment portfolio, which are to provide a stream of funding in support of the Foundation's mission, and to at least preserve the real (inflation-adjusted) purchasing power of the assets. The Board of Trustees alone is empowered to vary these policies, although management of the portfolio within these objectives is delegated to the Investment Committee.

The Foundation's investment portfolio consists of the following asset classes, all of which are held at fair value:

	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
	<b>£000's</b>	<b>%</b>	<b>£000's</b>	<b>%</b>
<i>Investment properties:</i>				
- College House, London SW3	34,000	51%	37,600	47%
- One Kingsway, Cardiff	9,100	14%	16,300	20%
- King William Street, London EC4	7,800	12%	8,505	11%
<i>Financial investments:</i>				
- Mixed asset funds	15,554	23%	17,246	21%
- Fixed income and cash	5	0%	10	0%
- Private equity	749	1%	976	1%
	<b>67,208</b>	<b>100%</b>	<b>80,637</b>	<b>100%</b>

**c) Analysis of Investment Properties**

	<b>2023</b>	<b>2022</b>
	<b>£000's</b>	<b>£000's</b>
Market value at 1st September	62,405	61,050
Additions (costs of improvement and refurbishment work)	295	190
Transfer from/(to) tangible fixed asset	858	(795)
Net revaluation gains/(losses)	(12,658)	1,960
<b>Market value at 31st August</b>	<b>50,900</b>	<b>62,405</b>
Historical cost at 31st August	66,224	65,929

The Foundation holds three investment properties:

*College House, King's Road, London SW3*

The property was purchased in October 2014 for £36.40 million. A professional valuation undertaken in December 2023 by Knight Frank in accordance with the Royal Institute of Chartered Surveyors (RICS) Red Book valued the asset at £34.0 million. Trustees believe that this represented fair value at 31 August 2023.

*One Kingsway, Cardiff*

The property was purchased in February 2016 for £18.15 million. A professional valuation, undertaken in December 2023 by Cushman & Wakefield in accordance with the RICS Red Book, valued the asset at £9.1 million. The Trustees consider this represented a fair value at 31 August 2023.

**The Saïd Foundation**  
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**8 Fixed Assets (continued)**

**c) Analysis of Investment Properties (continued)**

*King William Street, London EC4*

The property was purchased in May 2017 for £9.40 million. A professional valuation undertaken in December 2023 by Cushman & Wakefield in accordance with the RICS Red Book valued the asset at £7.8 million.

**d) Analysis of financial investments**

	Market value at 01.09.2022 £000's	Purchase of new investments £000's	Proceeds from sale / distribution £000's	Investment Gains/(Losses) and Foreign Exchange Movement £000's	Market value at 31.08.2023 £000's
Mixed asset funds	17,246	-	(1,172)	(520)	15,554
Fixed income and cash	10	-	(4)	(1)	5
Private equity	976	-	(238)	11	749
<b>Total</b>	<b>18,232</b>	<b>-</b>	<b>(1,414)</b>	<b>(510)</b>	<b>16,308</b>

**9 Debtors and prepayments**

	2023 £000's	2022 £000's
Sundry debtors	11,494	12,021
Accrued income	809	300
Prepayments	294	239
<b>Total</b>	<b>12,597</b>	<b>12,560</b>

Within Sundry debtors, £9.7 million is owed by the Chairman (2022: £11.4 million) in relation to the following grant commitments: £3.1 million Osney Power Station, £3.0 million Saïd Research Initiative, £1.2 million Turquoise Mountain (Palestine), £1.9 million Humanitarian Programme, £396,000 other scholarships and £50,000 Chance to Change Foundation.

**The Saïd Foundation**  
**Notes to the Financial Statements**  
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**10 Creditors****a) Amounts falling due within one year**

	<b>2023</b>	<b>2022</b>
	<b>£000's</b>	<b>£000's</b>
Grant commitments not yet paid	8,184	7,669
Accruals and deferred income	1,059	448
Trade creditors	108	424
Taxation and social security	242	154
<b>Total</b>	<b><u>9,593</u></b>	<b><u>8,695</u></b>

'Accruals and deferred income' includes a balance of £547,000 (2022: £222,000) relating to rental income from investment properties received in advance. The balance at year end will be recognised in the income and expenditure account in full by December 2023.

**b) Amounts falling due after more than one year**

	<b>2023</b>	<b>2022</b>
	<b>£000's</b>	<b>£000's</b>
Bank loans	27,903	27,814
Grant commitments not yet paid	2,296	4,723
	<b><u>30,199</u></b>	<b><u>32,537</u></b>

In October 2021, the Foundation refinanced from two bank loans to one £28 million facility. The £28 million loan is secured on all three investment properties. The Foundation is committed to make quarterly repayments of interest over a three-year term commencing October 2021, with the principal repayable in full at the end of the term. The lender holds a first legal charge over the properties as security, and rental income from the properties is remitted to the Foundation after the lender's interest and fees are deducted.

**11 Grant commitments not yet paid**

Grant commitments not yet paid at 31 August 2023 comprised the following balances:

	<b>£000's</b>
Saïd Business School Foundation (Osney Power Station)	4,835
Saïd Research Initiative	2,500
Saïd Business School Foundation (Strategic Development Fund)	1,294
Turquoise Mountain (Palestine)	1,063
Amal	257
UK Scholarship Programme	789
Other Scholarship Programmes	31
Chance to Change Foundation	25
Less: adjustment to discount grant liabilities required by FRS102	(314)
<b>Total grant commitments not yet paid</b>	<b><u>10,480</u></b>

**The Saïd Foundation**  
**Notes to the Financial Statements**  
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**12 Cash Flow Statement**

**a) Reconciliation of net movement in funds to net cash flow from operating activities:**

	<b>2023</b> <b>£000's</b>	<b>2022</b> <b>£000's</b>
Net (loss) / income for the year (as per Statement of Financial Activities)	(12,907)	2,878
Adjusted for:		
Returns on investment	(3,759)	(3,250)
Losses / (gains) on investments and investment properties	13,168	(3,209)
Depreciation charge	8	4
Interest paid on borrowings	968	1,006
Interest received on cash balances	(8)	(2)
Decrease in debtors	472	4,496
Decrease in creditors	(1,974)	(4,967)
Losses / (Gains) on interest rate swap	149	(1,751)
<b>Net cash used in operating activities</b>	<b><u>(3,883)</u></b>	<b><u>(4,795)</u></b>

**b) Analysis of cash flows from interest and rents from investment properties:**

	<b>2023</b> <b>£000's</b>	<b>2022</b> <b>£000's</b>
Interest from financial investments	8	2
Rental income from investment properties	3,575	3,483
<b>Total</b>	<b><u>3,583</u></b>	<b><u>3,485</u></b>

**c) Reconciliation of movements on net debt**

	<b>Net debt at</b> <b>01.09.2022</b> <b>£000's</b>	<b>Cash flows</b> <b>£'000s</b>	<b>Non-cash</b> <b>movements</b> <b>£'000s</b>	<b>Net debt</b> <b>31.08.2023</b> <b>£000's</b>
Cash at bank and in hand	1,474	60	-	1,534
<i>Bank loans due within one year</i>	-	-	-	-
<i>Bank loans due after one year</i>	<u>(27,814)</u>	<u>-</u>	<u>(89)</u>	<u>(27,903)</u>
Total bank loans	<u>(27,814)</u>	<u>60</u>	<u>(89)</u>	<u>(27,903)</u>
<b>Net debt</b>	<b><u>(26,340)</u></b>	<b><u>60</u></b>	<b><u>(89)</u></b>	<b><u>(26,369)</u></b>

**The Saïd Foundation**  
**Notes to the Financial Statements**  
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**13 Analysis of restricted funds**

During the year, the Foundation received no restricted donations.

**14 Analysis of unrestricted funds**

	<b>Balance 01.09.22 £000's</b>	<b>Income £000's</b>	<b>Expenditure £000's</b>	<b>Other Gains and (Losses) £000's</b>	<b>Balance 31.08.23 £000's</b>
Expendable endowment fund	<u>56,056</u>	<u>8,881</u>	<u>(8,480)</u>	<u>(13,308)</u>	<u>43,149</u>

**Expendable endowment fund**

The Foundation's endowment fund is maintained to generate income to enable the continuing fulfilment of the Foundation's objectives. The Trustees' power to spend the Fund is not restricted by donors or by the Foundation's constitution, providing it is spent to meet the charitable objectives. However, it is the Trustees' intention to maintain the purchasing power of the expendable endowment fund in real terms.

**15 Analysis of net assets between funds**

	<b>Restricted Funds £000's</b>	<b>Unrestricted Funds - Expendable Endowment £000's</b>	<b>Total 2023 £000's</b>	<b>Total 2022 £000's</b>
Tangible fixed assets	-	-	-	866
Investment properties	-	50,900	50,900	62,405
Financial investments	-	16,308	16,308	18,232
Current assets	3,095	12,573	15,668	15,785
Creditors falling due within one year	(3,095)	(6,433)	(9,528)	(8,695)
Creditors falling due after one year	-	(30,199)	(30,199)	(32,537)
<b>Net Assets</b>	<u>-</u>	<u>43,149</u>	<u>43,149</u>	<u>56,056</u>

**16 Contingent liabilities and commitments**

The Foundation's grant agreement with the Saïd Business School Foundation (SBSF), as updated in June 2023, states that, in the event that the Trustees decide to cease the annual Strategic Development Fund (SDF) funding for SBSF, the Foundation will nevertheless provide funding to SBSF to ensure that the SDF commitments already made can be met. At 31 August 2023, these future grant commitments totaled £5.12 million. The Foundation has a creditor balance of £1.3 million under Grant Commitments due within one year in respect of the annual funding commitment for 2022/23. The Trustees do not consider it likely that the conditions will be met to cease the annual funding in the near future.

**The Saïd Foundation**  
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**17 Operating leases**

The Foundation is lessor of 22 individual lease arrangements for office and retail units at its three investment properties. The leases are all classified as operating leases and the income from these leases is recognised on a straight-line basis over the lease term. In addition to amounts accrued to the period end, the Foundation is entitled to receive the following future minimum lease payments under non-cancellable operating leases:

	<b>2023</b>	<b>2022</b>
	<b>£000's</b>	<b>£000's</b>
Amounts due:		
Not later than one year from 31 August	3,144	3,096
Later than one year and not later than five years from 31 August	8,625	8,130
Later than five years from 31 August	7,838	930
	<u>19,607</u>	<u>12,156</u>
<b>Total rental income from operating leases</b>	<b>19,607</b>	<b>12,156</b>

**18 Financial instruments**

	<b>2023</b>	<b>2022</b>
	<b>£000's</b>	<b>£000's</b>
Financial investments	16,308	18,232
Interest rate swap	1,602	1,751
Financial assets held at fair value	<u>17,910</u>	<u>19,983</u>

Financial assets held at fair value comprise financial investments and an interest rate swap.

**19 Transactions with trustees and connected persons**

Three Saïd Foundation Trustees are also Directors of The Saïd Business School Foundation Trustee Ltd, which is sole trustee of the Saïd Business School Foundation. They are Mr Wafic Saïd, Mr Khaled Saïd and Lord Powell of Bayswater. Grants made to the Saïd Business School Foundation during the year, and amounts owed at 31 August (before discounting), were:

	<b>Grant</b>	<b>Amount</b>	<b>Grant</b>	<b>Amount</b>
	<b>Commitments</b>	<b>owed</b>	<b>Commitments</b>	<b>owed</b>
	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
Osney Power Station grant	-	4,835	-	9,480
Strategic Development Fund	1,294	1,294	1,232	1,232
<b>Total</b>	<u>1,294</u>	<u>6,129</u>	<u>1,232</u>	<u>10,712</u>

Donations made by the Chairman are disclosed separately at note 2 to the financial statements. The Chairman made donations of £5,093,000 in total during the year to 31 August 2023, of which £3 million relates to the Saïd Research Initiative grant, £1.2 million relates to the Turquoise Mountain (Palestine) grant, £396,000 relates to scholarship support, £50,000 relates to the Chance to Change grant and nil relates to an 'in kind' use of office premises at 24 Queen Anne's Gate (2022: £24,583). £9.7 million of Chairman's commitments from the current and previous years were outstanding as at 31 August 2023 (2022: £11.4 million). The Chairman is also a director of Beaumont Hotel (Midco) Limited. During the year to 31 August 2023, one event was held at this venue, for which the cost of £12,000 was covered by a donation from the Chairman.

**The Saïd Foundation**  
**Notes to the Financial Statements**  
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**19 Transactions with trustees and connected persons (continued)**

Mr Khaled Saïd is a Partner of Capital Generation Partners LLP which provides the Foundation with investment and property management advice. In the year to 31 August 2023, the firm charged £128,000 before VAT (£153,600 including VAT) for property management advice (2022: £128,000 before VAT) and nil for investment management services (2022: nil). Of this, £38,400 remained outstanding at year end (2022: £38,400). Mr Khaled Saïd recused himself from decisions made about the appointment of Capital Generation Partners at meetings of the Foundation's Board of Trustees. Mr Khaled Saïd is also a trustee of The Turquoise Mountain Trust. In June 2023, the Foundation signed a grant agreement with The Turquoise Mountain Trust. The grant amount outstanding at the year end is £1,063,000.

Lord Powell of Bayswater is a member of the Board of the Northern Trust Corporation of the United States which provides custody and brokerage services for investments held by the Foundation. In the year to 31 August 2023, the Foundation paid Northern Trust £831 in custody fees (2022: £766) and nil in brokerage commissions (2022: nil). The decision to appoint Northern Trust was taken by the Investment Committee of which Lord Powell is not a member.

Since September 2020, Ms Catherine Roe, one of the Foundation's Trustees until 6<sup>th</sup> January 2021, has been the Chief Executive of Amal (registered charity number 1190887). The Foundation pledged funding of up to £800,000 to Amal, of which £256,927 remained unpaid at the year-end (2022: £493,478).

**20 Analysis of Statement of Financial Activities – prior year comparatives**

There were no restricted funds in 2022.

	<b>Unrestricted Funds</b>	
	<b>Expendable Endowment</b>	<b>Total</b>
	<b>2022</b>	<b>2022</b>
	<b>£000's</b>	<b>£000's</b>
<b>INCOME FROM:</b>		
Donations	79	79
Investments	3,252	3,252
Other income	22	22
<b>Total income</b>	<b>3,353</b>	<b>3,353</b>
<b>EXPENDITURE ON:</b>		
Raising funds	(1,829)	(1,829)
Charitable expenditure	(3,543)	(3,543)
<b>Total expenditure</b>	<b>(5,372)</b>	<b>(5,372)</b>
Net gains on investment properties	1,960	1,960
Net gains on financial instruments	1,223	1,223
Net gains on interest rate swap	1,751	1,751
Net losses on foreign currency movements	(37)	(37)
<b>Net gains / (losses)</b>	<b>4,897</b>	<b>4,897</b>
<b>Net income / (expenditure)</b>	<b>2,878</b>	<b>2,878</b>
<b>Net movement in funds for the year</b>	<b>2,878</b>	<b>2,878</b>
<b>RECONCILIATION OF FUNDS</b>		
Funds brought forward 1 <sup>st</sup> September 2020	53,178	53,178
<b>Funds carried forward 31<sup>st</sup> August 2021</b>	<b>56,056</b>	<b>56,056</b>

**THE SAID FOUNDATION**

England & Wales - Charity number 1125521

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# Accounts

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# **The Saïd Foundation**

Annual Report and Audited Accounts for the  
year ended 31 August 2022

Charity number: 1125521

Company number: 06621764



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**Reference and Administrative Information**

<b>Charity Registration Number</b>	1125521
<b>Company Registration Number</b>	06621764
<b>Correspondence and registered office address</b>	70-72 King William Street, London, EC4N 7HR
<b>Website</b>	<a href="http://www.saidfoundation.org">www.saidfoundation.org</a>
<b>Board of Trustees</b>	Mr Wafic R Saïd (Chairman) Dr Rasha Saïd (Deputy Chair) Mr Jonathan Aitken Ms Ita Gallagher (resigned 15 Nov 2021) Mrs Sirine Idilby Sir Michael Peat Lord Powell of Bayswater Mrs A Rosemary Saïd Mr Khaled R Saïd Mrs Nadine Zakaria
<b>Chief Executive Officer</b>	Ms Catherine Thomé
<b>Auditors</b>	CLA Evelyn Partners Limited Cumberland House 15-17 Cumberland Place Southampton SO15 2BG
<b>Bankers</b>	Citi Private Bank Citigroup Centre Canada Square Canary Wharf London E14 5LB  UBS Zurich AG Paradeplatz 6 CH-8098 Zurich Switzerland
<b>Legal Advisers</b>	Bates Wells 10 Queen Street Place London EC4R 1BE  Stephenson Harwood 1 Finsbury Circus London EC2M 7SH
<b>Investment and Property Advisers</b>	Capital Generation Partners LLP Berkeley Square House London W1J 6BX

## Trustees' Report incorporating the Strategic Report

The Trustees present the report and financial statements for the period from 1 September 2021 to 31 August 2022. The Trustees are also Directors of the company for the purposes of the Companies Act 2006. The financial statements have been prepared in accordance with the accounting policies set out therein and comply with the Memorandum and Articles of Association, applicable law, *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 2019)* and the Companies Act 2006.

### 1. Mission, Objectives and Programmes

The charitable object of The Saïd Foundation as set out in its Memorandum and Articles of Association is “to advance all exclusively charitable purposes in accordance with English law for the public benefit”.

The Trustees retain a focus on the Middle East, particularly the priority areas of Syria, Palestine, Lebanon and Jordan. However, they also fund projects in the UK through the Saïd Business School Programme. In December 2021, the Board of Trustees approved the vision, mission, guiding principles and objectives which are set out below.

The **vision** is of a world where people from all backgrounds can realise their full potential. The **mission** is to bring positive and lasting change to the lives of children, young people and the wider community through carefully selected investments in themes and geographies with which the Saïd family and The Saïd Foundation have developed strong links and expertise.

The **guiding principles** are as follows:

1. A conviction that education is a powerful tool to change lives for the better and that higher education, in particular, plays a valuable role in creating enlightened and effective leadership which benefits the broader community.
2. An approach that is non-sectarian and non-political.
3. Recognition of the need to build capacity and capability across the countries we work in.
4. An understanding of the importance of bridge building, communication, and respect across cultures.
5. A desire to enhance and learn from our thematic and regional experience and to benefit from synergy between programmes.
6. The potential to promote philanthropy and to maximise the impact of specific projects through partnerships with organisations that share our objectives.

The **objectives** are:

1. To assist the Saïd Business School at Oxford University in its pursuit of excellence and in its desire to promote the beneficial role of business in society.
2. To support the humanitarian relief and development needs of the Syrian people and, when once again possible, the long-term sustainable development of the country.
3. To support the higher education of students in order to promote the sustainable development of the Levant region.
4. To improve the lives of disadvantaged children in the Levant region.
5. To increase understanding of Britain's Muslim communities among its non-Muslims and to foster a stronger sense of belonging in the UK among Muslim communities.
6. To enable disadvantaged students in the UK and overseas to realise their full potential through educational, vocational training, and internship opportunities.

We pursue these objectives through three related **programmes**:

1. The **Saïd Business School Programme** makes grants to the Saïd Business School Foundation for its Strategic Development Fund with a view to establishing and maintaining the School as one of the world's top and most influential business schools.

2. The **Humanitarian Programme** provides assistance for the needs of Syrians most seriously affected by the crisis in the country with an emphasis on the education and protection of young people in Lebanon and Jordan.
3. The **Scholarships Programme** provides financial support directly and through other organisations for students principally from the Levant region who demonstrate particular potential to pursue higher education so that they can expand their skills and knowledge in relevant fields and thereby enhance their contribution to the development of the region.

The Foundation is non-sectarian and non-political. Its partners are individuals, non-governmental organisations, educational institutions, other charities, UN agencies and government ministries. The Foundation regularly reviews its objectives and programme priorities, especially those in the Levant region, to ensure the most effective deployment of its funds.

## 2. Review of Programmes

### Summary

The Foundation made grant commitments of £2.6 million in 2021/22 across three charitable programmes. A summary of this grant expenditure is shown below, with further detail set out at note 4 to the accounts:

Programme	Grants Committed 2021/22 (£'000s)	Grants Committed 2020/21 (£'000s)
Saïd Business School Programme	1,232	1,194
Humanitarian Programme	10	366
Scholarship Programme	1,326	825
Amal	-	571
Toucan Project	-	10
<b>TOTAL</b>	<b>2,568</b>	<b>2,966</b>

In common with previous years, the majority of the Foundation's funding committed in 2021/22 was directed towards education projects, with a particular focus on UK post graduate scholarships, as well as on business education in Britain with the £1.2 million donation to the Saïd Business School Foundation to fund its Strategic Development Fund.

The following sections give more detail about the aims and impact of each programme.

### Saïd Business School Programme

An important focus for the Saïd Foundation is to assist the strategic development of the Saïd Business School at the University of Oxford. In support of that goal, the Foundation provides annual funding to the Saïd Business School Foundation (SBSF) for its Strategic Development Fund (SDF) and for its legal and administrative costs. That annual funding rises each year in line with the rise in the CPI inflation index, and in 2021/22 was £1.2 million.

The purpose of the SDF is to support initiatives which will make a strategic difference to the successful development of the Saïd Business School and to assist the School in its pursuit of excellence in research, teaching and relevance to business practitioners, with a view to establishing and maintaining the School as the best model in the world of a business school embedded in a university.

During 2021/22, SBSF awarded one new SDF grant for £500,000 (2021: two grants totalling £836,000), which was awarded to support the School in awarding scholarships to MBA students. In addition, the School returned

£1,652,000 of unspent grants, largely related to DPhil scholarship funding and MBA scholarships for the 2021/22 cohort.

In 2021/22, SBSF made payments under multi-year agreements entered into in previous years which support its medium-term objectives:

- to assist the School to strengthen those functions which are of critical importance to the success of a business school;
- to assist the School to strengthen the key points of differentiation that underpin and enhance its brand;
- to assist the School to attract top calibre students, particularly through the provision of scholarships;
- to attract and retain top calibre faculty and staff; and
- to assist the School to establish and maintain itself as one of the world's top ten schools as measured by a range of authoritative rankings of business schools. Further details about this grant-making activity can be found in SBSF's annual report.

In 2017/18, the Foundation made a significant new commitment to support the School's proposed redevelopment of the Osney Power Station. This strategically important project will see a former power station in close proximity to the School become its new world-class executive education facility called the Global Leadership Centre. With matched funding from the University, SBSF made a commitment of £15 million to support the project, funded by the Chairman and made via the Saïd Foundation. Of this total, £5,300,000 had been paid to the School by 31 August 2022, and the remaining amount payable was £9,700,000 (before discounting).

#### *Assessment of impact*

The Foundation's funding for the Strategic Development Fund requires, amongst other conditions, that the School does not cease to be ranked as one of the top three schools in the UK for more than three consecutive years. The Board therefore assesses the impact of its support by monitoring the extent to which the School is achieving this objective. In 2022, the School was placed 31<sup>st</sup> globally (2021: 17<sup>th</sup>) and third in the UK in the Financial Times' MBA rankings, which means the School continues to meet the objective set by the Board. Improving the global ranking is an ongoing strategic focus for the School.

### **Humanitarian Programme**

Since 2011/12, the Foundation has sought to redirect more of its programme resources towards providing humanitarian relief and development support for Syrian refugees and host communities in Jordan and Lebanon. Since that point, the Foundation has committed £19.3 million to supporting Syrian refugees and host communities by funding projects in the fields of education, healthcare, child protection and emergency relief. In 2021/22, the Foundation had three main partnerships focused on child protection, higher education, and vocational training.

Further to an Appeal held in November 2018, the Asfari Foundation and the Saïd Foundation granted the **International Rescue Committee** £5.5 million to continue their work in Lebanon to improve Syrian refugee children's protection and access to education. The Saïd Foundation's share of this total was £1.34 million. A four-year agreement was signed between the parties. The programme started in January 2019 and ended in December 2022.

The Foundation has partnered with the **UNHCR** since 2014. UNHCR implements a worldwide scholarship programme for refugees known as the DAFI programme. This programme has been enabling access to higher education for refugee students in their country of asylum since 1992. The Foundation has been funding scholarships for Syrian refugees in Lebanon and Jordan since 2014. In November 2019, the Board of Trustees approved a further grant of \$1,061,051 to fund the undergraduate studies of 41 young Syrians from 2019 until 2023.

In July 2021, the board of trustees granted \$504,132 for a one-year programme with existing partner **UNHCR** for a vocational training project to train 100 students. Vocational training is regarded as a viable alternative for those who are unable to continue their university education for reasons related to their displacement or financial circumstances.

### *Assessment of Impact*

By supporting implementing partners that have a strong record of capability and achievement in the region, the Foundation aims to maximise the impact of its grant-making and to reach the most vulnerable beneficiaries. All projects are funded under formal agreements with payment instalments conditional upon the effective achievement and reporting of project outcomes.

In May 2022, the Foundation's CEO resumed pre-pandemic travel to Lebanon and to Jordan to monitor the two UNHCR programmes. Together with Deputy Chair, Dr Rasha Saïd, they met local implementing partners and interacted with beneficiaries from both programmes and witnessed activities and workshops with beneficiaries in real time. In July 2022, the CEO travelled to Lebanon and, together with the Asfari Foundation, visited the IRC's implementing partners and beneficiaries in the cities of Tripoli and Arsal in the North of Lebanon.

Throughout the year, partners provided regular updates as well as monitoring and evaluation reports, and case studies of beneficiaries who were supported.

### *Other Humanitarian Expenditure*

During 2021/22 the Foundation made a donation of £10,000 to the UK charity, Breaking Barriers. The Foundation supported the expansion of Breaking Barriers' education project to Birmingham and Manchester, with a focus on Syrian refugees. The project helps refugees in the UK to improve their English languages skills and helps them develop employability skills so they can integrate into the UK job market. The project is expected to reach 445 refugees in Birmingham and Manchester, a third of whom are refugees from Syria.

## **Scholarship Programme**

### *Scholarships in the UK*

The Saïd Foundation has offered educational scholarships and training opportunities since 1984. Our Scholarship Programme aims to empower students through educational opportunities and provide skills needed for the development of the region. It is targeted towards outstanding individuals who demonstrate the potential to be a future leader and driver of change within our target countries. Since 1984 we have supported over 650 scholars from these countries to study in the UK.

By bringing talented scholars to study at a postgraduate level in the UK, our intention is to provide them with skills and knowledge not widely available in the Middle East, to expose them to critical and independent ways of learning and thinking, and thereby help to create future leaders in their professional fields.

Saïd Foundation Scholarships are awarded based on merit, and applications are carefully considered by officers and Trustees of the Foundation as well as by external assessors selected from among the Foundation's alumni. The Foundation bases its decisions on the candidate's academic excellence, the usefulness of the subject to their home country, the candidate's leadership potential, their commitment to serving their community, their future career intentions and their practical ability to make use of the knowledge to be gained in the UK on their return to the Middle East.

For the 2022/23 application round the Saïd Foundation received 796 applications, of which 700 met the programme's eligibility criteria. The selection process lasted eight months, with award letters sent in June 2022. Selected scholars arrived in the UK in September 2022. The Foundation supported 29 scholars for postgraduate study in the UK (2021/22 academic year: 30 scholars); 28 scholars were supported for a one-year master's degree and one scholar began the final year of PhD studies. The scholars came from Syria (17), Jordan (4), Lebanon (4) and Palestine (4).

The total amount granted under Scholarship Programmes (including tuition fees, maintenance awards and travel expenses) was £1,326,000 (2021/22 academic year: £825,000). This figure includes the £280,000 cost of scholars selected separately to the main programme (see Other Scholarship Grants below).

The Foundation seeks to maximise the number of scholars it can support by working with partners who contribute financially towards scholarships. The 29 scholars supported in 2022/23 include two scholars supported by the

Foreign, Commonwealth & Development Office's Chevening Scholarship programme. The Saïd Foundation has partnership agreements with 28 UK universities each providing a tuition fee discount of between 20-50%.

#### *Rhodes Scholarships for Syria, Jordan, Lebanon and Palestine*

In September 2021 two Rhodes Scholars from the Foundation's target countries arrived in the UK to begin their postgraduate studies at the University of Oxford. The two scholars are Naseem AlKhoury, from Syria, who is reading for an MSc in Global Health Science and Epidemiology, and Abdallah Abuhashem, from Palestine, who will be reading for an MSc in Social Science of the Internet. They will spend between two and four years at the University of Oxford. This was the fifth year of the scholarship agreement between the Saïd Foundation, the Rhodes Trust and the University of Oxford, bringing the total number of students to eleven.

#### *Assessment of Impact*

An evaluation report in September 2019 concluded that the Scholarships Programme continued to meet its objectives of providing talented individuals with educational opportunities that not only enhance their personal careers but also contribute to the development of the Levant region. The Foundation intends to have future evaluations done internally on a rolling basis.

Over the last few years, the Foundation has improved communications with its alumni and keeps an up-to-date database of over 600 former scholars.

The Scholarships Programme internal processes and procedures are reviewed on a regular basis in consultation with the Student Committee.

#### *Other Scholarship Grants*

In addition to the main Scholarship Programme, six scholarships were awarded under a separate selection process during 2021/22. These grants were awarded to two European and four UK scholars.

### **Plans for future periods**

The Saïd Foundation plans to continue funding the Saïd Business School Programme and Scholarship Programme, along with supporting Humanitarian work whenever funds permit.

### **3. Trustees and Management**

During the year, the Board of Trustees met in December 2021. The Audit Committee met in March 2022. The Investment Committee met in November 2021, March 2022 and May 2022. Both the Projects Committee and the Student Committee met in May 2022.

## 4. Financial Review

### Summary of Financial Performance

The Foundation monitors its financial performance through six key performance indicators (KPIs) which are regularly reported to the Audit Committee and Board. A summary of these are set out in the table below.

KPI Area	Description	Target	2021/22	2020/21
<b>Maintaining the endowment</b>	Value of endowment compared with the value adjusted for CPI inflation since inception.	Value should be in surplus against inflation adjusted-value.	£7.7 million shortfall	£4.9 million shortfall
<b>Investment performance</b>	Return, after fees on financial investments	>4% above rate of CPI inflation	7.3% below target	2.6% above target
	Management fees as a percentage of financial investments	<1%	0.00%	0.05%
	Net yield from freehold properties	>5%	5.4%	-5.9%
	Property management costs as a percentage of gross rental income	<10%	26.0%	14.5%
<b>Operational performance</b>	Staff and administrative costs as a percentage of charitable expenditure	<15%	19.7%	14.8%

The Trustees' primary financial target is to ensure that the actual value of the endowment is maintained in real terms (i.e. after adjusting for inflation). There is a shortfall of £7.7 million in the value of the endowment, compared to target, as a result of high CPI inflation of 9.8% as of 31 August 2022. Investment performance during the year also fell short of the long term objective. The net yield from investment properties improved in the year due to an uplift in the One Kingsway market valuation, while property management costs, as a percentage of gross rental income, remained unusually high. This trend for the last three years has been driven by the Foundation's funding of service charge and business rates liabilities on void space at One Kingsway. Staff and administrative costs as a percentage of charitable expenditure exceeded the target, despite a small reduction in staff costs, due to some significant one-off administrative costs.

The value and allocation of the Foundation's investment portfolio at 31 August 2022 are summarised in the table below, with further detail provided at note 8 to the financial statements.

	2022 (£'000s)	2022 (%)	2021 (£'000s)	2021 (%)
<b><u>Investment Properties</u></b>				
College House, London*	37,600	47%	37,600	47%
One Kingsway, Cardiff*	16,300	20%	14,150	18%
King William St, London*	8,505	11%	9,300	12%
<b><u>Financial Investments</u></b>				
Mixed Asset Funds	17,246	21%	18,450	23%
Fixed income and cash	10	0%	30	0%
Private equity	976	1%	1,060	1%
<b>TOTAL</b>	<b>80,637</b>	<b>100%</b>	<b>80,590</b>	<b>100%</b>

\* The values of the Investment Properties are stated without any deduction for borrowing secured on those properties. As at 31 August 2022, borrowing secured across all three properties was £27,814,000 (2021: borrowing of £27,682,000 secured across College House and One Kingsway only)

Capital Generation Partners LLP is the Foundation's sole investment adviser on the financial investment portfolio and investment properties. The financial investments are primarily invested in a multi-asset strategy designed to achieve a 4% real return over the cycle.

### Charitable expenditure

The activities of the Foundation are funded through income from its investments, which are managed by professional investment and property managers. Total charitable expenditure in the year to 31 August 2022 was £3.5 million (2021: £3.8 million) and is analysed at note 4 of the financial statements.

## 5. Governance Information

### Governance and Decision Making

The Saïd Foundation is the successor organisation to the Karim Rida Saïd Foundation (KRSF) that was established in 1986. It is a UK charity registered with the Charity Commission for England and Wales and is also a company limited by guarantee and registered at Companies House. The Saïd Foundation is based in London. During the year under review, all staff, programmes and financial matters were overseen by the Chief Executive Officer (CEO).

The Trustees of the Saïd Foundation who have served during the year are set out on page 3. The Trustees normally meet twice a year and are empowered under the Articles of Association to delegate authority to sub-committees. There are five standing committees, the Nominations, Investment, Audit, Projects and Student Committees, which meet as necessary. The mandates and membership of the sub-committees are reviewed and agreed annually by the Board.

New or additional Trustees may be appointed by the Foundation's Benefactor and the current trustees. Mr Khaled Saïd is the current Benefactor. Any transactions with Trustees or other related parties are disclosed at note 19 to the financial statements.

The Foundation's Audit Committee reviews governance arrangements regularly to assess compliance with the *Charity Governance Code* published in July 2017, as updated in December 2020. While the Code is not a legal or regulatory requirement, Trustees seek to ensure the Foundation complies with it to the fullest extent possible. The Audit Committee reviewed compliance with the Code in 2022.

### Remuneration Policy

The Board of Trustees has delegated to the Audit Committee the authority to set the salaries of the Foundation's officers in line with positions of similar responsibility in comparable organisations. The salary of the CEO must also be approved by the Chairman.

### Risk Management

A full risk register is taken to the Audit Committee annually. New and existing risks are assessed by the Foundation's sub-committees on an ongoing basis to ensure that they are appropriately managed. The Foundation's Audit Committee reviews the full risk register and the accompanying systems and controls, with a summary of key risks presented to the Board, on an annual basis.

Trustees have identified the following principal risks facing the Foundation and have controls in place for their active management:

Principal Risks	Present Controls
<p><b>Misuse of Funds</b> The Foundation may inadvertently fund an extremist organisation or individual.</p>	<ul style="list-style-type: none"> <li>Procedures are in place in respect of due diligence, pre-selection, payment and performance monitoring of all students, project partners and projects under delivery.</li> <li>Grant agreements are drafted to include stage payments dependent on reports detailing the delivery of agreed outcomes.</li> <li>External risk advisory firm commissioned to undertake background checks on all successful scholarship candidates.</li> <li>Projects in the region implemented by large international NGOs with experience of working in complex</li> </ul>

	environments and with appropriate due diligence and monitoring in place.
<p><b>Charitable Programmes</b> Conflict and political instability in the Foundation's priority countries causes disruption to the delivery of projects.</p>	<ul style="list-style-type: none"> <li>The Foundation runs no direct activity in the Middle East but maintains relationships with major agencies (the IRC, Save the Children, UNHCR and Turquoise Mountain) which have been chosen because of their experience in delivering humanitarian projects in conflict-affected areas.</li> <li>Risk assessment during project selection process, recognising that some risk is inevitable in order to meet the humanitarian needs of those most affected by the crisis.</li> <li>Grant agreements drafted to include stage payments dependent on reports detailing the delivery of agreed outcomes.</li> </ul>
<p><b>Humanitarian Programme</b> The programme may be unclear, or there is a failure to focus on and deliver objectives, which wastes the Foundation's charitable funding.</p>	<ul style="list-style-type: none"> <li>Annual review of objectives by the Board informs all SF programmes and funding priorities.</li> <li>All funding subject to decision by Trustees, either at Board or Projects Committee level.</li> <li>Regular communication between Chairman and CEO on project proposals and funding.</li> <li>The only remaining programme in the Humanitarian Programme is the UNHCR DAFI programme in Lebanon and Jordan. This is closely monitored.</li> </ul>
<p><b>Charitable Impact and Strategy</b> The Foundation's strategy is not sufficiently focussed to maximise its charitable impact, leading to charitable funds being wasted and resulting in reputational damage.</p>	<ul style="list-style-type: none"> <li>Annual review of objectives by the Board informs all SF programmes and funding priorities / criteria.</li> <li>Achievement of objectives is reviewed annually by the Board and more frequently by sub-committees.</li> <li>Performance against objectives is reported regularly in management accounts, monthly updates to Trustees, and in Projects and Student Committee papers.</li> <li>Established operating guidelines and work manuals are in place for all charitable programmes.</li> </ul>
<p><b>Stewardship of Assets and Investments</b> The Foundation is unable to continue funding charitable activity at the current level due to sustained underperformance of its investment portfolio.</p>	<ul style="list-style-type: none"> <li>Target return of 4% above inflation and 4% spending policy work together to ensure the real value of the endowment is maintained over time.</li> <li>Investment Committee tasked with setting investment policy and asset allocation to achieve this target return.</li> <li>Capital Generation Partners provides asset allocation and property management advice.</li> <li>Statement of Investment Policies last updated in May 2020. This was reviewed at the Investment Committee meeting in November 2022, with no changes proposed. Performance reported regularly to Investment and Audit Committees, and the Board.</li> <li>Diversification across asset classes to reduce risk.</li> </ul>

### Grant-making Policy

As a charitable foundation, making grants is the primary means through which the Foundation achieves its charitable objectives. The grant-making policies for each charitable programme are summarised as follows:

- The annual funding provided for the Saïd Business School Foundation's Strategic Development Fund will continue to be provided as long the School does not cease to be ranked as one of the top three schools in the UK for more than three consecutive years; and as long as the Foundation does not reasonably consider that the annual funding paid to SBSF would be better granted to other beneficiaries.
- The Foundation's criteria for funding scholarships are available on the Foundation's website as well as through academic partners in the target countries such as the British Council. The Student Committee

awards scholarships annually following a rigorous selection process that includes interview by the Foundation, verification of references and academic transcripts, and background checks on each successful candidate. Each successful candidate must sign an award letter setting out the terms of the scholarship and funds are not advanced until those terms are met.

- The Humanitarian Programme makes grants to large scale international organisations and is not open to speculative applications. The Foundation has current partnerships with the IRC and the UNHCR. These organisations were selected for their experience of working successfully in complex conflict-affected environments.

### **Public Benefit**

The Trustees have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. The Trustees consider that each of the Foundation's programmes is aimed at one or more of: the advancement of education; advancement of health / saving lives; advancing the arts and heritage; and assisting the young or disabled. Furthermore, while there are eligibility criteria for each of the Foundation's programmes, the Trustees are also satisfied that each programme is targeted at a sufficiently wide section of the public to meet the 'public benefit' test.

### **Investment Policy**

Under the Articles of Association, the Trustees have wide investment powers, including the power to appoint investment managers provided that the managers are given clear investment guidelines laid down and monitored by the Trustees. The overall financial and investment objectives of the Fund are to provide a stream of income in support of the Foundation's mission and to preserve and enhance the real purchasing power of the assets. For the Foundation to be able to pursue its charitable objects effectively the Trustees have targeted an inflation adjusted total return of at least 4%.

### **Reserves Policy**

As the Foundation does not usually fundraise externally, income from investments represents its primary source of revenue alongside new donations from the Chairman. Trustees therefore seek to maintain the value of the endowment in inflation adjusted terms in order to maintain the purchasing power of the endowment over the long-term, and to provide income to meet continuing charitable expenditure. The objective of the Trustees is that the value of the endowment fund should not be permitted to fall below the value of the donations made by the Chairman since 1986, uplifted in line with inflation. The Trustees review performance against this objective on an annual basis.

At 31 August 2022, the Foundation's endowment fund was valued at £56.1 million which represented a shortfall of £7.7 million over the inflation-adjusted value of £63.8 million at the same date (2021: £53.2 million, representing a £4.9 million shortfall compared to the inflation-adjusted value of £58.1 million).

### **Fundraising Policy**

The Foundation is an endowed charity and does not rely on donations from the public or third parties to fund its charitable activities. It therefore has no fund raising requirement, and does not devote significant resources to fund raising. However, the Foundation follows the Fundraising Regulator's Code of Fundraising Practice to the extent that it is applicable.

### **Re-appointment of Auditors**

CLA Evelyn Partners Limited (formerly named Nexia Smith & Williamson) were reappointed as auditors for the 2022/23 financial year in accordance with section 485 of the Companies Act 2006.

## Audit information

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report was approved by the Trustees on 05/05/2023 2023 and signed on its behalf by:

*Michael Peat*  
Michael Peat (May 5, 2023 15:31 GMT+1)

Sir Michael Peat  
Trustee and Chairman of the Audit Committee

## Statement of Trustees' responsibilities

The Trustees (who are also Directors of the Saïd Foundation for the purposes of company law) are responsible for preparing the Trustees' Report 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'.

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming/outgoing resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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
- prepare the financial statements on the going concern basis, unless it is inappropriate to assume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that 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 also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SAID FOUNDATION

### Opinion

We have audited the financial statements of The Saïd Foundation (the 'charitable company') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow statement and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

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

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

### Other information

The other information comprises the information included in the Annual Report and Audited Accounts, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Annual Report and Audited Accounts. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which incorporates the Strategic Report and the Directors' Report prepared for the purpose of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the Strategic Report and the Directors' Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

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

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

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

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

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities on page 14, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We obtained a general understanding of the charitable company's legal and regulatory framework through enquiry of management concerning their understanding of relevant laws and regulations, the entity's policies and procedures regarding compliance, and how they identify, evaluate and account for litigation claims. We also drew on our existing understanding of the charitable company's sector and regulation.

We understand that the charitable company complies with the framework through:

- Subscribing to relevant updates from external experts, and making changes to internal procedures and controls as necessary.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the charitable company's ability to conduct its business, and/or where there is a risk that failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the charitable company:

- The Companies Act 2006, Charities Act 2011 and FRS102 (including the provisions of the Charities SORP) in respect of the preparation and presentation of the financial statements.

We performed the following specific procedures to gain evidence about compliance with the significant laws and regulations identified above:

- Enquiry of management and responsible staff members
- The inspection of any relevant correspondence.
- The review of Board minutes.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. The areas identified in this discussion were:

- Manipulation of the financial statements, especially grants income and expenditure, via fraudulent journal entries, particularly as the size and nature of the charitable company means that there is little opportunity for segregation of duties.

These areas were communicated to the other members of the engagement team not present at the discussion. The procedures we carried out to gain evidence in the above areas included:

- Testing journal entries, focusing particularly on postings to unexpected or unusual accounts and those posted at unusual times.

Overall, the senior statutory auditor was satisfied that the engagement team collectively had the appropriate competence and capabilities to identify or recognise irregularities. In particular, both the senior statutory auditor and the audit manager have a number of years' experience in dealing with charities and companies that operate in this sector.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

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

*CLA Evelyn Partners Limited*

CLA Evelyn Partners Limited (May 5, 2023 16:03 GMT+1)

#### **Julie Mutton**

Senior Statutory Auditor, for and on behalf of

#### **CLA Evelyn Partners Limited**

Statutory Auditor  
Chartered Accountants

Cumberland House  
15-17 Cumberland Place  
Southampton  
SO15 2BG

**The Saïd Foundation**  
**Statement of Financial Activities**  
**incorporating Income and Expenditure Account**  
**for the year ended 31 August 2022**

	Note	Restricted Funds £000's	Unrestricted Funds - Expendable Endowment £000's	Total 2022 £000's	Total 2021 £000's
<b>INCOME FROM:</b>					
- Donations	2	-	79	79	132
- Investments	3	-	3,252	3,252	3,618
- Other income		-	22	22	107
<b>Total income</b>		-	<b>3,353</b>	<b>3,353</b>	<b>3,857</b>
<b>EXPENDITURE ON:</b>					
<i>Raising funds:</i>					
- Investment management costs		-	(846)	(846)	(524)
- Interest on borrowings		-	(1,006)	(1,006)	(663)
- Other expenditure on raising funds		-	(6)	(6)	(2)
- Movement on bad debt provision		-	29	29	127
<i>Charitable expenditure:</i>	4				
- Humanitarian Programme		-	(129)	(129)	(457)
- Saïd Business School Programme		-	(1,645)	(1,645)	(1,504)
- Scholarship Programme		-	(1,769)	(1,769)	(1,101)
- Amal		-	-	-	(661)
- Toucan Project		-	-	-	(31)
<b>Total expenditure</b>		-	<b>(5,372)</b>	<b>(5,372)</b>	<b>(4,816)</b>
Net gains / (losses) on investment properties		-	1,960	1,960	(6,023)
Net gains on financial investments		-	1,223	1,223	1,829
Net gains on interest rate swap		-	1,751	1,751	-
Net (losses) on foreign currency movements		-	(37)	(37)	(15)
<b>Net gains / (losses)</b>		-	<b>4,897</b>	<b>4,897</b>	<b>(4,209)</b>
<b>Net income /(expenditure) and net movement in funds for the year</b>	6	-	<b>2,878</b>	<b>2,878</b>	<b>(5,168)</b>
<b>RECONCILIATION OF FUNDS</b>					
Funds brought forward 1st September	12,13	-	53,178	53,178	58,346
<b>Funds carried forward 31st August</b>	12,13	-	<b>56,056</b>	<b>56,056</b>	<b>53,178</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

**The Saïd Foundation**  
**Balance Sheet at 31 August 2022**

	Note	2022 £000's	2021 £000's
<b>Fixed assets</b>			
Tangible Fixed Assets	8a	866	-
Investment properties	8b	62,405	61,050
Financial investments	8c	18,232	19,540
<b>Total fixed assets</b>		<b>81,503</b>	<b>80,590</b>
<b>Current assets</b>			
Debtors, prepayments and accrued income	9	12,560	17,264
Cash at bank and in hand		1,474	1,297
Interest rate swap		1,751	-
<b>Total current assets</b>		<b>15,785</b>	<b>18,561</b>
Creditors falling due within one year	10a	(8,695)	(15,354)
<b>Net current assets</b>		<b>7,090</b>	<b>3,207</b>
<b>Total assets less current liabilities</b>		<b>88,593</b>	<b>83,797</b>
Creditors falling due after more than one year	10b	(32,537)	(30,619)
<b>Net assets</b>		<b>56,056</b>	<b>53,178</b>
<b>The funds of the charity</b>			
Restricted funds	13	-	-
Unrestricted funds			
- Expendable endowment fund	14	56,056	53,178
<b>Total charity funds</b>		<b>56,056</b>	<b>53,178</b>

The notes on pages 21 to 33 form part of the financial statements.

Approved by the Board of Trustees on 05/05/2023

2023 and signed on its behalf by:

*Michael Peat*

Michael Peat (May 5, 2023 15:31 GMT+1)

.....  
Sir Michael Peat  
Trustee

Registered Company No: 06621764

**The Saïd Foundation**  
**Cash Flow Statement**  
**for the year ended 31 August 2022**

	Note	2022 £000's	2021 £000's
<b>Cash used in operating activities</b>	12a	<b>(4,726)</b>	<b>(2,535)</b>
<b>Cash flows from investing activities</b>			
- Dividends, interest and rents received	12b	3,485	3,327
- Receipts from sale of investments		2,557	16,555
- Payments to buy new investments		-	(16,562)
- Additions to tangible fixed assets		(75)	-
- Capital expenditure on investment properties		(190)	(87)
		<u>5,777</u>	<u>3,233</u>
<b>Cash flows from financing activities</b>			
- Repayment of borrowings		(27,682)	(257)
- New loans drawn (net of arrangement fees)		27,814	-
- Payment of interest		(1,006)	(663)
		<u>(874)</u>	<u>(920)</u>
Increase / (Decrease) in cash and cash equivalents during the year		<u>177</u>	<u>(222)</u>
Cash and cash equivalents at the beginning of the year		1,297	1,519
<b>Cash and cash equivalents at the end of the year</b>		<u><b>1,474</b></u>	<u><b>1,297</b></u>

A reconciliation of net debt is included at note 12(c).

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2022**

## **1 ACCOUNTING POLICIES**

### **a) Basis of preparation**

The financial statements have been prepared in accordance with *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)*, the Charities Act 2011 and UK Generally Accepted Accounting Practice. The Foundation meets the definition of a 'public benefit entity' under FRS 102. The financial statements are prepared under the historic cost convention except where otherwise stated. The majority of the Foundation's assets and liabilities are denominated in Pounds Sterling. The functional currency of the Foundation is therefore considered to be Pounds Sterling and the Financial Statements are presented in that currency. The Saïd Foundation is a company limited by guarantee and is incorporated in England and Wales. Its registered office address is 70-72 King William Street, London, EC4N 7HR.

### **b) Income**

Income is recognised when the Foundation has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Income from operating leases is recognised on a straight-line basis over the lease term, net of lease incentives. Lease incentives are typically granted at the commencement of the lease term and are then accrued and recognised on a straight-line basis over the lease term.

### **c) Expenditure and irrecoverable VAT**

Expenditure is recognised once: there is a legal or constructive obligation to make a payment to a third party arising from a past event; it is probable that settlement will be required; and the amount of the obligation can be measured reliably. Expenditure relates either to raising funds (principally the costs directly attributable to managing the investment portfolio and investment properties) or to charitable activities. Expenditure on charitable activities is analysed between the Foundation's major charitable programmes at note 4 to the accounts.

The Foundation is registered for VAT and recovers input tax to the fullest extent possible. However, the majority of the Foundation's transactions are outside of the scope of VAT and irrecoverable VAT is therefore charged as a cost against the activity for which the expenditure was incurred.

### **d) Fund accounting**

Restricted funds are donations which the donor has specified are to be solely used for particular grant-making activities. Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Foundation. Analyses of income, expenditure and net assets of the Foundation's restricted and unrestricted funds are shown at notes 13, 14 and 15 to the accounts.

### **e) Financial instruments**

The Foundation holds only financial assets and financial liabilities classified as 'basic' financial instruments, such as receivables, loans and payables, as well as 'other' financial instruments, being an interest rate swap. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest rate method. Other financial instruments are measured at market value at each reporting date, with movements in market value included in net income.

In October 2021, the Foundation entered into an interest rate swap in relation to the facility agreement with Citibank. This is measured at market value at each reporting date, with movements in market value included in net income.

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2022**

**1 ACCOUNTING POLICIES (continued)****f) Foreign currencies**

Transactions denominated in foreign currency are recognised at the exchange rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at the exchange rate on the balance sheet date. All gains and losses on exchange, realised and unrealised are charged to the Statement of Financial Activities and included in the net movement on funds.

**g) Investment properties**

Investment properties are held to earn rental income and for capital appreciation, and are not used in connection with the Foundation's charitable activities. Investment properties are held at fair value at the balance sheet date. Depreciation is not provided on investment property.

Subsequent to purchase, an investment property carried at fair value may be subject to further expenditure on improvements or refurbishment. Such expenditure is capitalized where it is expected that the work will enhance the income-generating potential of the asset. The costs of such work are added to the carrying value of the asset which is subject to re-measurement as part of future revaluations.

The Foundation determines the fair value of its investment properties by commissioning valuations from independent, third-party valuers with appropriate professional skills and experience. These valuations are commissioned on a 'market value' basis sufficiently frequently to satisfy the Trustees that the book value is a materially accurate estimate of the fair value at the reporting date. Further details about the valuations of individual investment properties are shown at note 8 to the accounts.

**h) Tangible Fixed Assets**

In February 2022, the Foundation moved out of Queen Anne's Gate and took occupation of the fifth floor of 70-72 King William Street, the leasehold property owned by the Foundation. Therefore, the fifth floor is now held for charitable use. At the date of change of use, the deemed cost of the fifth floor was redesignated from Investment Property to Tangible Fixed Assets. The deemed cost was based on the fifth floor share of the fair value of the investment property, based on square footage of the premises.

Fixtures and fittings are shown at cost less accumulated depreciation. Depreciation is provided on a straight line basis over ten years (10% of cost per annum once in use).

**i) Financial investments**

Quoted investments are stated at market value at the balance sheet date. Unquoted investments are valued at the Foundation's best estimate of fair value based on valuations provided by fund managers and reviewed by the Foundation's investment advisers.

Where a valuation is not available at the balance sheet date, the most recent valuation from the fund manager is used, adjusted for cash flows and foreign exchange movements in the period between the valuation and the balance sheet date, and for any evidence of impairment between the most recent valuation date and the financial year end.

**j) Grant commitments**

Grant expenditure is recognised when the grant has been approved by the Foundation's Board of Trustees, Student Committee or Projects Committee and a constructive obligation is considered to exist. Grants which remain unpaid at the end of a period are carried forward as liabilities, as set out in note 10 to the accounts.

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2022**

**1 ACCOUNTING POLICIES (continued)**

**k) Going concern**

The Foundation's Statement of Investment Policies states that the objectives of the investment portfolio are to provide a stream of funding in support of the Foundation's mission, and to preserve and enhance the real (inflation-adjusted) purchasing power of the assets. The Foundation holds a prudent level of cash to meet short-term liabilities, and its Financial Controller, CEO and Audit Committee members regularly review a cash flow forecast to ensure that the level of cash held is sufficient to meet all expected liabilities as they fall due.

The majority of the Foundation's investment portfolio is held in directly-owned properties which provides the Foundation with a regular stream of cash receipts from tenants. In the event of an unexpected shortfall in rental income, the Foundation's financial asset portfolio also includes substantial holdings in highly liquid assets, which could be readily exchanged for cash.

Accordingly, the Trustees consider it appropriate to continue to adopt the going concern basis in preparing the financial statements.

**l) Critical accounting judgments and sources of estimation uncertainty**

In the application of these accounting policies, the Trustees have made two judgments that have a significant effect on the financial statements.

The Grant Agreement between the Foundation and SBSF confirms that the Foundation has a long-term commitment to SBSF for at least five years. For 2021/22 that commitment was £1.2 million (2020/21: £1.2 million) and it rises each year in line with the annual increase in the CPI inflation index. However, the agreement also states that there are circumstances in which this funding could cease. Therefore, SF recognises one year's funding for SBSF in each year's financial statements.

In applying the requirement under paragraph 7.9 of the FRS 102 SORP to discount long-term grant liabilities to their present value, the Trustees have used HM Treasury's forecast medium-term CPI inflation rate for 2023 and beyond which was 5.63% at the end of August 2022. In accordance with paragraph 11.20 of FRS 102, grants committed in prior years are discounted using the original discount rate (i.e. the prevailing CPI inflation rate forecast in the year of initial recognition).

The CPI inflation rate forecast was chosen as the discount rate because SF's charitable expenditure is funded from an endowment which is invested to achieve a return calculated with reference to the rate of change in the CPI inflation index. Further information about HM Treasury's forecast inflation rates can be found at <https://www.gov.uk/government/collections/data-forecasts>.

The Trustees have also noted one significant estimate, being the valuation of investment property assets. The Trustees' approach to the valuation of each investment property is described at note 8 to the accounts. However, there remains a risk that, if the assets were realised, the sale proceeds might differ materially from the estimates made by the Trustees and their professional advisers.

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2022**

**2 Donations**

	<b>Restricted 2022 £000's</b>	<b>Unrestricted Funds - Expendable Endowment 2022 £000's</b>	<b>Total 2022 £000's</b>	<b>Total 2021 £000's</b>
General donations	-	1	1	45
Donations from the Chairman	-	78	78	87
<b>Total</b>	<b>-</b>	<b>79</b>	<b>79</b>	<b>132</b>

**3 Income from investments**

	<b>Restricted 2022 £000's</b>	<b>Unrestricted Funds - Expendable Endowment 2022 £000's</b>	<b>Total 2022 £000's</b>	<b>Total 2021 £000's</b>
Bank interest	-	2	2	3
Rents and other income from investment properties	-	3,250	3,250	3,615
<b>Total</b>	<b>-</b>	<b>3,252</b>	<b>3,252</b>	<b>3,618</b>

No income is received from the main part of the Foundation's financial assets, which are managed by Capital Generation Partners. The income is accumulated. The movement in the value of the investments managed by Capital Generation Partners is therefore shown under net gains/losses on financial investments.

**4 Analysis of expenditure on charitable activities**

	<b>Humanitarian Programme £000's</b>	<b>Saïd Business School Programme £000's</b>	<b>Scholarship Programme £000's</b>	<b>Total 2022 £000's</b>	<b>Total 2021 £000's</b>
Grant commitments	10	1,232	1,326	2,568	2,966
Financing cost or credit relating to the discounting of grant liabilities	35	194	(22)	207	160
Staff costs	72	16	145	233	269
Directly allocated support costs	-	-	68	68	72
Apportioned support costs (see note 5)	10	164	204	378	215
Governance costs	2	39	48	89	72
<b>Total</b>	<b>129</b>	<b>1,645</b>	<b>1,769</b>	<b>3,543</b>	<b>3,754</b>

Expenditure on charitable activities was £3.5 million, including the following significant grant commitments:

- £1.2 million to the Saïd Business School Foundation for the Strategic Development Fund;
- £1.3 million of scholarship grants largely related to scholars studying in the 2022/23 academic year; and
- £10,000 to Breaking Barriers.

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2022**

**5 Analysis of governance and support costs**

The Foundation initially identifies support costs which relate directly to each of the charitable programmes listed above and allocates them to the activity to which they relate. The remaining support costs which cannot be directly allocated (such as premises expenses and general office expenses) are then apportioned between 'support' and 'governance' functions, and further apportioned between the three charitable activities based on total charitable expenditure attributable to each programme. This apportionment is shown at note 4, above.

The table below shows the support and governance costs which have been apportioned in this way, and notes the basis on which the apportionment has been made:

	Support £000's	Governance £000's	Total £000's	Basis of Apportionment
Premises expenses	74	-	74	<i>Allocated to support</i>
Salaries, wages and related costs	122	61	183	<i>Estimate of staff time</i>
General office expenses	155	-	155	<i>Allocated to support</i>
Audit fees	-	28	28	<i>Allocated to governance</i>
Travelling	13	-	13	<i>Allocated to support</i>
Legal and professional fees	14	-	14	<i>Allocated on nature of advice received</i>
	<u>378</u>	<u>89</u>	<u>467</u>	

**6 Analysis of net movement in funds for the year**

Net movement in funds for the year is stated after charging:

	Total 2022 £000's	Total 2021 £000's
Auditors' remuneration (excluding irrecoverable VAT):		
- Statutory audit fees	28	17
- Non-audit services	-	-
	<u>-</u>	<u>-</u>

**7 Analysis of staff costs and remuneration of key management personnel**

	Total 2022 £000's	Total 2021 £000's
Salaries	331	341
National Insurance	35	31
Employer's pension contributions and other benefits	50	46
	<u>416</u>	<u>418</u>

Of the £416,000 total staff costs analysed above, £233,000 has been allocated to the three charitable programmes (see note 4) and £183,000 has been allocated to support and governance costs (see note 5).

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2022**

**7 Analysis of staff costs and remuneration of key management personnel (continued)**

The average full-time equivalent (FTE) monthly employee head count during the year was 7 (2021: 7). The Foundation contributed 10% of each employee's gross salary to a registered pension scheme. In addition, all employees contributed 3% of gross salary. Employees are also entitled to membership of a private medical insurance scheme after satisfactory completion of their probationary period. No other employee benefits were paid during the year.

The charity's key management personnel comprised the Chief Executive Officer (CEO). The CEO's total remuneration (excluding employer's pension contributions) in the year to 31 August 2022 was £101,255 (2021: £97,273). The Foundation also made pension contributions to a money purchase pension scheme of £14,082 (2021: £13,471) and paid employer's National Insurance contributions of £13,242 (2021: £12,261) in respect of the CEO.

The numbers of employees whose remuneration and benefits, excluding employer's pension and employer's National Insurance contributions, for the year fell within the following bands were:

	<b>2022</b> <b>number</b>	<b>2021</b> <b>Number</b>
£90,000 to £99,000	-	1
£100,000 to £109,000	1	-

The Foundation's trustees were not paid any remuneration nor received any other benefits from the Foundation or a related entity. No trustees (2021: one) received reimbursement for travel and subsistence expenses incurred whilst on Saïd Foundation business (2021: £921).

**8 Fixed Assets**

**a) Analysis of Tangible Fixed Assets**

The Foundation moved into the fifth floor of 70-72 King William Street in February 2022. The deemed cost of the fifth floor at King William Street was based on the square footage as a percentage of the total square footage of the premises.

	<b>Leasehold</b> <b>Property</b> <b>£000's</b>	<b>Fixtures and</b> <b>Fittings</b> <b>£000's</b>	<b>Total</b> <b>£000's</b>
<i>Cost:</i>			
Balance at 1 September 2021	-	-	-
Additions/Reclassification during the year	795	75	870
Balance at 31 August 2022	795	75	870
<i>Accumulated Depreciation:</i>			
Balance at 1 September 2021	-	-	-
Additions during the year	-	4	4
Balance at 31 August 2022	-	4	4
<i>Net Book Value:</i>			
Balance at 31 August 2022	795	71	866
Balance at 1 September 2021	-	-	-

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2022**

**8 Fixed Assets (continued)**

**b) Analysis of Investments**

The Foundation's Statement of Investment Policies sets out the overall objectives for the investment portfolio, which are to provide a stream of funding in support of the Foundation's mission, and to at least preserve the real (inflation-adjusted) purchasing power of the assets. The Board of Trustees alone is empowered to vary these policies, although management of the portfolio within these objectives is delegated to the Investment Committee.

The Foundation's investment portfolio consists of the following asset classes, all of which are held at fair value:

	<b>2022</b>	<b>2022</b>	<b>2021</b>	<b>2021</b>
	<b>£000's</b>	<b>%</b>	<b>£000's</b>	<b>%</b>
<i>Investment properties:</i>				
- College House, London SW3	37,600	47%	37,600	47%
- One Kingsway, Cardiff	16,300	20%	14,150	18%
- King William Street, London EC4	8,505	11%	9,300	12%
<i>Financial investments:</i>				
- Mixed asset funds	17,246	21%	18,450	23%
- Fixed income and cash	10	0%	30	0%
- Private equity	976	1%	1,060	1%
	<u><b>80,637</b></u>	<u><b>100%</b></u>	<u><b>80,590</b></u>	<u><b>100%</b></u>

**c) Analysis of Investment Properties**

	<b>2022</b>	<b>2021</b>
	<b>£000's</b>	<b>£000's</b>
Market value at 1st September	61,050	66,986
Additions (costs of improvement and refurbishment work)	190	87
Reclassification as tangible fixed asset	(795)	-
Net revaluation gains/(losses)	1,960	(6,023)
<b>Market value at 31st August</b>	<u><b>62,405</b></u>	<u><b>61,050</b></u>
Historical cost at 31st August	<u><b>65,929</b></u>	<u><b>65,739</b></u>

The Foundation holds three investment properties:

*College House, King's Road, London SW3*

The property was purchased in October 2014 for £36.40 million. A professional valuation undertaken in July 2021 by Knight Frank in accordance with the Royal Institute of Chartered Surveyors (RICS) Red Book valued the asset at £37.6 million. Trustees believe that this continues to represent fair value at 31 August 2022.

*One Kingsway, Cardiff*

The property was purchased in February 2016 for £18.15 million. A professional valuation, undertaken in July 2021 by Cushman & Wakefield in accordance with the RICS Red Book, valued the asset at £14.2 million. In February 2022, Jones Lang LaSalle (JLL) advised the Trustees that, in their view, the property was worth between £16.1 million and £16.6 million. In view of this, the Trustees have valued the property at £16.3 million as at 31 August 2022.

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2022**

**8 Fixed Assets (continued)**

**c) Analysis of Investment Properties (continued)**

*King William Street, London EC4*

The property was purchased in May 2017 for £9.40 million. A professional valuation undertaken in June 2021 by Cushman & Wakefield in accordance with the RICS Red Book valued the asset at £9.3 million.

In February 2022, the Foundation moved into the office on the fifth floor. Therefore, there has been a reclassification of £795,000 to Tangible Fixed Asset. Trustees believe that the residual balance of £8.5 million continues to represent a fair value at 31 August 2022.

**d) Analysis of financial investments**

	Market value at 01.09.2021 £000's	Purchase of new investments £000's	Proceeds from sale / distribution £000's	Investment gains and Foreign Exchange Movement £000's	Market value at 31.08.2022 £000's
Mixed asset funds	18,450	-	(2,221)	1,017	17,246
Fixed income and cash	30	-	(33)	13	10
Private equity	1,060	-	(303)	219	976
<b>Total</b>	<b>19,540</b>	<b>-</b>	<b>(2,557)</b>	<b>1,249</b>	<b>18,232</b>

**9 Debtors and prepayments**

	2022 £000's	2021 £000's
Sundry debtors	12,021	16,748
Accrued income	300	508
Prepayments	239	8
<b>Total</b>	<b>12,560</b>	<b>17,264</b>

Within Sundry debtors, £11.4 million is owed by the Chairman in relation to £9.1 million Osney Power Station commitments and £2.3 million Humanitarian Programme commitments.

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2022**

**10 Creditors****a) Amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	<b>£000's</b>	<b>£000's</b>
Grant commitments not yet paid	7,669	6,660
Accruals and deferred income	448	280
Bank loans	-	7,792
Trade creditors	424	88
Taxation and social security	154	62
Other Creditors	-	472
<b>Total</b>	<b><u>8,695</u></b>	<b><u>15,354</u></b>

'Accruals and deferred income' includes a balance of £222,000 (2021: £197,000) relating to rental income from investment properties received in advance. The balance at year end has been recognised in the income and expenditure account in full in September 2022.

**b) Amounts falling due after more than one year**

	<b>2022</b>	<b>2021</b>
	<b>£000's</b>	<b>£000's</b>
Bank loans	27,814	19,890
Grant commitments not yet paid	4,723	10,729
	<b><u>32,537</u></b>	<b><u>30,619</u></b>

The Foundation had two bank loans at the start of the year. The first was a £10 million facility, of which £7.8 million was outstanding at 31 August 2021, secured on the One Kingsway investment property. The second bank loan was a £20 million facility, of which £19.9 million was outstanding at 31 August 2021, secured on the College House investment property which was valued at £37.6 million at 31 August 2021.

In October 2021, the Foundation refinanced from two bank loans to one £28 million facility. The £28 million loan is secured on all three investment properties. The Foundation is committed to make quarterly repayments of interest over a three-year term commencing October 2021, with the principal repayable in full at the end of the term. The lender holds a first legal charge over the properties as security, and rental income from the properties is remitted to the Foundation after the lender's interest and fees are deducted.

**11 Grant commitments not yet paid**

Grant commitments not yet paid at 31 August 2022 comprised the following balances:

	<b>£000's</b>
Saïd Business School Foundation (Osney Power Station)	9,480
Saïd Business School Foundation (Strategic Development Fund)	1,232
UNHCR	228
Amal	493
UK Scholarship Programme (includes 22/23 scholars)	1,092
Other Scholarship Programmes	69
Less: adjustment to discount grant liabilities required by FRS102	<u>(202)</u>
<b>Total grant commitments not yet paid</b>	<b><u>12,392</u></b>

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2022**

**12 Cash Flow Statement**

**a) Reconciliation of net movement in funds to net cash flow from operating activities:**

	<b>2022</b>	<b>2021</b>
	<b>£000's</b>	<b>£000's</b>
Net income / (loss) for the year (as per Statement of Financial Activities)	2,878	(5,168)
Adjusted for:		
Returns on investment	(3,250)	(3,618)
(Gains) / Losses on investments and investment properties	(3,209)	4,194
Depreciation charge	4	-
Interest paid on borrowings	1,006	663
Interest received on cash balances	(2)	(3)
Decrease in debtors	4,496	2,461
Decrease in creditors	(4,898)	(1,064)
Gain on interest rate swap	(1,751)	-
<b>Net cash (used in) operating activities</b>	<b><u>(4,726)</u></b>	<b><u>(2,535)</u></b>

**b) Analysis of cash flows from dividends, interest and rents from investment properties:**

	<b>2022</b>	<b>2021</b>
	<b>£000's</b>	<b>£000's</b>
Interest from financial investments	2	3
Rental income from investment properties	3,483	3,324
<b>Total</b>	<b><u>3,485</u></b>	<b><u>3,327</u></b>

**c) Reconciliation of movements on net debt**

	<b>Net debt at</b>	<b>Cash flows</b>	<b>Non-cash</b>	<b>Net debt</b>
	<b>01.09.2021</b>	<b>£'000s</b>	<b>movements</b>	<b>31.08.2022</b>
	<b>£000's</b>	<b>£'000s</b>	<b>£'000s</b>	<b>£000's</b>
Cash at bank and in hand	1,297	177	-	1,474
<i>Bank loans due within one year</i>	<i>(7,792)</i>	<i>7,792</i>	<i>-</i>	<i>-</i>
<i>Bank loans due after one year</i>	<i>(19,890)</i>	<i>(7,924)</i>	<i>-</i>	<i>(27,814)</i>
Total bank loans	<u>(27,682)</u>	<u>(132)</u>	<u>-</u>	<u>(27,814)</u>
<b>Net debt</b>	<b><u>(26,385)</u></b>	<b><u>45</u></b>	<b><u>-</u></b>	<b><u>(26,340)</u></b>

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2022**

**13 Analysis of restricted funds**

During the year, the Foundation received no restricted donations.

**14 Analysis of unrestricted funds**

	<b>Balance 01.09.21 £000's</b>	<b>Income £000's</b>	<b>Expenditure £000's</b>	<b>Other Gains and (Losses) £000's</b>	<b>Balance 31.08.22 £000's</b>
Expendable endowment fund	<u>53,178</u>	<u>3,353</u>	<u>(5,372)</u>	<u>4,897</u>	<u>56,056</u>

**Expendable endowment fund**

The Foundation's endowment fund is maintained to generate income to enable the continuing fulfilment of the Foundation's objectives. The Trustees' power to spend the Fund is not restricted by donors or by the Foundation's constitution, providing it is spent to meet the charitable objectives. However, it is the Trustees' intention to maintain the purchasing power of the expendable endowment fund in real terms.

**15 Analysis of net assets between funds**

	<b>Restricted Funds £000's</b>	<b>Unrestricted Funds - Expendable Endowment £000's</b>	<b>Total 2022 £000's</b>	<b>Total 2021 £000's</b>
Tangible fixed assets	-	866	866	-
Investment properties	-	62,405	62,405	61,050
Financial investments	-	18,232	18,232	19,540
Current assets	9,099	6,686	15,785	18,561
Creditors falling due within one year	(4,621)	(4,074)	(8,695)	(15,354)
Creditors falling due after one year	(4,478)	(28,059)	(32,537)	(30,619)
<b>Net Assets</b>	<u>-</u>	<u>56,056</u>	<u>56,056</u>	<u>53,178</u>

**16 Contingent liabilities and commitments**

The Foundation's grant agreement with the Saïd Business School Foundation (SBSF) states that, in the event that the Trustees decide to cease the annual funding for SBSF, the Foundation will nevertheless provide funding to SBSF to ensure that the Strategic Development Fund commitments already made can be met. At 31 August 2022, these commitments totaled £2.68 million, of which £1.23 million had already been paid to SBSF or provided for in the Foundation's accounts and £1.45 million relates to future grant commitments.

In July 2022, one tenant at One Kingsway, Cardiff, challenged the calculation of the service charge since their lease commenced in 2016. The Saïd Foundation has sought legal advice from Stephenson Harwood LLP. In a letter dated 13 February 2023, the tenant claims to have been overcharged by £55,667. Their argument was rebutted in a response dated 27 February 2023 from Stephenson Harwood LLP and we are not aware of further correspondence since.

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2022**

**17 Operating leases**

The Foundation is lessor of 22 individual lease arrangements for office and retail units at its three investment properties. The leases are all classified as operating leases and the income from these leases is recognised on a straight-line basis over the lease term. In addition to amounts accrued to the period end, the Foundation is entitled to receive the following future minimum lease payments under non-cancellable operating leases:

	<b>2022</b>	<b>2021</b>
	<b>£000's</b>	<b>£000's</b>
Amounts due:		
Not later than one year from 31 August	3,096	3,310
Later than one year and not later than five years from 31 August	8,130	7,696
Later than five years from 31 August	930	2,012
	<u>12,156</u>	<u>13,018</u>
<b>Total rental income from operating leases</b>	<b><u>12,156</u></b>	<b><u>13,018</u></b>

**18 Financial instruments**

	<b>2022</b>	<b>2021</b>
	<b>£000's</b>	<b>£000's</b>
Financial assets held at fair value	19,983	19,540

Financial assets held at fair value comprise financial investments and an interest rate swap.

**19 Transactions with trustees and connected persons**

Three Saïd Foundation Trustees are also Directors of The Saïd Business School Foundation Trustee Ltd, which is sole trustee of the Saïd Business School Foundation. They are Mr Wafic Saïd, Mr Khaled Saïd and Lord Powell of Bayswater. Grants made to the Saïd Business School Foundation during the year, and amounts owed at 31 August (before discounting), were:

	<b>Grant</b>	<b>Amount</b>	<b>Grant</b>	<b>Amount</b>
	<b>Commitments</b>	<b>owed</b>	<b>Commitments</b>	<b>owed</b>
	<b>2022</b>	<b>2022</b>	<b>2021</b>	<b>2021</b>
	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>	<b>£000's</b>
Osney Power Station grant	-	9,480	-	13,488
Strategic Development Fund	1,232	1,232	1,194	1,280
<b>Total</b>	<b><u>1,232</u></b>	<b><u>10,712</u></b>	<b><u>1,194</u></b>	<b><u>14,768</u></b>

Donations made by the Chairman are disclosed separately at note 2 to the financial statements. The Chairman made donations of £78,000 in total, of which £24,583 in the year to 31 August 2022 relates to an 'in kind' use of office premises at 24 Queen Anne's Gate (2021: £59,000). £11.4 million of Chairman's commitments from the current and previous years were outstanding as at 31 August 2022 (2021: £15.8 million).

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2022**

**19 Transactions with trustees and connected persons (continued)**

Mr Khaled Saïd is a Partner of Capital Generation Partners LLP which provides the Foundation with investment and property management advice. In the year to 31 August 2022, the firm charged £153,600 plus VAT for property management advice (2021: £173,000 plus VAT) and nil for investment management services (2021: nil). Of this, £38,400 remained outstanding at year end (2021: nil). Mr Khaled Saïd recused himself from decisions made about the appointment of Capital Generation Partners at meetings of the Foundation's Board of Trustees.

Lord Powell of Bayswater is a member of the Board of the Northern Trust Corporation of the United States which provides custody and brokerage services for investments held by the Foundation. In the year to 31 August 2022, the Foundation paid Northern Trust £766 in custody fees (2021: £1,000) and nil in brokerage commissions (2021: nil). The decision to appoint Northern Trust was taken by the Investment Committee of which Lord Powell is not a member.

Since September 2020, Ms Catherine Roe, one of the Foundation's Trustees until 6<sup>th</sup> January 2021, has been the Chief Executive of Amal (registered charity number 1190887). The Foundation pledged funding of up to £800,000 to Amal, of which £493,478 remained unpaid at the year-end.

**20 Analysis of Statement of Financial Activities – prior year comparatives**

	<b>Restricted Funds 2021 £000's</b>	<b>Unrestricted Funds Expendable Endowment 2021 £000's</b>	<b>Total 2021 £000's</b>
<b>INCOME FROM:</b>			
Donations	28	104	132
Investments	-	3,618	3,618
Other income	-	107	107
<b>Total income</b>	<b>28</b>	<b>3,829</b>	<b>3,857</b>
<b>EXPENDITURE ON:</b>			
Raising funds	-	(1,062)	(1,062)
Charitable expenditure	(28)	(3,726)	(3,754)
<b>Total expenditure</b>	<b>(28)</b>	<b>(4,788)</b>	<b>(4,816)</b>
Net gains on financial investments	-	(6,023)	(6,023)
Net gains on investment properties	-	1,829	1,829
Net (losses) on foreign currency movements	-	(15)	(15)
<b>Net income / (expenditure)</b>	<b>-</b>	<b>(5,168)</b>	<b>(5,168)</b>
<b>Net movement in funds for the year</b>	<b>-</b>	<b>(5,168)</b>	<b>(5,168)</b>
<b>RECONCILIATION OF FUNDS</b>			
Funds brought forward 1 <sup>st</sup> September 2020	-	58,346	58,346
<b>Funds carried forward 31<sup>st</sup> August 2021</b>	<b>-</b>	<b>53,178</b>	<b>53,178</b>

**THE SAID FOUNDATION**

England & Wales - Charity number 1125521

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# Accounts

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# **The Saïd Foundation**

Annual Report and Audited Accounts for the  
year ended 31 August 2021

Charity number: 1125521

Company number: 06621764



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**Reference and Administrative Information**

<b>Charity Registration Number</b>	1125521
<b>Company Registration Number</b>	06621764
<b>Correspondence address</b>	70-72 King William Street, London, EC4N 7HR
<b>Website</b>	<a href="http://www.saidfoundation.org">www.saidfoundation.org</a>
<b>Board of Trustees</b>	Mr Wafic R Saïd (Chairman) Mrs Rasha Saïd Khawaja (Deputy Chair) Mr Jonathan Aitken Ms Ita Gallagher (resigned 15 Nov 2021) Mrs Sirine Idilby Sir Michael Peat Lord Powell of Bayswater Ms Catherine Roe (resigned 6 Jan 2021) Mrs A Rosemary Saïd Mr Khaled R Saïd Mrs Nadine Zakaria
<b>Chief Executive Officer</b>	Ms Catherine Thomé
<b>Auditors</b>	Nexia Smith & Williamson Cumberland House 15-17 Cumberland Place Southampton SO15 2BG
<b>Bankers</b>	Citi Private Bank Citigroup Centre Canada Square Canary Wharf London E14 5LB  UBS Zurich AG Paradeplatz 6 CH-8098 Zurich Switzerland
<b>Legal Advisers</b>	Bates Wells 10 Queen Street Place London EC4R 1BE  Stephenson Harwood 1 Finsbury Circus London EC2M 7SH
<b>Investment and Property Advisers</b>	Capital Generation Partners LLP Berkeley Square House London W1J 6BX

## Trustees' Report incorporating the Strategic Report

The Trustees present the report and financial statements for the period from 1 September 2020 to 31 August 2021. The Trustees are also Directors of the company for the purposes of the Companies Act 2006. The financial statements have been prepared in accordance with the accounting policies set out therein and comply with the Memorandum and Articles of Association, applicable law, *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 2019)* and the Companies Act 2006.

### 1. Mission, Objectives and Programmes

The charitable object of the Saïd Foundation as set out in its Memorandum and Articles of Association is “to advance all exclusively charitable purposes in accordance with English law for the public benefit”.

The Trustees retain a focus on the Middle East, particularly the priority countries of Syria, Palestine, Lebanon and Jordan. However, they also recognise the importance of funding projects in the UK through the Saïd Business School Programme and the Amal Programme. In December 2021, the Board of Trustees approved the vision, mission, guiding principles and objectives which are set out below.

Our **vision** is of a world where people from all backgrounds can realise their full potential. Our **mission** is to bring positive and lasting change to the lives of children, young people and the wider community through carefully selected investments in themes and geographies with which the Saïd family and the Saïd Foundation have developed strong links and expertise.

Our **guiding principles** are as follows:

1. A conviction that education is a powerful tool to change lives for the better and that higher education, in particular, plays a valuable role in creating enlightened and effective leadership which benefits the broader community.
2. An approach that is non-sectarian and non-political.
3. Recognition of the need to build capacity and capability across the countries we work in.
4. An understanding of the importance of bridge building, communication and respect across cultures.
5. A desire to enhance and learn from our thematic and regional experience and to benefit from synergy between programmes.
6. The potential to promote philanthropy and to maximise the impact of specific projects through partnerships with organisations that share our objectives.

Our **objectives** are:

1. To assist the Saïd Business School at Oxford University in its pursuit of excellence and in its desire to promote the beneficial role of business in society.
2. To support the humanitarian relief and development needs of the Syrian people and, when once again possible, the long-term sustainable development of the country.
3. To support the higher education of students in order to promote the sustainable development of the Levant region.
4. To improve the lives of disadvantaged children in the Levant region.
5. To increase understanding of Britain's Muslim communities among its non-Muslims and to foster a stronger sense of belonging in the UK among Muslim communities.
6. To enable disadvantaged students in the UK and overseas to realise their full potential through educational, vocational training, and internship opportunities.

We pursue these objectives through five related **programmes**:

1. The **Saïd Business School Programme** makes grants to the Saïd Business School Foundation for its Strategic Development Fund with a view to establishing and maintaining the School as one of the world's top and most influential business schools.

2. The **Humanitarian Programme** provides assistance for the needs of Syrians most seriously affected by the crisis in the country with an emphasis on the education and protection of young people in Lebanon and Jordan.
3. The **Scholarships Programme** provides financial support directly and through other organisations for students principally from the Levant region who demonstrate particular potential to pursue higher education so that they can expand their skills and knowledge in relevant fields and thereby enhance their contribution to the development of the region.
4. The **Amal Programme** makes grants in the UK in support of a rich diversity of arts projects and events with a view to opening minds and forging common ground between the UK's Muslim and non-Muslim communities.
5. The **Toucan Project** aims to support students from disadvantaged backgrounds through vocational training.

The Foundation is non-sectarian and non-political. Its partners are individuals, non-governmental organisations, educational institutions, other charities, UN agencies and government ministries. The Foundation regularly reviews its objectives and programme priorities, especially those in the Levant region, to ensure the most effective deployment of its funds.

## 2. Review of Programmes

### Summary

The Foundation made grant commitments of £3.0 million in 2020/21 across five charitable programmes. A summary of this grant expenditure is shown below, with further detail set out at note 4 to the accounts:

Programme	Grants Committed 2020/21 (£'000s)	Grants Committed 2019/20 (£'000s)*
Saïd Business School	1,194	1,192
Humanitarian Programme	366	819
Scholarship Programme	825	772
Amal	571	311
Toucan Project	10	-
<b>TOTAL</b>	<b>2,966</b>	<b>3,094</b>

\*The Scholarship Programme grants for 2019/20 have been restated in line with note 20.

In common with previous years, the majority of the Foundation's funding committed in 2020/21 was directed towards education projects, with a particular focus on undergraduate scholarships for Syrian refugees living in Jordan and Lebanon, as well as on business education in Britain with the £1.2 million donation to the Saïd Business School Foundation to fund its Strategic Development Fund.

The following sections give more detail about the aims and impact of each programme.

### Saïd Business School Programme

An important focus for the Saïd Foundation is to assist the strategic development of the Saïd Business School at the University of Oxford. In support of that goal, the Foundation provides annual funding to the Saïd Business School Foundation (SBSF) for its Strategic Development Fund (SDF) and for its legal and administrative costs. That annual funding rises each year in line with the rise in the CPI inflation index, and in 2020/21 was £1.2 million.

The purpose of the SDF is to support initiatives which will make a strategic difference to the successful development of the Saïd Business School and to assist the School in its pursuit of excellence in research, teaching

and relevance to business practitioners, with a view to establishing and maintaining the School as the best model in the world of a business school embedded in a university.

During 2020/21, SBSF awarded two new SDF grants for £836,000 (2020: seven grants totalling £2,346,000). In addition, a further £150,000 was committed to increase the funding available for 2020/21 MBA scholarships. In common with previous years, the majority of this funding was awarded to support the School in awarding scholarships to MBA and DPhil students.

In 2020/21, SBSF also made payments under multi-year agreements entered into in previous years which support its four medium-term objectives: to assist the School to strengthen those functions which are of critical importance to the success of a business school; to assist the School to strengthen the key points of differentiation that underpin and enhance its brand; to assist the School to attract top calibre students, particularly through the provision of scholarships, and to attract and retain top calibre faculty and staff; and to assist the School to establish and maintain itself as one of the world's top ten schools as measured by a range of authoritative rankings of business schools. Further details about this grant-making activity can be found in SBSF's annual report.

In 2017/18, the Foundation made a significant new commitment to support the School's proposed redevelopment of the Osney Power Station. This strategically important project will see a former power station in close proximity to the School become its new world-class executive education facility. With matched funding from the University, SBSF made a commitment of £15 million to support the project, funded by the Chairman and made via the Saïd Foundation. Of this total, £1,512,000 had been paid to the School by 31 August 2021, and the remaining amount payable was £13,488,000 (before discounting).

#### *Assessment of impact*

The Foundation's funding for the Strategic Development Fund requires, amongst other conditions, that the School does not cease to be ranked as one of the top three schools in the UK for more than three consecutive years. The Board therefore assesses the impact of its support by monitoring the extent to which the School is achieving this objective. In 2021, the School was placed 17<sup>th</sup> globally (2020: 21<sup>st</sup>) and third in the UK in the Financial Times' MBA rankings, which means the School continues to meet the objective set by the Board.

### **Humanitarian Programme**

Since 2011/12, the Foundation has sought to redirect more of its programme resources towards providing humanitarian relief and development support for Syrian refugees and host communities in Jordan and Lebanon. Since that point, the Foundation has committed £19.3 million to supporting Syrian refugees and host communities by funding projects in the fields of education, healthcare, child protection and emergency relief. In 2020/21, the Foundation had three main partnerships focused on child protection, higher education, and cultural heritage preservation and livelihood creation.

Further to an Appeal held in November 2018, the Asfari Foundation and the Saïd Foundation granted the **International Rescue Committee** £5.5 million to continue their work in Lebanon to improve Syrian refugee children's protection and access to education. The Saïd Foundation's share of this total was £1.34 million. A four-year agreement was signed between the parties; this programme started in January 2019 and will end in December 2022.

The Foundation's partnership with **Turquoise Mountain** in Jordan started in 2018 and concluded in March 2021 after a three-months no cost extension had been granted. Our work with Turquoise Mountain trains Syrian refugees in the arts and crafts of Syria, creates sustainable livelihoods and teaches children in camps about their country's cultural heritage. In 2020, Turquoise Mountain expanded its training centres in Amman to host jewellery, stone and woodwork students.

The Foundation has partnered with the **UNHCR** since 2014. UNHCR implements a worldwide scholarship programme for refugees known as the DAFI programme. This programme has been enabling access to higher education for refugee students in their country of asylum since 1992. The Foundation has been funding scholarships for Syrian refugees in Lebanon and Jordan since 2014. In November 2019, the Board of Trustees approved a further grant of \$1,061,051 to fund the undergraduate studies of 41 young Syrians from 2019 until 2023.

### *Assessment of Impact*

By supporting implementing partners that have a strong record of capability and achievement in the region, the Foundation aims to maximise the impact of its grant-making and to reach the most vulnerable beneficiaries. All projects are funded under formal agreements with payment instalments conditional upon the effective achievement and reporting of project outcomes.

In 2020/21, due to the Covid-19 pandemic and ensuing travel restrictions, the Foundation's CEO and various colleagues and trustees joined several virtual visits to Lebanon and Jordan to monitor the partners' activities. They interacted with beneficiaries from all three programmes in both countries and witnessed activities and workshops with beneficiaries in real time. Throughout the year, partners provided regular updates as well as monitoring and evaluation reports, together with case studies of beneficiaries who were supported. During the lockdown periods, partners worked hard to continue the delivery of their programmes. The majority of activities and services were adapted and satisfactorily provided remotely.

### **Scholarship Programme**

#### *Scholarships in the UK*

The Saïd Foundation has offered educational scholarships and training opportunities since 1984. Our Scholarship Programme aims to empower students through educational opportunities and provide skills needed for the development of the region. It is targeted towards outstanding individuals who demonstrate the potential to be a future leader and driver of change within our target countries. Since 1984 we have supported over 600 scholars from these countries to study in the UK.

By bringing talented scholars to study at a postgraduate level in the UK, our intention is to provide them with skills and knowledge not widely available in the Middle East, to expose them to critical and independent ways of learning and thinking; and thereby help to create future leaders in their professional fields.

Saïd Foundation Scholarships are awarded based on merit, and applications are carefully considered by officers and Trustees of the Foundation as well as by external assessors selected from among the Foundation's alumni. The Foundation bases its decisions on the candidate's academic excellence, the usefulness of the subject to their home country, the candidate's leadership potential, their commitment to serving their community, their future career intentions and their practical ability to make use of the knowledge to be gained in the UK on their return to the Middle East.

For the 2020/21 application round the Saïd Foundation received 732 applications, of which 627 met the programme's eligibility criteria. The selection process lasted eight months and the selected scholars arrived in the UK in September 2020. In 2020/21 the Foundation supported 27 scholars for postgraduate study in the UK (2019/20: 30 scholars); 25 scholars were supported for a one-year master's degree; one scholar started their PhD studies and one scholar continued a distance-learning master's programme. The scholars came from Syria (15), Jordan (2), Lebanon (4) and Palestine (6).

The total amount granted to these scholars (including tuition fees, maintenance awards and travel expenses) was £825,000 (2020: £732,000).

The Foundation seeks to maximise the number of scholars it can support by working with partners who contribute financially towards scholarships. The 27 scholars supported in 2020/21 include four scholars who were jointly supported by the Foreign, Commonwealth & Development Office's Chevening Scholarship Programme, and one scholar from Lebanon who was jointly supported by the British Lebanese Association. The Saïd Foundation has partnership agreements with 27 UK universities each providing a tuition fee discount of between 20-50%.

#### *Rhodes Scholarships for Syria, Jordan, Lebanon and Palestine*

In September 2020 three Rhodes Scholars from the Foundation's target countries arrived in the UK to begin their postgraduate studies at the University of Oxford. The scholars were from Syria, Jordan and Lebanon. The scholar from Lebanon took up her award in 2020/21 having deferred from 2019/2020. They will spend between two and four years at the University of Oxford. This was the fourth year of the scholarship agreement between the Saïd Foundation, the Rhodes Trust and the University of Oxford.

*Assessment of Impact*

Historically, the Foundation has conducted an evaluation of its Scholarships Programme every five years. An evaluation report was last completed in September 2019 and concluded that the Programme continued to meet its objectives of providing talented individuals with educational opportunities that not only enhance their personal careers but also contribute to the development of the Levant region. The Foundation plans to monitor and evaluate this Programme on a continuous basis going forward, however due to the impact of the Covid-19 virus in 2020/2021, no report has been produced.

**Amal Programme**

Amal became a programme of the Saïd Foundation in 2018 after a successful pilot year (which ran from January to December 2017), with the aim of making grants in the UK to support a rich diversity of arts projects and activities with interlinked objectives:

- To increase understanding of Britain's Muslim communities among people of other faiths and none;
- To foster a stronger sense of belonging in the UK among its Muslim communities.

During the 2019/20 year, the Foundation's Board took the decision to suspend the Amal Programme in order to focus the Foundation's resources more clearly on its long-term priority areas. In recognition of the pioneering nature of Amal's work, the Board further decided to support plans to spin Amal out as an independent charity. In July 2020, the Foundation entered into a Memorandum of Understanding to support an independent Amal with £800,000 of funding, to be granted on a pound for pound basis as matched funding is raised, subject to an initial sum of £250,000 being raised by a target date. Amal was registered as a Charitable Incorporated Organisation by the Charity Commission on 17 August 2020. Its registered number is 1190887.

In April 2021, Amal completed the raising of the initial matching funding and became a going concern. It has now begun to build a new cornerstone programme, Amal Connects, which will deepen the engagement of Muslim communities in creative activity and with cultural organisations by facilitating the co-creation of projects in Amal's hub locations, first Birmingham and Bradford, then London. To strengthen Amal's capacity to fulfil this mission, it has recruited community engagement coordinators in Bradford and Birmingham.

In 2020/21 the Foundation continued to monitor the progress of projects to which the Amal Programme made grants in the previous two years. At the end of the year, most projects had completed but five projects remained in development or delivery, mainly due to unforeseen delays caused by the Covid-19 situation.

Statistics compiled from 25 completed projects between 2018-2021:

<b>Amal Programme Statistics 2018-2021</b>	
Partners	23
Projects	25
Events	818
Artists	602
Participants	4,773
Audiences	54,384
Online Connections	1,256,393

Reporting from the 25 projects indicated that, of their audience and participant numbers combined, Amal projects engaged around 47% of people who identified as non-Muslim and 59% of people identifying as being of Muslim heritage. Reporting also indicated that 69% of project participants and 46% of audience members were under the age of 30. These figures continue to be consistent with Amal's goals of reaching 50% non-Muslims and 50% audience/participants under the age of 30.

In the 2020/21 financial year, Amal's expenditure was £661,000, of which £558,000 related to matched funding support for the new independent charity and the remainder represented the allocation of centrally-incurred support and governance costs.

#### *Assessment of Impact*

Preliminary results from the analysis of the Amal Programme findings have not only reaffirmed our conclusions from the pilot year and preliminary findings from year one, but have provided us with plentiful further evidence that our approach - of supporting arts and cultural activity with a strategic focus - is a powerful and effective way to advance Amal's dual objectives. These findings include:

- Through Amal-supported projects, a whole range of new artistic content has been created by professional Muslim artists as well as by Muslim participants involved in various project activities; much of this content has been made available in some form for use beyond the life of the project.
- Arts organisations have been encouraged not only to platform Muslim artists at all levels of activity but to assist in opening up new avenues for them.
- By including an element of participatory activity to enhance the experience of "encounter" between and among artists, audiences and/or participants, Amal projects have helped to forge common ground between Muslims and people of other faiths and those who are secular.
- The use of digital can increase an organisation or artist's reach and can better serve communities that are geographically more isolated.

The effects of the global pandemic in 2020 and 2021 on Amal projects have been far reaching with projects continuing to have to adapt or postpone or cancel. The Amal team continued to work closely with all partners to support them during this time by offering flexibility on the partner's planned activities and reporting and by offering advice on how best to adapt projects as a result of learning from the pandemic in 2020. A number of projects opted to adapt to take advantage of digital technology, hosting their events online via various platforms. Now that restrictions have been lifted, more projects are expected to resume in person activities.

#### **Toucan Project**

In March 2021, the Board of Trustees approved the Toucan Project, a one year pilot project with a budget of £75,000. Its purpose is to support students from disadvantaged backgrounds to build or re-build better lives through access to educational, vocational training and internship opportunities. In June 2021, a first grant of £9,500 to the Prince's Trust's was approved by the Projects Committee, which will support 10 young people from disadvantaged backgrounds through vocational training in Birmingham through the Prince's Trust Enterprise Programme. A grant agreement was signed in October 2021.

### **3. Trustees and Management**

The Board of Trustees met two times during the year, in December 2020 and May 2021, and there were further meetings of the four Board sub-committees which are described in greater detail below.

## 4. Financial Review

### Summary of Financial Performance

The Foundation monitors its financial performance through six key performance indicators (KPIs) which are regularly reported to the Audit Committee and Board. A summary of performance against each of these indicators is set out in the table below.

KPI Area	Description	Target	2020/21	2019/20
<b>Maintaining the endowment</b>	Value of endowment compared with the value adjusted for CPI inflation since inception.	Value should be in surplus against inflation adjusted-value.	£4.9 million shortfall	£2.1 million surplus*
<b>Investment performance</b>	Return after fees on financial investments, adjusted for CPI inflation	>4% above rate of CPI inflation	6.6%	-6.9%
	Management fees as a percentage of financial investments	<1%	0.05%	0.6%
	Net yield from freehold properties	>5%	-5.9%	-4.7%
	Property management costs as a percentage of gross rental income	<10%	14.5%	17.6%
<b>Operational performance</b>	Staff and administrative costs as a percentage of charitable expenditure	<15%	14.8%	13.9%

\* The surplus of (a) the value of the endowment at 31<sup>st</sup> August 2020 less (b) the value of contributions to the endowment between 1986 and 31<sup>st</sup> August 2020 uplifted in line with CPI inflation, was reduced from £2.8m to £2.1m, as a result of the restatement detailed in Note 20.

The Trustees' primary financial target is to ensure that the actual value of the endowment is maintained in real terms (i.e. after adjusting for inflation). This goal was not met for 2020/21, due to two key factors: firstly, valuation losses recognised on investment properties; and secondly, charitable spending commitments approved by the Trustees exceeding the budget indicated by the Foundation's spending policy, which is to spend 4% of the total return from financial and property investments after inflation, as a weighted average for a rolling 5 year period.

The key performance indicator relating to the return from freehold properties was negatively impacted by valuation losses resulting from poor market conditions, largely due to the Covid-19 pandemic. Property management costs as a percentage of gross rental income have also been unusually high for the last two years as a result of the Foundation's funding of service charge and vacant business rates liabilities on void space at One Kingsway, as well as the impact of providing for potential bad debts of tenants in rent arrears.

Capital Generation Partners LLP is the Foundation's sole investment adviser on the financial investment portfolio and investment properties. The financial investments are primarily invested in a multi-asset strategy designed to achieve a 4% real return over the cycle. The value and allocation of the Foundation's investment portfolio at 31 August 2021 are summarised in the table below, with further detail provided at note 8 to the financial statements.

	2021 (£'000s)	2021 (%)	2020 (£'000s)	2020 (%)
<b><u>Investment Properties</u></b>				
College House, London*	17,710	33%	19,615	35%
One Kingsway, Cardiff*	6,358	12%	10,231	18%
King William St, London	9,300	18%	9,200	16%
<b><u>Financial Investments</u></b>				
Listed equities	-	-	8,611	15%
Mixed Asset Funds	18,450	35%	-	-
Fixed income and cash	30	0%	4,715	8%
Gold and commodities	-	-	2,683	5%
Private equity	1,060	2%	1,055	2%
Hedging and alternatives	-	-	640	1%
<b>TOTAL</b>	<b>52,908</b>	<b>100%</b>	<b>56,750</b>	<b>100%</b>

\* The values of College House and One Kingsway are stated net of borrowing secured on those properties.

### Charitable expenditure

The activities of the Foundation are funded through income from its investments, which are managed by professional investment and property managers. Total charitable expenditure in the year to 31 August 2021 was £3.8 million (2020: £3.8 million) and is analysed at note 4 of the financial statements.

## 5. Governance Information

### Governance and Decision Making

The Saïd Foundation is the successor organisation to the Karim Rida Saïd Foundation (KRSF) that was established in 1986. It is a UK charity registered with the Charity Commission for England and Wales and is also a company limited by guarantee and registered at Companies House. The Saïd Foundation is based in London. During the year under review, all staff, programmes and financial matters were overseen by the Chief Executive Officer (CEO).

The Trustees of the Saïd Foundation who have served during the year are set out on page 3. The Trustees meet twice a year and are empowered under the Articles of Association to delegate authority to sub-committees. There are five standing committees, the Nominations, Investment, Audit, Projects and Student Committees, which meet as necessary. The mandates and membership of the sub-committees are reviewed and agreed annually by the Board.

New or additional Trustees may be appointed by the Foundation's Benefactor and the current trustees. Mr Khaled Saïd is the current Benefactor. Any transactions with Trustees or other related parties are disclosed at note 18 to the financial statements.

The Foundation's Audit Committee reviews governance arrangements regularly to assess compliance with the *Charity Governance Code* published in July 2017, as updated in December 2020. While the Code is not a legal or regulatory requirement, Trustees seek to ensure the Foundation complies with it to the fullest extent possible. The Audit Committee will complete an updated review of compliance with the Code in 2022.

### Remuneration Policy

The Board of Trustees has delegated to the Audit and Staff Committee the authority to set the salaries of the Foundation's officers in line with positions of similar responsibility in comparable organisations. The salary of the CEO must also be approved by the Chairman.

### Risk Management

A full risk register is taken to the Audit Committee annually. New and existing risks are assessed by the Foundation's sub-committees on an ongoing basis to ensure that they are appropriately managed. The Foundation's Audit Committee reviews the full risk register and the accompanying systems and controls, with a summary of key risks presented to the Board, on an annual basis.

Trustees have identified the following principal risks facing the Foundation and have controls in place for their active management:

Principal Risks	Present Controls
<p><b>Misuse of Funds</b> The Foundation may inadvertently fund an extremist organisation or individual.</p>	<ul style="list-style-type: none"> <li>• Procedures in place in respect of due diligence, pre-selection, payment and performance monitoring of all students, project partners and projects under delivery.</li> <li>• Grant agreements drafted to include stage payments dependent on reports detailing the delivery of agreed outcomes.</li> <li>• External risk advisory firm commissioned to undertake background checks on all successful scholarship candidates.</li> <li>• Projects in the region implemented by large international NGOs with experience of working in complex environments and with appropriate due diligence and monitoring in place.</li> </ul>
<p><b>Charitable Programmes</b> Conflict and political instability in the Foundation's priority countries causes disruption to the delivery of projects.</p>	<ul style="list-style-type: none"> <li>• The Foundation runs no direct activity in the Middle East but maintains relationships with major agencies (the IRC, Save the Children, UNHCR and Turquoise Mountain) which have been chosen because of their experience in delivering humanitarian projects in conflict-affected areas.</li> <li>• Risk assessment during project selection process, recognising that some risk is inevitable in order to meet the humanitarian needs of those most affected by the crisis.</li> <li>• Grant agreements drafted to include stage payments dependent on reports detailing the delivery of agreed outcomes.</li> <li>• Covid-19 disrupted our programmes in Lebanon and Jordan, however the Foundation is confident that after a period of adaption activities have been successfully delivered remotely. Virtual monitoring visits with local staff and beneficiaries were organised at the CEO's request.</li> </ul>
<p><b>Humanitarian Programme</b> The programme may be unclear, or there is a failure to focus on and deliver objectives, which wastes the Foundation's charitable funding.</p>	<ul style="list-style-type: none"> <li>• Annual review of objectives by the Board informs all SF programmes and funding priorities.</li> <li>• All funding subject to decision by Trustees, either at Board or Projects Committee level.</li> <li>• Regular communication between Chairman and CEO on project proposals and funding.</li> <li>• The only programmes in the Humanitarian Programme are now the IRC's in Lebanon and the UNHCR DAFI programme in Lebanon and Jordan. Both are closely monitored and virtual visits recently took place.</li> </ul>

<p><b><i>Charitable Impact and Strategy</i></b> The Foundation's strategy is not sufficiently focussed to maximise its charitable impact, leading to charitable funds being wasted and resulting in reputational damage.</p>	<ul style="list-style-type: none"> <li>• Annual review of objectives by the Board informs all SF programmes and funding priorities / criteria.</li> <li>• Achievement of objectives reviewed twice annually by the Board and more frequently by sub-committees.</li> <li>• Performance against objectives is reported regularly in management accounts, monthly updates to Trustees, and in Projects and Student Committee papers.</li> <li>• Established operating guidelines and work manuals are in place for all charitable programmes.</li> </ul>
<p><b><i>Stewardship of Assets and Investments</i></b> The Foundation is unable to continue funding charitable activity at the current level due to sustained underperformance of its investment portfolio.</p>	<ul style="list-style-type: none"> <li>• Target return of 4% above inflation and 4% spending policy work together to ensure real value of endowment is maintained over time.</li> <li>• Investment Committee tasked with setting investment policy and asset allocation to achieve this target return.</li> <li>• Capital Generation Partners providing asset allocation and property management advice.</li> <li>• Statement of Investment Policies last updated in May 2020. This was reviewed at the Investment Committee meeting in November 2021, with no changes proposed. Performance reported regularly to Investment and Audit Committees, and the Board.</li> <li>• Diversification across asset classes to reduce risk.</li> </ul>

### **Grant-making Policy**

As a charitable foundation, making grants is the primary means through which the Foundation achieves its charitable objectives. The grant-making policies for each charitable programme are summarised as follows:

- The annual funding provided for the Saïd Business School Foundation's Strategic Development Fund will continue to be provided as long the School does not cease to be ranked as one of the top three schools in the UK for more than three consecutive years; and as long as the Foundation does not reasonably consider that the annual funding paid to SBSF would be better granted to other beneficiaries.
- The Foundation's criteria for funding scholarships are available on the Foundation's website as well as through academic partners in the target countries such as the British Council. The Student Committee awards scholarships annually following a rigorous selection process that includes interview by the Foundation, verification of references and academic transcripts, and background checks on each successful candidate. Each successful candidate must sign an award letter setting out the terms of the scholarship and funds are not advanced until those terms are met.
- The Humanitarian Programme makes grants to large scale international organisations and is not open to speculative applications. The Foundation has current partnerships with the IRC and the UNHCR. These organisations were selected for their experience of working successfully in complex conflict-affected environments.

### **Public Benefit**

The Trustees have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. The Trustees consider that each of the Foundation's programmes is aimed at one or more of: the advancement of education; advancement of health / saving lives; advancing the arts and heritage; and assisting the young or disabled. Furthermore, while there are eligibility criteria for each of the Foundation's programmes, the Trustees are also satisfied that each programme is targeted at a sufficiently wide section of the public to meet the 'public benefit' test.

### **Investment Policy**

Under the Articles of Association, the Trustees have wide investment powers, including the power to appoint investment managers provided that the managers are given clear investment guidelines laid down and monitored by the Trustees. The overall financial and investment objectives of the Fund are to provide a stream of income in support of the Foundation's mission and to preserve and enhance the real purchasing power of the assets. For the

Foundation to be able to pursue its charitable objects effectively the Trustees have targeted an inflation adjusted total return of at least 4% measured as an annual average over five years.

### **Reserves Policy**

As the Foundation does not usually fundraise externally, income from investments represents its primary source of revenue alongside new donations from the Chairman. Trustees therefore seek to maintain the value of the endowment in inflation adjusted terms in order to maintain the purchasing power of the endowment over the long-term, and to provide income to meet continuing charitable expenditure. The objective of the Trustees is that the value of the endowment fund should not be permitted to fall below the value of the donations made by the Chairman since 1986, uplifted in line with inflation. The Trustees review performance against this objective on an annual basis.

At 31 August 2021, the Foundation's endowment fund was valued at £53.2 million which represented a shortfall of £4.9 million over the inflation-adjusted value of £58.1 million at the same date (2020: £58.3 million, restated, representing a £2.1 million surplus over the inflation-adjusted value of £56.2 million).

### **Fundraising Policy**

The Foundation is an endowed charity and does not rely on donations from the public or third parties to fund its charitable activities. It therefore has no fund raising requirement, and does not devote significant resources to fund raising. However, the Foundation follows the Fundraising Regulator's Code of Fundraising Practice to the extent that it is applicable.

### **Re-appointment of Auditors**

Nexia Smith & Williamson were reappointed as auditors for the 2021/22 financial year in accordance with section 485 of the Companies Act 2006.

This report was approved by the Trustees on 10/05/2022 and signed on its behalf by:

*Michael Peat*

[Michael Peat \(May 10, 2022 11:59 GMT+1\)](#)

Sir Michael Peat  
Trustee and Chairman of the Audit Committee

## Statement of Trustees' responsibilities

The Trustees (who are also Directors of the Saïd Foundation for the purposes of company law) are responsible for preparing the Trustees' Report 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'.

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming/outgoing resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that 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 also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Audit information

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SAID FOUNDATION

### Opinion

We have audited the financial statements of The Saïd Foundation (the 'charitable company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow statement and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

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

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

### Other information

The other information comprises the information included in the Annual Report and Audited Accounts, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Annual Report and Audited Accounts. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which incorporates the Strategic Report and the Directors' Report prepared for the purpose of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the Strategic Report and the Directors' Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

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

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

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

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

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities on page 15, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

We obtained a general understanding of the charitable company's legal and regulatory framework through enquiry of management concerning their understanding of relevant laws and regulations, the entity's policies and procedures regarding compliance, and how they identify, evaluate and account for litigation claims. We also drew on our existing understanding of the charitable company's sector and regulation.

We understand that the charitable company complies with the framework through:

- Subscribing to relevant updates from external experts, and making changes to internal procedures and controls as necessary.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the charitable company's ability to conduct its business, and/or where there is a risk that failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the charitable company:

- The Companies Act 2006, Charities Act 2011 and FRS102 (including the provisions of the Charities SORP) in respect of the preparation and presentation of the financial statements.

We performed the following specific procedures to gain evidence about compliance with the significant laws and regulations identified above:

- Enquiry of management and responsible staff members
- The inspection of any relevant correspondence.
- The review of Board minutes.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. The areas identified in this discussion were:

- Manipulation of the financial statements, especially grants income and expenditure, via fraudulent journal entries, particularly as the size and nature of the charitable company means that there is little opportunity for segregation of duties.

These areas were communicated to the other members of the engagement team not present at the discussion. The procedures we carried out to gain evidence in the above areas included:

- Testing journal entries, focusing particularly on postings to unexpected or unusual accounts and those posted at unusual times.

Overall, the senior statutory auditor was satisfied that the engagement team collectively had the appropriate competence and capabilities to identify or recognise irregularities. In particular, both the senior statutory auditor and the audit manager have a number of years' experience in dealing with charities and companies that operate in this sector.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

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

*Nexia Smith & Williamson*  
Nexia Smith & Williamson (May 10, 2022 17:04 GMT+1)

#### **Julie Mutton**

Senior Statutory Auditor, for and on behalf of

**Nexia Smith & Williamson**  
Statutory Auditor  
Chartered Accountants

Cumberland House  
15-17 Cumberland Place  
Southampton  
SO15 2BG

10/05/2022

**The Saïd Foundation**  
**Statement of Financial Activities**  
**incorporating Income and Expenditure Account**  
**for the year ended 31 August 2021**

	Note	Restricted Funds £000's	Unrestricted Funds - Expendable Endowment £000's	Total 2021 £000's	Total 2020 Restated* £000's
<b>INCOME FROM:</b>					
- Donations	2	28	104	132	69
- Investments	3	-	3,618	3,618	3,801
- Other income		-	107	107	34
<b>Total income</b>		<b>28</b>	<b>3,829</b>	<b>3,857</b>	<b>3,904</b>
<b>EXPENDITURE ON:</b>					
<i>Raising funds:</i>					
- Investment management costs		-	(524)	(524)	(689)
- Interest on borrowings		-	(663)	(663)	(828)
- Other expenditure on raising funds		-	(2)	(2)	-
- Movement on bad debt provision		-	127	127	(412)
<i>Charitable expenditure:</i>					
- Humanitarian Programme	4	-	(457)	(457)	(952)
- Saïd Business School Programme		-	(1,504)	(1,504)	(1,346)
- Scholarship Programme*		-	(1,101)	(1,101)	(1,083)
- Amal		-	(661)	(661)	(443)
- Toucan Project		(28)	(3)	(31)	-
<b>Total expenditure</b>		<b>(28)</b>	<b>(4,788)</b>	<b>(4,816)</b>	<b>(5,753)</b>
Net gains / (losses) on investment properties		-	(6,023)	(6,023)	(5,448)
Net gains / (losses) on financial investments		-	1,829	1,829	(1,029)
Net gains / (losses) on foreign currency movements		-	(15)	(15)	(115)
<b>Net income / (loss)</b>	6	<b>-</b>	<b>(5,168)</b>	<b>(5,168)</b>	<b>(8,441)</b>
<b>Net movement in funds for the year</b>		<b>-</b>	<b>(5,168)</b>	<b>(5,168)</b>	<b>(8,441)</b>
<b>RECONCILIATION OF FUNDS</b>					
Funds brought forward 1st September*	12,13	-	58,346	58,346	66,787
<b>Funds carried forward 31st August*</b>	12,13	<b>-</b>	<b>53,178</b>	<b>53,178</b>	<b>58,346</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

\*There was a restatement to increase charitable expenditure on scholarships by £40,000 in 2020, in order to recognise student grants when awarded, rather than at the start of the academic year. For more details, refer to Note 20.

**The Saïd Foundation**  
**Balance Sheet at 31 August 2021**

	Note	2021 £000's	2020 Restated* £000's
<b>Fixed assets</b>			
Investment properties	8a	61,050	66,986
Financial investments	8b	19,540	17,704
<b>Total fixed assets</b>		<b>80,590</b>	<b>84,690</b>
<b>Current assets</b>			
Debtors, prepayments and accrued income	9	17,264	19,460
Cash at bank and in hand		1,297	1,519
<b>Total current assets</b>		<b>18,561</b>	<b>20,979</b>
Creditors falling due within one year *	10a	(15,354)	(7,023)
<b>Net current assets</b>		<b>3,207</b>	<b>13,956</b>
<b>Total assets less current liabilities</b>		<b>83,797</b>	<b>98,646</b>
Creditors falling due after more than one year	10b	(30,619)	(40,300)
<b>Net assets</b>		<b>53,178</b>	<b>58,346</b>
<b>The funds of the charity</b>			
Restricted funds	12	-	-
Unrestricted funds			
- Expendable endowment fund *	13	53,178	58,346
<b>Total charity funds</b>		<b>53,178</b>	<b>58,346</b>

The notes on pages 20 to 34 form part of the financial statements.

\*There was a restatement to increase "Grant commitments not yet paid" for scholarships by £753,000 in 2020, in order to recognise student grants when awarded, rather than at the start of the academic year. For more details, refer to Note 20.

Approved by the Board of Trustees on 10/05/2022 and signed on its behalf by:

*Michael Peat*

[Michael Peat \(May 10, 2022 11:59 GMT+1\)](#)

.....  
Sir Michael Peat  
Trustee

Registered Company No: 06621764

**The Saïd Foundation**  
**Cash Flow Statement**  
**for the year ended 31 August 2021**

	Note	2021 £000's	2020 £000's
<b>Cash generated from / (used in) operating activities</b>	11a	<b>(2,535)</b>	<b>(4,158)</b>
<b>Cash flows from investing activities</b>			
- Dividends, interest and rents received	11b	3,327	3,813
- Receipts from sale of investments		16,555	21,458
- Payments to buy new investments		(16,562)	(27,057)
- Capital expenditure on investment properties		(87)	(755)
		<u>3,233</u>	<u>(2,541)</u>
<b>Cash flows from financing activities</b>			
- Repayment of borrowings		(257)	(1,164)
- Payment of interest		(663)	(761)
		<u>(920)</u>	<u>(1,925)</u>
(Decrease) in cash and cash equivalents during the year		<u>(222)</u>	<u>(8,624)</u>
Cash and cash equivalents at the beginning of the year		1,519	10,143
<b>Cash and cash equivalents at the end of the year</b>		<u><u>1,297</u></u>	<u><u>1,519</u></u>

A reconciliation of net debt is included at note 11(c).

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2021**

## **1 ACCOUNTING POLICIES**

### **a) Basis of preparation**

The financial statements have been prepared in accordance with *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)*, the Charities Act 2011 and UK Generally Accepted Accounting Practice. The Foundation meets the definition of a 'public benefit entity' under FRS 102. The financial statements are prepared under the historic cost convention except where otherwise stated.

The majority of the Foundation's assets and liabilities are denominated in Pounds Sterling. The functional currency of the Foundation is therefore considered to be Pounds Sterling and the Financial Statements are presented in that currency.

The Saïd Foundation is a company limited by guarantee and is incorporated in England and Wales. Its registered office address is 70-72 King William Street, London, EC4N 7HR.

### **b) Income**

Income is recognised when the Foundation has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Income from operating leases is recognised on a straight-line basis over the lease term, net of lease incentives. Lease incentives are typically granted at the commencement of the lease term and are then accrued and recognised on a straight-line basis over the lease term.

### **c) Expenditure and irrecoverable VAT**

Expenditure is recognised once: there is a legal or constructive obligation to make a payment to a third party arising from a past event; it is probable that settlement will be required; and the amount of the obligation can be measured reliably. Expenditure relates either to raising funds (principally the costs directly attributable to managing the investment portfolio and investment properties) or to charitable activities. Expenditure on charitable activities is analysed between the Foundation's major charitable programmes at note 4 to the accounts.

The Foundation is registered for VAT and recovers input tax to the fullest extent possible. However, the majority of the Foundation's transactions are outside of the scope of VAT and irrecoverable VAT is therefore charged as a cost against the activity for which the expenditure was incurred.

### **d) Fund accounting**

Restricted funds are donations which the donor has specified are to be solely used for particular grant-making activities. Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Foundation. Analyses of income, expenditure and net assets of the Foundation's restricted and unrestricted funds are shown at notes 12, 13 and 14 to the accounts.

### **e) Financial instruments**

The Foundation holds only financial assets and financial liabilities classified as 'basic' financial instruments, such as receivables, loans and payables. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value, with the exception of bank loans which are subsequently measured at amortised cost using the effective interest rate method.

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2021**

**1 ACCOUNTING POLICIES (continued)**

**f) Foreign currencies**

Transactions denominated in foreign currency are recognised at the exchange rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at the exchange rate on the balance sheet date. All gains and losses on exchange, realised and unrealised, are charged to the Statement of Financial Activities and included in the net movement on funds.

**g) Investment properties**

Investment properties are held to earn rental income and for capital appreciation, and are not used in connection with the Foundation's charitable activities. Investment properties are held at fair value at the balance sheet date. Depreciation is not provided on investment property.

Subsequent to purchase, an investment property carried at fair value may be subject to further expenditure on improvements or refurbishment. Such expenditure is capitalized where it is expected that the work will enhance the income-generating potential of the asset. The costs of such work are added to the carrying value of the asset and subject to re-measurement as part of future revaluations.

The Foundation determines the fair value of its investment properties by commissioning valuations from independent, third-party valuers with appropriate professional skills and experience. These valuations are commissioned on a 'market value' basis, and sufficiently frequently to satisfy the Trustees that the book value is a materially accurate estimate of the fair value at the reporting date. Further details about the valuations of individual investment properties are shown at note 8 to the accounts.

**h) Financial investments**

Quoted investments are stated at market value at the balance sheet date. Unquoted investments are valued at the Foundation's best estimate of fair value based on valuations provided by fund managers and reviewed by the Foundation's investment advisers.

Where a valuation is not available at the balance sheet date, the most recent valuation from the fund manager is used, adjusted for cash flows and foreign exchange movements in the period between the valuation and the balance sheet date, and for any evidence of impairment between the most recent valuation date and the financial year end.

**i) Grant commitments**

Grant expenditure is recognised when the grant has been approved by the Foundation's Board of Trustees, Student Committee or Projects Committee and a constructive obligation is considered to exist. Grants which remain unpaid at the end of a period are carried forward as liabilities, as set out in note 10 to the accounts.

**j) Going concern**

The Foundation's Statement of Investment Policies state that the objectives of the investment portfolio are to provide a stream of funding in support of the Foundation's mission, and to preserve and enhance the real (inflation-adjusted) purchasing power of the assets. The Foundation holds a prudent level of cash to meet short-term liabilities, and its Financial Controller, CEO and Audit Committee members regularly review a cash flow forecast to ensure that the level of cash held is sufficient to meet all expected liabilities as they fall due.

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2021**

**j) Going concern (continued)**

The majority of the Foundation's investment portfolio is held in directly-owned properties which provides the Foundation with a regular stream of cash receipts from tenants. In the event of an unexpected shortfall in rental income, the Foundation's financial asset portfolio also includes substantial holdings in highly liquid assets such as short-term gilt-edged bonds and gold which could be readily exchanged for cash.

Accordingly, the Trustees consider it appropriate to continue to adopt the going concern basis in preparing the financial statements.

**k) Critical accounting judgments and sources of estimation uncertainty**

In the application of these accounting policies, the Trustees have made two judgments that have a significant effect on the financial statements.

The Grant Agreement between the Foundation and SBSF confirms that the Foundation has a long-term commitment to SBSF for at least five years. For 2020/21 that commitment was £1.2 million (2019/20: £1.2 million) and it rises each year in line with the annual increase in the CPI inflation index. However, the agreement also states that there are circumstances in which this funding could cease. Therefore, SF recognises one year's funding for SBSF in each year's financial statements.

In applying the requirement under paragraph 7.9 of the FRS 102 SORP to discount long-term grant liabilities to their present value, the Trustees have used HM Treasury's forecast medium-term CPI inflation rate for 2022 and beyond which was 3.22% at the end of August 2021. In accordance with paragraph 11.20 of FRS 102, grants committed in prior years are discounted using the original discount rate (i.e. the prevailing CPI inflation rate forecast in the year of initial recognition).

The CPI inflation rate forecast was chosen as the discount rate because SF's charitable expenditure is funded from an endowment which is invested to achieve a return calculated with reference to the rate of change in the CPI inflation index. Further information about HM Treasury's forecast inflation rates can be found at <https://www.gov.uk/government/collections/data-forecasts>.

The Trustees have also noted one significant estimate, being the valuation of investment property assets. The Trustees' approach to the valuation of each investment property is described at note 8 to the accounts. However, there remains a risk that, if the assets were realised, the sale proceeds might differ materially from the estimates made by the Trustees and their professional advisers.

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2021**

**2 Donations**

	<b>Restricted 2021 £000's</b>	<b>Unrestricted Funds - Expendable Endowment 2021 £000's</b>	<b>Total 2021 £000's</b>	<b>Total 2020 £000's</b>
General donations	-	45	45	10
Donations from the Chairman	28	59	87	59
<b>Total</b>	<b>28</b>	<b>104</b>	<b>132</b>	<b>69</b>

**3 Income from investments**

	<b>Restricted 2021 £000's</b>	<b>Unrestricted Funds - Expendable Endowment 2021 £000's</b>	<b>Total 2021 £000's</b>	<b>Total 2020 £000's</b>
Bank interest and dividends	-	3	3	5
Rents and other income from investment properties	-	3,615	3,615	3,796
<b>Total</b>	<b>-</b>	<b>3,618</b>	<b>3,618</b>	<b>3,801</b>

**4 Analysis of expenditure on charitable activities**

	<b>Humanitarian Programme £000's</b>	<b>Saïd Business School £000's</b>	<b>Scholarship Programme £000's</b>	<b>Amal £000's</b>	<b>Toucan Project £000's</b>	<b>Total 2021 £000's</b>	<b>Total 2020 Restated* £000's</b>
Grant commitments	366	1,194	825	571	10	2,966	3,094
Financing cost or credit relating to the discounting of grant liabilities	24	157	(8)	(13)	-	160	27
Staff costs	62	14	134	41	18	269	269
Directly allocated support costs	-	-	66	6	-	72	118
Apportioned support costs (see note 5)	4	104	63	42	2	215	233
Governance costs	1	35	21	14	1	72	83
<b>Total</b>	<b>457</b>	<b>1,504</b>	<b>1,101</b>	<b>661</b>	<b>31</b>	<b>3,754</b>	<b>3,824</b>

Expenditure on charitable activities was £3.8 million, including the following significant grant commitments:

- £1.2 million to the Saïd Business School Foundation for the Strategic Development Fund;
- £0.9 million of scholarship grants for scholars studying in the 2021/22 academic year;
- £0.6 million to the new independent Amal; and
- £0.4 million to the UNHCR for its Jordan Livelihoods Programme.

\*There was a restatement to increase charitable expenditure on scholarships by £40,000 in 2020, in order to recognise student grants when awarded, rather than at the start of the academic year. See Note 20.

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2021**

**5 Analysis of governance and support costs**

The Foundation initially identifies support costs which relate directly to one of the five charitable programmes listed above and allocates them to the activity to which they relate. The remaining support costs which cannot be directly allocated (such as premises expenses and general office expenses) are then apportioned between 'support' and 'governance' functions, and further apportioned between the five charitable activities based on total charitable expenditure attributable to each programme. This apportionment is shown at note 4, above.

The table below shows the support and governance costs which have been apportioned in this way, and notes the basis on which the apportionment has been made:

	Support £000's	Governance £000's	Total £000's	Basis of Apportionment
Premises expenses	89	-	<b>89</b>	<i>Allocated to support</i>
Salaries, wages and related costs	95	54	<b>149</b>	<i>Estimate of staff time</i>
General office expenses	21	-	<b>21</b>	<i>Allocated to support</i>
Audit fees	-	17	<b>17</b>	<i>Allocated to governance</i>
Travelling	1	-	<b>1</b>	<i>Allocated to support</i>
Legal and professional fees	9	1	<b>10</b>	<i>Allocated on nature of advice received</i>
	<u><b>215</b></u>	<u><b>72</b></u>	<u><b>287</b></u>	

**6 Net income for the year**

Net income for the year is stated after charging:

	Total 2021 £000's	Total 2020 £000's
Auditors' remuneration (excluding irrecoverable VAT):		
- Statutory audit fees	17	16
- Non-audit services	-	-
	<u><b>-</b></u>	<u><b>-</b></u>

**7 Analysis of staff costs and remuneration of key management personnel**

	Total 2021 £000's	Total 2020 £000's
Salaries	340	333
National Insurance	31	32
Employer's pension contributions and other benefits	46	45
Staff training	1	-
	<u><b>418</b></u>	<u><b>410</b></u>

Of the £418,000 total staff costs analysed above, £269,000 has been allocated to the five charitable programmes (see note 4) and £149,000 has been allocated to support and governance costs (see note 5).

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2021**

**7 Analysis of staff costs and remuneration of key management personnel (continued)**

The average full-time equivalent (FTE) monthly employee head count during the year was 7 (2020: 7). The Foundation operated a salary sacrifice scheme for employee contributions to a registered pension scheme. The Foundation contributed 10% of each employee's gross salary to the scheme at its own expense, as well as contributing the employee's salary sacrifice of at least 3% of gross salary. Employees are also entitled to membership of a private medical insurance scheme after satisfactory completion of their probationary period. No other employee benefits were paid during the year.

The charity's key management personnel comprised the Chief Executive Officer (CEO). The CEO's total remuneration (excluding employer's pension contributions) in the year to 31 August 2021 was £97,273 (2020: £88,917). The Foundation also made pension contributions of £13,471 (2020: £12,224) and paid employer's National Insurance contributions of £12,261 (2020: £11,071) in respect of the CEO.

The numbers of employees whose benefits for the year fell within the following bands were:

	<b>2021 number</b>	<b>2020 number</b>
£80,000 to £89,999	-	1
£90,000 to £99,000	1	-

The Foundation's Trustees were not paid any remuneration nor received any other benefits from the Foundation or a related entity. One director (2020: two) received reimbursement for travel expenses incurred whilst on Saïd Foundation business of £921 (2020: £1,030).

**8 Investments**

The Foundation's Statement of Investment Policies sets out the overall objectives for the investment portfolio, which are to provide a stream of funding in support of the Foundation's mission, and to at least preserve the real (inflation-adjusted) purchasing power of the assets. The Board of Trustees alone is empowered to vary these policies, although management of the portfolio within these objectives is delegated to the Investment Committee.

The Foundation's investment portfolio consists of the following asset classes, all of which are held at fair value:

	<b>2021 £000's</b>	<b>2021 %</b>	<b>2020 £000's</b>	<b>2020 %</b>
<i>Investment properties:</i>				
- College House, London SW3	37,600	47%	39,450	46%
- One Kingsway, Cardiff	14,150	18%	18,336	22%
- King William Street, London EC4	9,300	12%	9,200	11%
<i>Financial investments:</i>				
- Mixed asset funds	18,450	23%	-	-
- Listed equities	-	-	8,611	10%
- Fixed income and cash	30	0%	4,715	6%
- Gold and commodities	-	-	2,683	3%
- Private equity	1,060	1%	1,055	1%
- Hedging and alternatives	-	-	640	1%
	<b>80,590</b>	<b>100%</b>	<b>84,690</b>	<b>100%</b>

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2021**

**8 Investments (continued)****a) Analysis of investment properties**

	2021 £000's	2020 £000's
Market value at 1st September	66,986	71,679
Additions (costs of improvement and refurbishment work)	87	755
Net revaluation losses	(6,023)	(5,448)
<b>Market value at 31st August</b>	<b>61,050</b>	<b>66,986</b>
Historical cost at 31st August	65,739	65,652

The Foundation holds three investment properties:

College House, King's Road, London SW3

The property was purchased in October 2014 for £36.40 million. A professional valuation undertaken in July 2021 by Knight Frank in accordance with the Royal Institute of Chartered Surveyors (RICS) Red Book valued the asset at £37.6 million.

One Kingsway, Cardiff

The property was purchased in February 2016 for £18.15 million. A professional valuation undertaken in July 2021 by Cushman & Wakefield in accordance with the RICS Red Book valued the asset at £14.2 million.

King William Street, London EC4

The property was purchased in May 2017 for £9.40 million. A professional valuation undertaken in June 2021 by Cushman & Wakefield in accordance with the RICS Red Book valued the asset at £9.3 million.

**b) Analysis of financial investments**

	Market value at 01.09.2020 £000's	Purchase of new investments £000's	Proceeds from sale / distribution £000's	Investment gains / (losses) £000's	Market value at 31.08.2021 £000's
Mixed asset funds	-	16,491	-	1,959	18,450
Listed equities	8,611	-	(8,288)	(323)	-
Fixed income and cash	4,715	-	(4,564)	(121)	30
Gold and commodities	2,683	-	(2,632)	(51)	-
Private equity	1,055	-	(422)	427	1,060
Hedging and alternatives	640	71	(649)	(62)	-
<b>Total</b>	<b>17,704</b>	<b>16,562</b>	<b>(16,555)</b>	<b>1,829</b>	<b>19,540</b>

**9 Debtors and prepayments**

	2021 £000's	2020 £000's
Sundry debtors	16,748	19,206
Accrued income	508	243
Prepayments	8	11
<b>Total</b>	<b>17,264</b>	<b>21,767</b>

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2021**

**10 Creditors****a) Amounts falling due within one year**

	<b>2021</b>	<b>2020</b>
	<b>£000's</b>	<b>Restated £000's</b>
Grant commitments not yet paid *	<b>6,660</b>	5,986
Accruals and deferred income	<b>280</b>	367
Bank loans	<b>7,792</b>	313
Trade creditors	<b>88</b>	279
Taxation and social security	<b>62</b>	78
Other Creditors	<b>472</b>	-
<b>Total</b>	<b><u>15,354</u></b>	<b><u>7,023</u></b>

'Accruals and deferred income' includes a balance of £197,000 (2020: £268,000) relating to rental income from investment properties received in advance. The balance at the last year end has been recognised in the income and expenditure account in full during the year.

\*There was a restatement to increase "Grant commitments not yet paid" for scholarships by £753,000 in 2020, in order to recognise student grants when awarded, rather than at the start of the academic year. See Note 20.

**b) Amounts falling due after more than one year**

	<b>2021</b>	<b>2020</b>
	<b>£000's</b>	<b>£000's</b>
Bank loans	19,890	27,626
Grant commitments not yet paid	10,729	12,674
	<b><u>30,619</u></b>	<b><u>40,300</u></b>

The Foundation had two bank loans during the year. The first bank loan was a £10 million facility, of which £7.8 million was outstanding at 31 August 2021, secured on the One Kingsway investment property, which was last valued at £14.2 million. The Foundation was committed to making monthly repayments of interest and principal over the ten-year term from February 2017. The lender held first legal charge over the property as security.

The second bank loan was a £20 million facility, of which £19.9 million was outstanding at 31 August 2021, secured on the College House investment property which was valued at £37.6 million at 31 August 2021. The Foundation was committed to making quarterly interest payments over a five-year term from August 2018, with the principal repayable in full at the end of the term. The lender held a first legal charge over the property as security, and rental income from the property was remitted to the Foundation after the lender's interest and fees were deducted.

In October 2021, the Foundation refinanced from two bank loans to one £28 million facility. The Foundation can borrow an additional £5 million under the facility agreement, subject to certain letting criteria for the investment properties. The option to borrow the additional funds expires on 1 October 2022. The £28 million loan is secured on all three investment properties. The Foundation is committed to make quarterly repayments of interest and principal over a three-year term commencing October 2021, with the principal repayable in full at the end of the term. The lender holds a first legal charge over the properties as security, and rental income from the properties is remitted to the Foundation after the lender's interest and fees are deducted.

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2021**

**10 Creditors (continued)****c) Grant commitments not yet paid**

Grant commitments not yet paid at 31 August 2021 comprised the following balances:

	<b>£000's</b>
Saïd Business School Foundation (Osney Power Station)	13,488
Saïd Business School Foundation (Strategic Development Fund)	1,280
International Rescue Committee	675
UNHCR	797
Amal	605
UK Scholarship Programme (includes 21/22 scholars)	942
Less: adjustment to discount grant liabilities required by FRS102	(408)
<b>Total grant commitments not yet paid</b>	<b>17,389</b>

**11 Cash Flow Statement****a) Reconciliation of net movement in funds to net cash flow from operating activities:**

	<b>2021</b>	<b>2020</b>
	<b>£000's</b>	<b>Restated £000's</b>
Net (loss) / income for the year (as per Statement of Financial Activities) *	(5,168)	(8,441)
Adjusted for:		
Returns on investment and servicing of finance	(3,618)	(3,796)
Losses / (gains) on investments and investment properties	4,194	6,450
Interest paid on borrowings	663	828
Interest received on cash balances	(3)	(5)
Decrease in debtors	2,461	2,309
Decrease in creditors	(1,064)	(1,503)
<b>Net cash (used in) operating activities</b>	<b>(2,535)</b>	<b>(4,158)</b>

\* There was a restatement to increase "Grant commitments not yet paid" for scholarships by £753,000 in 2020, in order to recognise student grants when awarded, rather than at the start of the academic year. See Note 20.

**b) Analysis of cash flows from dividends, interest and rents from investment properties:**

	<b>2021</b>	<b>2020</b>
	<b>£000's</b>	<b>£000's</b>
Dividends and interest from financial investments	3	5
Rental income from investment properties	3,324	3,808
<b>Total</b>	<b>3,327</b>	<b>3,813</b>

**c) Reconciliation of movements on net debt**

	<b>Net debt at 01.09.2020</b>	<b>Cash flows</b>	<b>Non-cash movements</b>	<b>Net debt 31.08.2021</b>
	<b>£000's</b>	<b>£'000s</b>	<b>£'000s</b>	<b>£000's</b>
Cash at bank and in hand	1,519	(222)	-	1,297
<i>Bank loans due within one year</i>	(313)	(7,479)	-	(7,792)
<i>Bank loans due after one year</i>	(27,626)	7,736	-	(19,890)
Total bank loans	(27,939)	257	-	(27,682)
<b>Net debt</b>	<b>(26,420)</b>	<b>35</b>	<b>-</b>	<b>(26,385)</b>

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2021**

**12 Analysis of restricted funds**

	<b>Balance 01.09.20 £000's</b>	<b>Income £000's</b>	<b>Expenditure £000's</b>	<b>Balance 31.08.21 £000's</b>
Toucan Project	-	28	(28)	-

During the year, the Foundation received one restricted donation from the Chairman. In accordance with his wishes, these funds were applied in full to the Toucan Project during the year.

**13 Analysis of unrestricted funds**

	<b>Balance 01.09.20 Restated £000's</b>	<b>Income £000's</b>	<b>Expenditure £000's</b>	<b>Other Gains and (Losses) £000's</b>	<b>Balance 31.08.21 £000's</b>
Expendable endowment fund	<u>58,346</u>	<u>3,829</u>	<u>(4,788)</u>	<u>(4,209)</u>	<u>53,178</u>

**Expendable endowment fund**

The Foundation's endowment fund is maintained to generate income to enable the continuing fulfilment of the Foundation's objectives. The Trustees' power to spend the Fund is not restricted by donors or by the Foundation's constitution, providing it is spent to meet the charitable objectives. However, it is the Trustees' intention to maintain the purchasing power of the expendable endowment fund in real terms.

The balance as at 31 August 2020 has been restated from £59,099,000 to £58,346,000, as result of a change in treatment of the scholarship awards. See Note 20 for further details.

**14 Analysis of net assets between funds**

	<b>Restricted Funds £000's</b>	<b>Unrestricted Funds - Expendable Endowment £000's</b>	<b>Total 2021 £000's</b>	<b>Total 2020 Restated £000's</b>
Investment properties	-	61,050	61,050	66,986
Financial investments	-	19,540	19,540	17,704
Current assets	13,135	5,426	18,561	20,979
Creditors falling due within one year *	(2,663)	(12,691)	(15,354)	(7,023)
Creditors falling due after one year	(10,472)	(20,147)	(30,619)	(40,300)
<b>Net Assets *</b>	<u>-</u>	<u>53,178</u>	<u>53,178</u>	<u>58,346</u>

\* See Note 20 for further details of restatement.

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2021**

**15 Contingent liabilities and commitments**

The Foundation's grant agreement with the Saïd Business School Foundation (SBSF) states that, in the event that the Trustees decide to cease the annual funding for SBSF, the Foundation will nevertheless provide funding to SBSF to ensure that the Strategic Development Fund commitments already made can be met. At 31 August 2021 these commitments totaled £3.64 million, of which £1.28 million had already been paid to SBSF or provided for in the Foundation's accounts. This leaves the Foundation with a commitment of £2.36 million should the Trustees ever decide to cease the annual funding for SBSF.

**16 Operating leases**

The Foundation is lessor of 21 individual lease arrangements for office and retail units at its three investment properties. The leases are all classified as operating leases and the income from these leases is recognised on a straight-line basis over the lease term. In addition to amounts accrued to the period end, the Foundation is entitled to receive the following future minimum lease payments under non-cancellable operating leases:

	<b>2021</b> <b>£000's</b>	<b>2020</b> <b>£000's</b>
Amounts due:		
Not later than one year from 31 August	3,310	3,338
Later than one year and not later than five years from 31 August	7,696	9,249
Later than five years from 31 August	2,012	3,121
	<u>13,018</u>	<u>15,708</u>
<b>Total rental income from operating leases</b>	<b><u>13,018</u></b>	<b><u>15,708</u></b>

**17 Financial instruments**

	<b>2021</b> <b>£000's</b>	<b>2020</b> <b>£000's</b>
Financial assets held at fair value	80,590	84,690

Financial assets held at fair value comprise financial investments and investment properties.

**18 Transactions with trustees and connected persons**

Three Saïd Foundation Trustees are also Directors of The Saïd Business School Foundation Trustee Ltd, which is sole trustee of the Saïd Business School Foundation. They are Mr Wafic Saïd, Mr Khaled Saïd and Lord Powell of Bayswater. Grants made to the Saïd Business School Foundation during the year, and amounts owed at 31 August (before discounting), were:

	<b>Grant</b> <b>Commitments</b> <b>2021</b> <b>£000's</b>	<b>Amount</b> <b>owed</b> <b>2021</b> <b>£000's</b>	<b>Grant</b> <b>Commitments</b> <b>2020</b> <b>£000's</b>	<b>Amount</b> <b>owed</b> <b>2020</b> <b>£000's</b>
Osney Power Station grant	-	13,488	-	14,197
Strategic Development Fund	1,194	1,280	1,192	1,277
<b>Total</b>	<b><u>1,194</u></b>	<b><u>14,768</u></b>	<b><u>1,192</u></b>	<b><u>15,474</u></b>

Donations made by the Chairman are disclosed separately at note 2 to the financial statements. The donation of £59,000 in the year to 31 August 2021 took the form of 'in kind' use of office premises at 24 Queen Anne's Gate (2020: £59,000), while the donation of £27,500 related to a restricted donation for the Toucan Project. £15.8 million of Chairman's commitments from the current and previous years were outstanding as at 31 August 2021 (2020: £19.0 million)

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2021**

**18 Transactions with trustees and connected persons (continued)**

Mr Khaled Saïd is a Trustee of the Turquoise Mountain Trust to which the Foundation has granted funds in previous years. Of those grants, there was no balance still to pay at 31 August 2021 (£273,000 remained unpaid at 31 August 2020). Mr Khaled Saïd recused himself from Board discussions about the approval of these grants to Turquoise Mountain.

Mr Khaled Saïd is also a Partner of Capital Generation Partners LLP which provides the Foundation with investment and property management advice. In the year to 31 August 2021, the firm charged £173,000 plus VAT for property management advice (2020: £128,000 plus VAT) and nil for investment management services (2020: £11,000 plus VAT). All these amounts had been paid at year-end. Mr Khaled Saïd recused himself from decisions made about the appointment of Capital Generation Partners at meetings of the Foundation's Board of Trustees.

Lord Powell of Bayswater is a member of the Board of the Northern Trust Corporation of the United States which provides custody and brokerage services for investments held by the Foundation. In the year to 31 August 2021, the Foundation paid Northern Trust £1,000 in custody fees (2020: £1,000) and nil in brokerage commissions (2020: £10,000). The decision to appoint Northern Trust was taken by the Investment Committee of which Lord Powell is not a member.

Since September 2020, Ms Catherine Roe, one of the Foundation's Trustees until 6<sup>th</sup> January 2021, has been the Chief Executive of Amal (registered charity number 1190887). The Foundation has pledged funding of up to £800,000 to the new organisation, of which £605,477 remained unpaid at the year-end.

**19 Analysis of Statement of Financial Activities – prior year comparatives**

	<b>Restricted Funds 2020 £000's</b>	<b>Unrestricted Funds Expendable Endowment 2020 Restated £000's</b>	<b>Total 2020 Restated £000's</b>
<b>INCOME FROM:</b>			
Donations	2	67	69
Investments	-	3,801	3,801
Other income	-	34	34
<b>Total income</b>	<b>2</b>	<b>3,902</b>	<b>3,904</b>
<b>EXPENDITURE ON:</b>			
Raising funds	-	(1,929)	(1,929)
Charitable expenditure*	(2)	(4,535)	(4,537)
<b>Total expenditure*</b>	<b>(2)</b>	<b>(6,464)</b>	<b>(6,466)</b>
Net gains on financial investments	-	(5,448)	(5,448)
Net gains on investment properties	-	(1,029)	(1,029)
Net (losses) on foreign currency movements	-	(115)	(115)
<b>Net income / (expenditure)</b>	<b>-</b>	<b>(9,154)</b>	<b>(9,154)</b>
<b>Net movement in funds for the year</b>	<b>-</b>	<b>(9,154)</b>	<b>(9,154)</b>
<b>RECONCILIATION OF FUNDS</b>			
Funds brought forward 1 <sup>st</sup> September 2019*	-	67,500	67,500
<b>Funds carried forward 31<sup>st</sup> August 2020*</b>	<b>-</b>	<b>58,346</b>	<b>58,346</b>

\* See Note 20 for further details of restatement of "Charitable Expenditure".

## 20 Prior Period Adjustment

During the year, the recognition of student grants was changed from the first day of the academic year, in September, to the date of approval of the scholarship grant by the Foundation's Student Committee in May.

	As reported 2020 £000's	As restated 2020 £000's	Impact of Restatement 2020 £000's
<b>INCOME FROM:</b>			
Donations	69	69	-
Investments	3,801	3,801	-
Other income	34	34	-
<b>Total income</b>	<b>3,904</b>	<b>3,904</b>	<b>-</b>
<b>EXPENDITURE ON:</b>			
Raising funds	(1,929)	(1,929)	-
Charitable expenditure*	(3,784)	(3,824)	(40)
<b>Total expenditure*</b>	<b>(5,713)</b>	<b>(5,753)</b>	<b>(40)</b>
Net losses on financial investments	(5,448)	(5,448)	-
Net losses on investment properties	(1,029)	(1,029)	-
Net losses on foreign currency movements	(115)	(115)	-
<b>Net income / (expenditure)</b>	<b>(8,401)</b>	<b>(8,441)</b>	<b>(40)</b>
<b>Net movement in funds for the year</b>	<b>(8,401)</b>	<b>(8,441)</b>	<b>(40)</b>
<b>RECONCILIATION OF FUNDS</b>			
Funds brought forward 1 <sup>st</sup> September 2019*	67,500	66,787	(713)
<b>Funds carried forward 31<sup>st</sup> August 2020*</b>	<b>59,099</b>	<b>58,346</b>	<b>(753)</b>

	As reported 2020 £000's	As restated 2020 £000's	Impact of Restatement 2020 £000's
<b>Fixed assets</b>			
Investment properties	66,986	66,986	-
Financial investments	17,704	17,704	-
<b>Total fixed assets</b>	<b>84,690</b>	<b>84,690</b>	<b>-</b>
<b>Current assets</b>			
Debtors, prepayments and accrued income	19,460	19,460	-
Cash at bank and in hand	1,519	1,519	-
<b>Total current assets</b>	<b>20,979</b>	<b>20,979</b>	<b>-</b>
Creditors falling due within one year	(6,270)	(7,023)	(753)
<b>Net current assets</b>	<b>14,709</b>	<b>13,956</b>	<b>(753)</b>
<b>Total assets less current liabilities</b>	<b>99,399</b>	98,646	(753)
Creditors falling due after more than one year	(40,300)	(40,300)	-
<b>Net assets</b>	<b>59,099</b>	<b>58,346</b>	<b>(753)</b>
<b>The funds of the charity</b>			
Restricted funds	-	-	-
Unrestricted - Expendable endowment fund	59,099	58,346	(753)
<b>Total charity funds</b>	<b>59,099</b>	<b>58,346</b>	<b>(753)</b>

**THE SAID FOUNDATION**

England & Wales - Charity number 1125521

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# Accounts

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# **The Saïd Foundation**

Audited Annual Report and Accounts for the  
year ended 31 August 2020

Charity number: 1125521

Company number: 6621764



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**Reference and Administrative Information**

<b>Charity Registration Number</b>	1125521
<b>Company Registration Number</b>	6621764
<b>Correspondence address</b>	24 Queen Anne's Gate, London, SW1H 9AA
<b>Website</b>	<a href="http://www.saidfoundation.org">www.saidfoundation.org</a>
<b>Board of Trustees</b>	Mr Wafic R Saïd (Chairman) Mrs Rasha Saïd Khawaja (Deputy Chair) Mr Jonathan Aitken Ms Ita Gallagher Mrs Sirine Idilby Sir Michael Peat Lord Powell of Bayswater Ms Catherine Roe Mrs A Rosemary Saïd Mr Khaled R Saïd Mrs Nadine Zakaria
<b>Chief Executive Officer</b>	Ms Catherine Thomé
<b>Auditors</b>	Nexia Smith & Williamson Cumberland House 15-17 Cumberland Place Southampton SO15 2BG
<b>Bankers</b>	Metro Bank PLC 1 Southampton Row London WC1B 5HA  UBS Zurich AG Paradeplatz 6 CH-8098 Zurich Switzerland
<b>Legal Advisers</b>	Bates Wells 10 Queen Street Place London EC4R 1BE  Stephenson Harwood 1 Finsbury Circus London EC2M 7SH
<b>Investment and Property Advisers</b>	Capital Generation Partners LLP Berkeley Square House London W1J 6BX

## Trustees' Report incorporating the Strategic Report

The Trustees present the report and financial statements for the period from 1 September 2019 to 31 August 2020. The Trustees are also Directors of the company for the purpose of the Companies Act 2006. The financial statements have been prepared in accordance with the accounting policies set out therein and comply with the Memorandum and Articles of Association, applicable law, *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 2019)* and the Companies Act 2006.

### 1. Mission, Objectives and Programmes

The charitable object of the Saïd Foundation as set out in its Memorandum and Articles of Association is “to advance all exclusively charitable purposes in accordance with English law for the public benefit”.

The Trustees retain a focus on the Middle East, particularly the priority countries of Syria, Palestine, Lebanon and Jordan. However they also recognise the importance of funding projects in the UK through the Saïd Business School Programme and the Amal Programme. In 2018, the Trustees approved the vision, mission, guiding principles and objectives which are set out below.

Our **vision** is of a world where people from all backgrounds can realise their full potential. Our **mission** is to bring positive and lasting change to the lives of children, young people and the wider community through carefully selected investments in themes and geographies with which the Saïd family and the Saïd Foundation have developed strong links and expertise.

Our **guiding principles** are as follows:

1. A conviction that education is a powerful tool to change lives for the better and that higher education, in particular, plays a valuable role in creating enlightened and effective leadership which benefits the broader community.
2. An approach that is non-sectarian and non-political.
3. Recognition of the need to build capacity and capability across the countries we work in.
4. An understanding of the importance of bridge building, communication and respect across cultures.
5. A desire to enhance and learn from our thematic and regional experience and to benefit from synergy between programmes.
6. The potential to promote philanthropy and to maximise the impact of specific projects through partnerships with organisations that share our objectives.

Our **objectives** are:

1. To assist the Saïd Business School at Oxford University in its pursuit of excellence and in its desire to promote the beneficial role of business in society.
2. To support the humanitarian relief and development needs of the Syrian people and, when once again possible, the long-term sustainable development of the country.
3. To support the higher education of students in order to promote the sustainable development of the Levant region.
4. To improve the lives of disadvantaged children in the Levant region.
5. To increase understanding of Britain's Muslim communities among its non-Muslims and to foster a stronger sense of belonging in the UK among Muslim communities.

We pursue these objectives through four related **programmes**:

1. The **Saïd Business School Programme** makes grants to the Saïd Business School Foundation for its Strategic Development Fund with a view to establishing and maintaining the School as one of the world's top and most influential business schools.
2. The **Syria Programme** provides assistance for the needs of Syrians most seriously affected by the crisis in the country with an emphasis on the education and protection of young people in Lebanon and Jordan. Before the conflict in Syria broke out in 2011, the programme also provided financial and other support

to encourage and promote the sustainable development of Syria with an emphasis on health, childhood disability and higher education.

3. The **Scholarships Programme** provides financial support directly and through other organisations for students principally from the Levant region who demonstrate particular potential to pursue higher education so that they can expand their skills and knowledge in relevant fields and thereby enhance their contribution to the development of the region.
4. The **Amal Programme** makes grants in the UK in support of a rich diversity of arts projects and events with a view to opening minds and forging common ground between the UK's Muslim and non-Muslim communities.

The Foundation is non-sectarian and non-political. Its partners are individuals, non-governmental organisations, educational institutions, other charities, UN agencies and government ministries. The Foundation regularly reviews its objectives and programme priorities, especially those in the Levant region, to ensure the most effective deployment of its funds.

## 2. Review of Programmes

### Summary

The Foundation made grant commitments of £3.1 million in 2019/20 across four charitable programmes. A summary of this grant expenditure is shown below, with further detail set out at note 4 to the accounts:

Programme	Grants Committed 2019/20 (£'000s)	Grants Committed 2018/19 (£'000s)
Saïd Business School	1,192	1,172
Syria Programme	819	1,389
Scholarship Programme	732	493
Amal	311	346
<b>TOTAL</b>	<b>3,054</b>	<b>3,400</b>

In common with previous years, the majority of the Foundation's funding committed in 2019/20 was directed towards education projects, with a particular focus on undergraduate scholarships for Syrian refugees living in Jordan and Lebanon, as well as on business education in Britain with the £1.2 million donation to the Saïd Business School Foundation to fund its Strategic Development Fund.

The following sections give more detail about the aims and impact of each programme.

### Saïd Business School Programme

For the past ten years, an important focus for the Saïd Foundation has been to assist the strategic development of the Saïd Business School at the University of Oxford. In support of that goal, the Foundation provides annual funding to the Saïd Business School Foundation (SBSF) for its Strategic Development Fund (SDF) and for its legal and administrative costs. That annual funding rises each year in line with the rise in the CPI inflation index, and in 2019/20 increased to £1.2 million.

The purpose of the SDF is to support initiatives which will make a strategic difference to the successful development of the Saïd Business School and to assist the School in its pursuit of excellence in research, teaching and relevance to business practitioners, with a view to establishing and maintaining the School as the best model in the world of a business school embedded in a university.

During 2019/20, SBSF awarded seven new SDF grants for £2,346,000 (2019: one grant totalling £11,000). In common with previous years, most of this funding was awarded to support the School in awarding scholarships to MBA and DPhil students. The amount awarded included £445,000 to support the creation of a new two-year Teaching and Learning Initiative that will result in a step change in the provision of development support for the

faculty's teaching, pedagogical innovation, and for the student learning experience. A grant from the SDF has also allowed the School to employ a new Change Programme Director to provide dedicated resource towards the development and integration of a range of change initiatives across the School. The Change Programme Director will work with senior managers and team members to deliver specific projects as well as continuing new ways of working across the School.

In 2019/20, SBSF also made payments under multi-year agreements entered into in previous years which support its four medium-term objectives: to assist the School to strengthen those functions which are of critical importance to the success of a business school; to assist the School to strengthen the key points of differentiation that underpin and enhance its brand; to assist the School to attract top calibre students, particularly through the provision of scholarships, and to attract and retain top calibre faculty and staff; and to assist the School to establish and maintain itself as one of the world's top ten schools as measured by a range of authoritative rankings of business schools. Further details about this grant-making activity can be found in SBSF's annual report.

In 2017/18, the Foundation made a significant new commitment to support the School's proposed redevelopment of the Osney Power Station. This strategically important project will see a former power station near to the School become its new world-class executive education facility. With matched funding from the University, the Saïd Foundation has made a commitment of £15 million to support the project, funded by a new commitment from Mr Wafic Saïd and paid via the Saïd Business School Foundation. Of the £15 million payable to SBSF, £271,000 was paid during 2019/20 and the amount outstanding at 31 August 2020 was £14,197,000 (before discounting).

#### *Assessment of impact*

The Foundation's funding for the Strategic Development Fund requires, amongst other conditions, that the School does not cease to be ranked as one of the top three schools in the UK for more than three consecutive years. The Board therefore assesses the impact of its support by monitoring the extent to which the School is achieving this objective. In 2020, the School was placed 21<sup>st</sup> globally and third in the UK in the Financial Times' MBA rankings, which means the School continues to meet the objective set by the Board.

#### **Syria Programme**

Since 2011/12, the Foundation has sought to redirect more of its programme resources towards providing humanitarian relief and development support for Syrian refugees primarily in Jordan and Lebanon and for those who have been internally displaced by the conflict inside Syria itself. Since that point, the Foundation has committed £18.9 million to supporting Syrian refugees by funding projects in the fields of education, healthcare, child protection and emergency relief. In 2019/20, the Foundation had four active partnerships:

Further to an Appeal held in November 2018, the Asfari Foundation and the Saïd Foundation granted the International Rescue Committee £5.5 million to continue their work in Lebanon to improve Syrian refugee children's access to education. The Saïd Foundation's share of this total was £1.34 million. A four-year agreement was signed between the parties; this programme started in January 2019 and will end in December 2022.

The Foundation's partnership with Turquoise Mountain in Jordan started in 2018 and will conclude in the last quarter of 2020. Our work with Turquoise Mountain trains future generations in the arts and crafts of Syria, creates sustainable livelihoods and teaches children in camps about their country's cultural heritage.

The Foundation has partnered with the UNHCR since 2014. UNHCR's scholarship programme, known as the DAFI programme, enables access to higher education for refugee students in their country of asylum since 1992. The Foundation has been funding scholarships for Syrian refugees in Lebanon and Jordan since 2014. In November 2019, the Board of Trustees approved a further grant of \$1,061,051 to fund 41 young Syrians' undergraduate studies from 2019 until 2023.

In August 2019, the Board of Trustees approved a Board resolution to further support the Centre for Entrepreneurs (CFE) to scale up their Refugee Entrepreneur Network. CFE has been delivering an entrepreneurship programme with a focus on Syrian refugees in the UK. The partnership is due to end in September 2020.

#### *Assessment of Impact*

By supporting implementing partners that have a strong record of capability and achievement in the region, the Foundation aims to maximise the impact of its grant-making and to reach the most vulnerable beneficiaries. All

projects are funded under formal agreements with payment instalments conditional upon the effective achievement and reporting of project outcomes.

In October 2019, the Foundation's CEO conducted a monitoring visit to Lebanon and Jordan. She met with beneficiaries from all three programmes in these countries and attended activities and workshops, as well as the first DAFI alumni event for recent graduates in Amman, Jordan.

## **Scholarships Programme**

### *Scholarships in the UK*

The Saïd Foundation has offered educational scholarships and training opportunities since 1984. Our Scholarship Programme aims to empower young people through educational opportunities and provide skills needed for the development of the region. It is targeted towards outstanding individuals who demonstrate the potential to be a future leader and driver of change within our target countries. Since 1984 we have supported over 600 scholars from these countries to study in the UK.

By bringing talented scholars to study at a postgraduate level in the UK, our intention is to provide them with skills and knowledge not widely available in the Middle East, to expose them to critical and independent ways of learning and thinking; and thereby help to create future leaders in their professional fields.

Saïd Foundation Scholarships are awarded based on merit, and applications are carefully considered by officers and Trustees of the Foundation as well as by external assessors selected from among the Foundation's alumni. The Foundation bases its decisions on the candidate's academic excellence, the usefulness of the subject to their home country, the candidate's leadership potential, future career intentions and their practical ability to make use of the knowledge to be gained in the UK on their return to the Middle East.

For the 2019/20 application round the Saïd Foundation received 782 applications, of which 669 met the programme's eligibility criteria. The selection process lasted eight months and the selected scholars arrived in the UK in September 2019. In 2019/20 the Foundation supported 30 scholars for postgraduate study in the UK (2018/19: 20 scholars); 28 scholars were supported for a one-year Master's degree; two scholars continued their PhD and DPhil studies which began in 2016/17 and one scholar completed the final year of her three year distance learning programme. The scholars come from Syria (16), Jordan (3), Lebanon (5) and Palestine (6).

The total amount granted to these scholars (including tuition fees, maintenance awards and travel expenses) was £732,000 (2019: £493,000).

The Foundation seeks to maximise the number of scholars it can support by working with partners who contribute financially towards scholarships. The 30 scholars supported in 2019/20 include eleven scholars who were jointly supported by the Foreign and Commonwealth Office's Chevening Scholarship Programme, and two scholars from Lebanon who were jointly supported by the British Lebanese Association. The Saïd Foundation has partnership agreements with 27 UK universities each providing a tuition fee discount of between 20-50%.

### *Rhodes Scholarships for Syria, Jordan, Lebanon and Palestine*

In September 2019 two Rhodes Scholars from the Foundation's target countries arrived in the UK to begin their postgraduate studies at the University of Oxford. One scholar was from Syria and the second was from Lebanon who requested a deferral for the next academic year (2020/21) for personal reasons. They will spend between two and four years at the University of Oxford. This was the third year of the scholarship agreement between the Saïd Foundation, Rhodes Trust and the University of Oxford.

### *Assessment of Impact*

Historically, the Foundation has conducted an evaluation of its Scholarships Programme every five years. An evaluation report was last completed in September 2019 and concluded that the Programme continued to meet its objectives of providing talented individuals with educational opportunities that not only enhance their personal careers but also contribute to the development of the Levant region. The Foundation plans to monitor and evaluate this Programme on a continuous basis going forward, however due to the impact of the Covid-19 virus in 2020, no report has been produced.

## Amal Programme

The Amal Programme makes grants in the UK in support of a rich diversity of arts projects and activities that further the following interlinked objectives:

- To increase understanding of Britain’s Muslim communities among people of other faiths and none;
- To foster a stronger sense of belonging in the UK among its Muslim communities.

Amal became a programme of the Saïd Foundation in 2018 after a successful pilot year (which ran from January to December 2017) and began awarding grants in August 2018 with an annual budget for grants of £350,000. In this second year of the programme, 15 year one projects carried over from 2018/2019 (seven having completed in year one); of these 13 completed prior to the end of the financial year and two will continue into 2020/2021 due to unforeseen project delays caused by the Covid-19 situation. Statistics compiled from the 20 completed year one projects can be found below:

Amal Reach Statistics Year One	
Partners	19
Projects	20
Events	693
Artists	444
Participants	3,604
Audiences	42,691
Online Connections	552,308

Reporting from the 20 projects indicated that, of their audience and participant numbers combined, Amal projects were engaging around 60% of people who identified as non-Muslim and 40% of people identifying as being of Muslim heritage. Reporting from completed projects also indicated that 79% of project participants and 43% of audience members were under the age of 30. These figures are consistent with Amal’s goals of reaching at least 50% non-Muslims and 50% audience/participants under the age of 30.

In the 2019/20 year, seven new grants were awarded before applications were closed. Applications were made via the Amal website ([www.amal.org.uk](http://www.amal.org.uk)), where applicants could also access information about the programme’s grant-making activities and guidance for making applications. One of the projects supported completed during the year and five will continue into 2020/2021. The Greenbelt Festival project was unfortunately cancelled due to Covid-19 so no funds were allocated to this project.

Of the seven grants awarded in year two, over 70% were located in Amal’s hub locations. Three projects were located in London, two in Birmingham, one in multiple towns and cities and one elsewhere in the UK. Amal projects covered a range of arts and cultural activity of varying size and ambition including performing arts, poetry, storytelling, visual art, pottery and design. Amal Advisors, who represent a diverse range of personal and professional backgrounds and have strong standing in their respective fields, were regularly consulted on grant applications or called upon to facilitate new connections in order to ensure that the programme continued to benefit from the support and guidance of relevant experts.

Amal held its annual learning workshop for Partners at Asia House in October 2019 hosting representatives from 21 Amal Partners. The workshop was designed to gain further in-depth insights into Amal Partner projects to aid with evaluation of the programme and to further inform the year one findings report.

In the 2019/20 financial year, Amal’s expenditure was £443,000, of which £66,000 was new grant commitments to partners, £250,000 was the grant commitment to the new independent entity, £95,000 were the direct costs of running the programme, and the remainder represented the allocation of centrally-incurred support and governance costs.

*Assessment of Impact*

Preliminary results from the analysis of year one findings have not only reaffirmed our conclusions from the pilot year but have provided us with plentiful further evidence that our approach - that of supporting arts and cultural activity with a strategic focus - is a powerful and effective way to advance Amal's dual objectives. These findings include:

- Through Amal-supported projects, a whole range of new artistic content has been created by professional Muslim artists at early and more advanced stages of their careers as well as by Muslim participants involved in various project activities; much of this content has been made available in some form for use beyond the life of the project.
- Arts organisations have been encouraged not only to platform Muslim artists at all levels of activity but to actively assist in opening up new avenues for them.
- By including an element of participatory activity to enhance the experience of "encounter" between and among artists, audiences and/or participants, Amal projects have helped to forge common ground between Muslims and people of other faiths and who are secular.

The effects of the global pandemic in 2020 on Amal projects have been far reaching with nearly all remaining projects having to be cancelled, postponed or adapted. The Amal team worked closely with all Partners to support them during this time by offering flexibility on the Partner's planned activities and reporting. A number of projects opted to adapt their projects to take advantage of digital technology, hosting their events online via various platforms.

*Future Plans for Amal*

During the year, the Foundation's Board took the decision to suspend the Amal Programme in order to focus the Foundation's resources more clearly on its long-term priority areas. In May 2020, in recognition of the pioneering and necessary nature of Amal's work, the Board further decided to support plans to spin Amal out as an independent charity by pledging £800,000 to Amal provided match-funding can be successfully raised.

**3. Trustees and Management**

The Board of Trustees met two times during the year, in November 2019 and May 2020, and there were further meetings of the four Board sub-committees which are described in greater detail below.

**4. Financial Review****Summary of Financial Performance**

The Foundation monitors its financial performance through six key performance indicators (KPIs) which are regularly reported to the Audit Committee and Board. A summary of performance against each of these indicators is set out in the table below:

<b>KPI Area</b>	<b>Description</b>	<b>Target</b>	<b>2019/20</b>	<b>2018/19</b>
<b>Maintaining the endowment</b>	Value of endowment compared with the value adjusted for CPI inflation since inception.	Value should be in surplus against inflation adjusted-value.	£2.8 million surplus	£11.3 million surplus
<b>Investment performance</b>	Return after fees on financial investments	>4% above rate of CPI inflation	-6.9%	4.5%
	Management fees as a percentage of financial investments	<1%	0.6%	0.3%
	Net yield from freehold properties	>5%	-4.7%	3.8%
	Property management costs as a percentage of gross rental income	<10%	17.6%	11.9%

<b>Operational performance</b>	Staff and administrative costs as a percentage of charitable expenditure	<15%	13.9%	13.7%
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The Trustees' primary financial target is to ensure that the actual value of the endowment is maintained in real terms (i.e. after adjusting for inflation). This metric continued to be met, with a £2.8 million surplus as at 31 August 2020. However, this represented a significant reduction from the prior year which can be attributed to two key factors: firstly, valuation losses recognised on investment properties and financial investments; and secondly, charitable spending commitments approved by the Trustees which exceeded the budget indicated by the Foundation's spending policy.

The key performance indicators relating to the return on financial investments and the net yield from freehold properties were negatively impacted by valuation losses resulting from the market dislocations resulting from the Covid-19 pandemic. Property management costs as a percentage of gross rental income also increased significantly as a result of the Foundation's funding of service charge and vacant business rates liabilities on void space at One Kingsway, as well as the impact of providing for the potential bad debts of tenants in rent arrears.

During the year, the Foundation appointed Capital Generation Partners LLP as its sole investment adviser on the financial investment portfolio. Former holdings were sold down to invest in a new multi-asset strategy designed to achieve a 4% real return over the cycle. The value and allocation of the Foundation's investment portfolio at 31 August 2020 are summarised in the table below, with further detail provided at note 8 to the financial statements.

	<b>2020 (£'000s)</b>	<b>2020 (%)</b>	<b>2019 (£'000s)</b>	<b>2019 (%)</b>
<b><u>Investment Properties</u></b>				
College House, London*	19,615	35%	22,995	41%
One Kingsway, Cardiff*	10,231	18%	10,010	18%
King William St, London	9,200	16%	9,650	17%
<b><u>Financial Investments</u></b>				
Listed equities	8,611	15%	3,944	7%
Fixed income and cash	4,715	8%	3,857	7%
Gold and commodities	2,683	5%	-	-
Private equity	1,055	2%	1,135	2%
Hedging and alternatives	640	1%	4,171	8%
<b>TOTAL</b>	<b>56,750</b>	<b>100%</b>	<b>55,762</b>	<b>100%</b>

\* The values of College House and One Kingsway are stated net of borrowing secured on those properties.

### Charitable expenditure

The activities of the Foundation are funded through income from its investments, which are managed by professional investment and property managers. Total charitable expenditure in the year to 31 August 2020 was £3.8 million (2019: £4.1 million) and is analysed in further detail at note 4 to the financial statements.

## 5. Governance Information

### Governance and Decision Making

The Saïd Foundation is the successor organisation to the Karim Rida Saïd Foundation (KRSF) that was established in 1986. It is a UK charity registered with the Charity Commission for England and Wales and is also a company limited by guarantee and registered at Companies House. The Saïd Foundation is based in London. During the year under review, all staff, programmes and budget were overseen by the Chief Executive Officer (CEO).

The Trustees of the Saïd Foundation who have served during the year are set out on page 3. The Trustees meet twice a year and are empowered under the Articles of Association to delegate authority to sub-committees. There are five standing committees, the Nominations, Investment, Audit, Projects and Student Committees, which meet as necessary. The mandates and membership of the sub-committees are reviewed and agreed annually by the Board.

New or additional Trustees may be appointed by the Foundation's Benefactor and the current trustees. Mr Khaled Saïd is the current Benefactor. Any transactions with Trustees or other related parties are disclosed at note 18 to the financial statements.

The Foundation's Audit Committee reviews governance arrangements regularly to assess compliance with the *Charity Governance Code* published in July 2017. While the Code is not a legal or regulatory requirement, Trustees seek to ensure the Foundation complies with it to the fullest extent possible. The Audit Committee will complete an updated review of compliance with the Code in 2021.

### Remuneration Policy

The Board of Trustees has delegated to the Audit and Staff Committee the authority to set the salaries of the Foundation's officers in line with positions of similar responsibility in comparable organisations. The salary of the CEO must also be approved by the Chairman.

### Risk Management

A full risk register is taken to the Audit Committee annually. New and existing risks are re-assessed by the Foundation's sub-committees on an ongoing basis to ensure that they are appropriately managed. The Foundation's Audit Committee reviews the full risk register and the accompanying systems and controls, with a summary of key risks presented to the Board on an annual basis.

Trustees have identified the following principal risks facing the Foundation and have controls in place for their active management:

Principal Risks	Present Controls
<p><b><i>Banking Facilities</i></b> The risk of being unable to access mainstream banking facilities due to banks identifying the Foundation as a compliance risk.</p>	<ul style="list-style-type: none"> <li>• Strong relationships with Citibank and Northern Trust.</li> <li>• Implemented appropriate pre-grant due diligence for all charitable expenditure, including recent work on potential indirect funding for humanitarian aid inside Syria.</li> <li>• Reduced the amount of funding going to small organisations based in the Middle East, with Syria Programme now implemented by large NGO partners with good reputation and robust controls of their own.</li> </ul>
<p><b><i>Misuse of Funds</i></b> The Foundation may inadvertently fund an extremist organisation or individual.</p>	<ul style="list-style-type: none"> <li>• Procedures in place in respect of due diligence, pre-selection, payment and performance monitoring of all students, project partners and projects under delivery.</li> <li>• Grant agreements drafted to include stage payments dependent on reports detailing the delivery of agreed outcomes.</li> <li>• External risk advisory firm commissioned to undertake background checks on all successful scholarship candidates.</li> <li>• Projects in the region implemented by large international NGOs with experience of working in complex environments and appropriate due diligence and monitoring in place.</li> </ul>

<p><b>Charitable Programmes</b> Conflict and political instability in the Foundation's priority countries causes disruption to the delivery of projects.</p>	<ul style="list-style-type: none"> <li>• The Foundation runs no direct activity in the Middle East but maintains relationships with major agencies (the IRC, Save the Children, UNHCR and Turquoise Mountain) which have been chosen because of their experience in delivering humanitarian projects in conflict-affected areas.</li> <li>• Risk assessment during project selection process, recognising that some risk is inevitable in order to meet the humanitarian needs of those most affected by the crisis.</li> <li>• Grant agreements drafted to include stage payments dependent on reports detailing the delivery of agreed outcomes.</li> <li>• Covid-19 disrupted our programmes in Lebanon and Jordan, however the Foundation is confident that after a period of adaption activities have been successfully delivered remotely. Virtual monitoring visits with local staff and beneficiaries were organised at the CEO's request.</li> </ul>
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### Grant-making Policy

As a charitable foundation, making grants is the primary means through which the Foundation achieves its charitable objectives. The grant-making policies for each charitable programme are summarised as follows:

- The annual funding provided for the Saïd Business School Foundation's Strategic Development Fund will continue to be provided as long as Oxford University continues to fulfil the conditions attached to the Saïd benefactions to the Saïd Business School; and / or as long as the School does not cease to be ranked as one of the top three schools in the UK for more than three consecutive years; and as long as the Foundation does not reasonably consider that the annual funding paid to SBSF would be better granted to other beneficiaries. The objective of the Fund is to support initiatives and opportunities that will assist the School in its pursuit of excellence in research, teaching and relevance to business practitioners. Governance and administration of the Fund has been devolved to the School itself during the year, although the School must operate the Fund in accordance with objectives and conditions set by the Saïd Business School Foundation.
- The Foundation's criteria for funding scholarships are available on the Foundation's website as well as through academic partners in the target countries such as the British Council. The Student Committee awards scholarships annually following a rigorous selection process that includes interview by the Foundation, verification of references and academic transcripts, and background checks on each successful candidate. Each successful candidate must sign an award letter setting out the terms of the scholarship and funds are not advanced until those terms are met.
- The Syria Programme makes grants to large scale international organisations and is not open to speculative applications. The Foundation has current partnerships with the Centre for Entrepreneurs, IRC, the UNHCR and Turquoise Mountain. These organisations were selected for their experience of working successfully in complex conflict-affected environments. During 2019/20, the Foundation made a further grant to UNHCR for a new cohort of DAFI scholars in Lebanon and Jordan from 2019-23.
- The Amal programme has its own eligibility criteria, application and due diligence processes which are tailored to the types of organisation applying for grants meeting Amal's charitable objectives. Full details are available on the Amal website. Grants with a value greater than £25,000 are approved by the Projects Committee, whereas authority to approve small grants with a value under this sum is delegated to the CEO. Amal grants were suspended during the year pending a strategic review. Following this review, Amal was established as an independent charity on 17 August 2020 (charity number 1190887). The Foundation has agreed to support Amal during its first three years of operation subject to Amal being successful in raising matching funding.

**Public Benefit**

The Trustees have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. The Trustees consider that each of the Foundation's programmes is aimed at one or more of: the advancement of education; advancement of health / saving lives; advancing the arts and heritage; and assisting the young or disabled. Furthermore, while there are eligibility criteria for each of the Foundation's programmes, the Trustees are also satisfied that each programme is targeted at a sufficiently wide section of the public to meet the 'public benefit' test.

**Investment Policy**

Under the Articles of Association, the Trustees have wide investment powers, including the power to appoint investment managers provided that the managers are given clear investment guidelines laid down and monitored by the Trustees. The overall financial and investment objectives of the Fund are to provide a stream of income in support of the Foundation's mission and to preserve and enhance the real purchasing power of the assets. For the Foundation to be able to pursue its charitable objects effectively the Trustees have targeted an inflation adjusted total return of at least 4% measured as an annual average over five years.

**Reserves Policy**

As the Foundation does not usually fundraise externally, income from investments represents its primary source of revenue alongside new donations from the Chairman. Trustees therefore seek to maintain the value of the endowment in inflation adjusted terms in order to maintain the purchasing power of the endowment over the long-term, and to provide income to meet continuing charitable expenditure. The objective of the Trustees is that the value of the endowment fund should not be permitted to fall below its value at inception, adjusted for inflation and transfers. When exceptional market conditions lead to that objective not being achieved, Trustees act to re-attain this target as soon as feasibly possible without adversely affecting programmes. The Trustees review this objective on an annual basis.

At 31 August 2020, the Foundation's endowment fund was valued at £59.1 million which represented a surplus of £2.8 million over the inflation-adjusted value of £56.3 million at the same date (2019: £67.5 million representing a £11.3 million surplus).

**Fundraising Policy**

The Foundation is an endowed charity and does not rely on donations from the public or third parties to fund its charitable activities. It therefore has no income generation requirement, nor will it devote significant resources to raising funds in this way. However, the Foundation follows the Fundraising Regulator's Code of Fundraising Practice to the extent that it is applicable.

**Re-appointment of Auditors**

Nexia Smith & Williamson were reappointed as auditors for the 2020/21 financial year in accordance with section 485 of the Companies Act 2006.

This report was approved by the Trustees on 2 December 2020 and signed on its behalf by:

  
Michael Peat (Dec 7, 2020 09:29 GMT)

Sir Michael Peat  
Trustee and Chairman of the Audit Committee

## Statement of Trustees' responsibilities

The Trustees (who are also Directors of the Saïd Foundation for the purposes of company law) are responsible for preparing the Trustees' Report 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'.

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming/outgoing resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that 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 also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Audit information

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF THE SAID FOUNDATION**

### **Opinion**

We have audited the financial statements of The Saïd Foundation (the 'charitable company') for the year ended 31 August 2020 which comprise the Statement of Financial Activities incorporating the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The other information comprises the information included in the Annual Report and Accounts for the year ended 31 August 2020, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

### **Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Annual Report, which incorporates the Strategic Report and the Directors' Report, prepared for the purpose of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the Strategic Report and the Directors' Report included within the Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

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

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

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

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

### **Responsibilities of trustees**

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

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

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

### **Use of our Report**

This report is made solely to the charitable company's member, 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 member those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's member as a body, for our audit work, for this report, or for the opinions we have formed.

*Nexia Smith & Williamson*

Nexia Smith & Williamson (Dec 7, 2020 10:58 GMT)

### **Julie Mutton**

Senior Statutory Auditor, for and on behalf of  
Nexia Smith & Williamson  
Statutory Auditor  
Chartered Accountants

Cumberland House  
15 - 17 Cumberland Place  
Southampton  
SO15 2BG

Date: 07/12/2020

**The Saïd Foundation**  
**Statement of Financial Activities**  
**incorporating Income and Expenditure Account**  
**for the year ended 31 August 2020**

	Note	Restricted Funds £000's	Unrestricted Funds - Expendable Endowment £000's	Total 2020 £000's	Total 2019 £000's
<b>INCOME FROM:</b>					
- Donations	2	2	67	69	1,835
- Investments	3	-	3,801	3,801	4,004
- Other income		-	34	34	17
<b>Total income</b>		<b>2</b>	<b>3,902</b>	<b>3,904</b>	<b>5,856</b>
<b>EXPENDITURE ON:</b>					
<i>Raising funds:</i>					
- Investment management costs		-	(1,101)	(1,101)	(523)
- Interest on borrowings		-	(828)	(828)	(920)
- Other expenditure on raising funds		-	-	-	(7)
<i>Charitable expenditure:</i>					
- Syria Programme	4	(1)	(951)	(952)	(1,539)
- Saïd Business School Programme		-	(1,346)	(1,346)	(1,268)
- Scholarships Programme in the UK		(1)	(1,042)	(1,043)	(743)
- Amal		-	(443)	(443)	(538)
<b>Total expenditure</b>		<b>(2)</b>	<b>(5,711)</b>	<b>(5,713)</b>	<b>(5,538)</b>
Net (losses) / gains on investment properties		-	(5,448)	(5,448)	250
Net (losses) / gains on financial investments		-	(1,029)	(1,029)	1,300
Net (losses) on foreign currency movements		-	(115)	(115)	(70)
<b>Net (loss) / income</b>	6	<b>-</b>	<b>(8,401)</b>	<b>(8,401)</b>	<b>1,798</b>
<b>Net movement in funds for the year</b>		<b>-</b>	<b>(8,401)</b>	<b>(8,401)</b>	<b>1,798</b>
<b>RECONCILIATION OF FUNDS</b>					
Funds brought forward 1st September	19	-	67,500	67,500	65,702
<b>Funds carried forward 31st August</b>	12/13	<b>-</b>	<b>59,099</b>	<b>59,099</b>	<b>67,500</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

**The Saïd Foundation**  
**Balance Sheet at 31 August 2020**

	Note	2020 £000's	2019 £000's
<b>Fixed assets</b>			
Investment properties	8a	66,986	71,679
Financial investments	8b	<u>17,704</u>	<u>13,107</u>
<b>Total fixed assets</b>		<b><u>84,690</u></b>	<b><u>84,786</u></b>
<b>Current assets</b>			
Debtors, prepayments and accrued income	9	19,460	21,767
Cash at bank and in hand		<u>1,519</u>	<u>10,143</u>
<b>Total current assets</b>		<b><u>20,979</u></b>	<b><u>31,910</u></b>
Creditors falling due within one year	10a	(6,270)	(7,352)
<b>Net current assets</b>		<b><u>14,709</u></b>	<b><u>24,558</u></b>
<b>Total assets less current liabilities</b>		<b>99,399</b>	109,344
Creditors falling due after more than one year	10b	(40,300)	(41,844)
<b>Net assets</b>		<b><u>59,099</u></b>	<b><u>67,500</u></b>
<b>The funds of the charity</b>			
Restricted funds	12	-	-
<i>Unrestricted funds</i>			
- Expendable endowment fund	13	59,099	67,500
<b>Total charity funds</b>		<b><u>59,099</u></b>	<b><u>67,500</u></b>

The notes on pages 20 to 32 form part of the financial statements.

Approved by the Board of Trustees on 2 December 2020 and signed on its behalf by:

*Michael Peat*

Michael Peat (Dec 7, 2020 09:29 GMT)

.....  
Sir Michael Peat  
Trustee

Registered Company No: 6621764

**The Saïd Foundation**  
**Cash Flow Statement**  
**for the year ended 31 August 2020**

	Note	2020 £000's	2019 £000's
<b>Cash used in operating activities</b>	11a	<b>(4,158)</b>	<b>(3,547)</b>
<b>Cash flows from investing activities</b>			
- Dividends, interest and rents received	11b	3,813	4,018
- Receipts from sale of investments		21,458	945
- Payments to buy new investments		(27,057)	(3,420)
- Capital expenditure on investment properties		(755)	(654)
		<u><b>(2,541)</b></u>	<u><b>889</b></u>
<b>Cash flows from financing activities</b>			
- Repayment of borrowings		(1,164)	(204)
- Payment of interest		(761)	(877)
		<u><b>(1,925)</b></u>	<u><b>(1,081)</b></u>
(Decrease) in cash and cash equivalents during the year		<u><b>(8,624)</b></u>	<u><b>(3,739)</b></u>
Cash and cash equivalents at the beginning of the year		10,143	13,882
<b>Cash and cash equivalents at the end of the year</b>		<u><u><b>1,519</b></u></u>	<u><u><b>10,143</b></u></u>

A reconciliation of net debt is included at note 11(c).

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2020**

## **1 ACCOUNTING POLICIES**

### **a) Basis of preparation**

The financial statements have been prepared in accordance with *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)*, the Charities Act 2011 and UK Generally Accepted Accounting Practice. The Foundation meets the definition of a 'public benefit entity' under FRS 102. The financial statements are prepared under the historic cost convention except where otherwise stated.

The majority of the Foundation's assets and liabilities are denominated in Pounds Sterling. The functional currency of the Foundation is therefore considered to be Pounds Sterling and the Financial Statements are presented in that currency.

The Saïd Foundation is a company limited by guarantee and is incorporated in England and Wales. Its registered office address is 24 Queen Anne's Gate, London, SW1H 9AA.

### **b) Income**

Income is recognised when the Foundation has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Income from operating leases is recognised on a straight-line basis over the lease term, net of lease incentives. Lease incentives are typically granted at the commencement of the lease term and are then accrued and recognised on a straight-line basis over the lease term.

### **c) Expenditure and irrecoverable VAT**

Expenditure is recognised once: there is a legal or constructive obligation to make a payment to a third party arising from a past event; it is probable that settlement will be required; and the amount of the obligation can be measured reliably. Expenditure relates either to raising funds (principally the costs directly attributable to managing the investment portfolio and investment properties) or to charitable activities. Expenditure on charitable activities is analysed between the Foundation's major charitable programmes at note 4 to the accounts.

The Foundation is registered for VAT and recovers input tax to the fullest extent possible. However, the majority of the Foundation's transactions are outside of the scope of VAT and irrecoverable VAT is therefore charged as a cost against the activity for which the expenditure was incurred.

### **d) Fund accounting**

Restricted funds are donations which the donor has specified are to be solely used for particular grant-making activities. Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Foundation. Analyses of income, expenditure and net assets of the Foundation's restricted and unrestricted funds are shown at notes 12, 13 and 14 to the accounts.

### **e) Financial instruments**

The Foundation holds only financial assets and financial liabilities classified as 'basic' financial instruments, such as receivables, loans and payables. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value, with the exception of bank loans which are subsequently measured at amortised cost using the effective interest rate method.

**The Saïd Foundation**  
**Notes to the Financial Statements**  
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**1 ACCOUNTING POLICIES (continued)****f) Foreign currencies**

Transactions denominated in foreign currency are recognised at the exchange rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at the exchange rate on the balance sheet date. All gains and losses on exchange, realised and unrealised, are charged to the Statement of Financial Activities and included in the net movement on funds.

**g) Investment properties**

Investment properties are held to earn rental income and for capital appreciation, and are not used in connection with the Foundation's charitable activities. Investment properties are held at fair value at the balance sheet date. Depreciation is not provided on investment property.

Subsequent to purchase, an investment property carried at fair value may be subject to further expenditure on improvements or refurbishment. Such expenditure is capitalized where it is expected that the work will enhance the income-generating potential of the asset. The costs of such work are added to the carrying value of the asset and subject to re-measurement as part of future revaluations.

The Foundation determines the fair value of its investment properties by commissioning valuations from independent, third-party valuers with appropriate professional skills and experience. These valuations are commissioned on a 'market value' basis, and sufficiently frequently to satisfy the Trustees that the book value is a materially accurate estimate of the fair value at the reporting date. Further details about the valuations of individual investment properties are shown at note 8 to the accounts.

**h) Financial investments**

Quoted investments are stated at market value at the balance sheet date. Unquoted investments are valued at the Foundation's best estimate of fair value based on valuations provided by fund managers and reviewed by the Foundation's investment advisers.

Where a valuation is not available at the balance sheet date, the most recent valuation from the fund manager is used, adjusted for cash flows and foreign exchange movements in the period between the valuation and the balance sheet date, and for any evidence of impairment between the most recent valuation date and the financial year end.

**i) Grant commitments**

Grant expenditure is recognised when the grant has been approved by the Foundation's Board of Trustees, Student Committee or Projects Committee and a constructive obligation is considered to exist. Grants which remain unpaid at the end of a period are carried forward as liabilities, as set out in note 10 to the accounts.

**j) Going concern**

The Foundation's Statement of Investment Policies state that the objectives of the investment portfolio are to provide a stream of funding in support of the Foundation's mission, and to preserve and enhance the real (inflation-adjusted) purchasing power of the assets. The Foundation holds a prudent level of cash to meet short-term liabilities, and its Financial Controller, CEO and Audit Committee members regularly review a cash flow forecast to ensure that the level of cash held is sufficient to meet all expected liabilities as they fall due.

**The Saïd Foundation**  
**Notes to the Financial Statements**  
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**j) Going concern (continued)**

The majority of the Foundation's investment portfolio is held in directly-owned properties which provides the Foundation with a regular stream of cash receipts from tenants. In the event of an unexpected shortfall in rental income, the Foundation's financial asset portfolio also includes substantial holdings in highly liquid assets such as short-term gilt-edged bonds and gold which could be readily exchanged for cash.

Accordingly, the Trustees consider it appropriate to continue to adopt the going concern basis in preparing the financial statements.

**k) Critical accounting judgments and sources of estimation uncertainty**

In the application of these accounting policies, the Trustees have made two judgments that have a significant effect on the financial statements.

The Grant Agreement between the Foundation and SBSF confirms that the Foundation has a long-term commitment to SBSF for at least five years. In 2019/20 that commitment was £1.2 million and it rises each year in line with the annual increase in the CPI inflation index. However, the agreement also states that there are circumstances in which this funding could cease. Therefore SF recognises one year's funding for SBSF in each year's financial statements.

In applying the requirement under paragraph 7.9 of the FRS 102 SORP to discount long-term grant liabilities to their present value, the Trustees have used HM Treasury's forecast medium-term CPI inflation rate for 2021 and beyond which was 1.85% at the end of August 2020. In accordance with paragraph 11.20 of FRS 102, grants committed in prior years are discounted using the original discount rate (i.e. the prevailing CPI inflation rate forecast in the year of initial recognition).

The CPI inflation rate forecast was chosen as the discount rate because SF's charitable expenditure is funded from an endowment which is invested to achieve a return calculated with reference to the rate of change in the CPI inflation index. Further information about HM Treasury's forecast inflation rates can be found at <https://www.gov.uk/government/collections/data-forecasts>.

The Trustees have also noted one significant estimate, being the valuation of investment property assets. The Trustees' approach to the valuation of each investment property is described at note 8 to the accounts. However, there remains a risk that, if the assets were realised, the sale proceeds might differ materially from the estimates made by the Trustees and their professional advisers.

**The Saïd Foundation**  
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**2 Donations**

	<b>Restricted 2020 £000's</b>	<b>Unrestricted Funds - Expendable Endowment 2020 £000's</b>	<b>Total 2020 £000's</b>	<b>Total 2019 £000's</b>
General donations	2	8	10	25
Donations from the Chairman	-	59	59	1,810
<b>Total</b>	<b>2</b>	<b>67</b>	<b>69</b>	<b>1,835</b>

**3 Income from investments**

	<b>Restricted 2020 £000's</b>	<b>Unrestricted Funds - Expendable Endowment 2020 £000's</b>	<b>Total 2020 £000's</b>	<b>Total 2019 £000's</b>
Bank interest and dividends	-	5	5	88
Rental income	-	3,796	3,796	3,916
<b>Total</b>	<b>-</b>	<b>3,801</b>	<b>3,801</b>	<b>4,004</b>

**4 Analysis of expenditure on charitable activities**

	<b>Syria Programme £000's</b>	<b>Saïd Business School Programme £000's</b>	<b>Scholarship Programme £000's</b>	<b>Amal £000's</b>	<b>Total 2020 £000's</b>	<b>Total 2019 £000's</b>
Grant commitments	819	1,192	732	311	3,054	3,400
Unwinding of discount	-	27	-	-	27	(16)
Staff costs	53	15	117	84	269	294
Directly allocated support costs	-	-	107	11	118	143
Apportioned support costs (see note 5)	59	83	64	27	233	197
Governance costs	21	29	23	10	83	70
<b>Total</b>	<b>952</b>	<b>1,346</b>	<b>1,043</b>	<b>443</b>	<b>3,784</b>	<b>4,088</b>

Expenditure on charitable activities was £3.8 million, which included the following significant grant commitments:

- £1.2 million to the Saïd Business School Foundation for the Strategic Development Fund;
- £0.8 million to the UNHCR for a further cohort of DAFI Higher Education scholarships in Jordan and Lebanon; and
- £0.25 million to the new independent Amal (with a further £0.8 million accounted for as a contingent liability).

**The Saïd Foundation**  
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**5 Analysis of governance and support costs**

The Foundation initially identifies support costs which relate directly to one of the four charitable programmes listed above and allocates them to the activity to which they relate. The remaining support costs which cannot be directly allocated (such as premises expenses and general office expenses) are therefore apportioned between 'support' and 'governance' functions, and then further apportioned between the four charitable activities based on total charitable expenditure attributable to each programme. This apportionment is shown at note 4, above.

The table below shows the support and governance costs which have been apportioned in this way, and notes the basis on which the apportionment has been made:

	Support £000's	Governance £000's	Total £000's	Basis of Apportionment
Premises expenses	89	-	89	<i>Allocated to support</i>
Salaries, wages and related costs	85	55	140	<i>Estimate of staff time</i>
General office expenses	46	-	46	<i>Allocated to support</i>
Audit fees	-	21	21	<i>Allocated to governance</i>
Travelling	10	-	10	<i>Allocated to support</i>
Legal and professional fees	2	7	9	<i>Allocated dependent on nature of advice received</i>
	<u>232</u>	<u>83</u>	<u>315</u>	

**6 Net income for the year**

Net income for the year is stated after charging:

	Total 2020 £000's	Total 2019 £000's
Auditors' remuneration (excluding irrecoverable VAT):		
- Statutory audit fees	16	12
- Non-audit services	-	-
	<u>-</u>	<u>-</u>

**7 Analysis of staff costs and remuneration of key management personnel**

	Total 2020 £000's	Total 2019 £000's
Salaries	333	346
National Insurance	32	34
Employer's pension contributions and other benefits	45	54
	<u>410</u>	<u>434</u>

Of the £410,000 total staff costs analysed above, £269,000 has been allocated to the four charitable programmes (see note 4), £129,000 has been allocated to support and governance costs (see note 5), and £12,000 has been recharged to another entity in respect of a staff member seconded out of the Foundation.

**The Saïd Foundation**  
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**7 Analysis of staff costs and remuneration of key management personnel (continued)**

The average full-time equivalent (FTE) monthly employee head count during the year was 7 (2019: 7). During the year, the Foundation operated a salary sacrifice scheme for employee contributions to a registered pension scheme. The Foundation contributed 10% of each employee's gross salary to the scheme at its own expense, as well as contributing the employee's salary sacrifice of at least 3% of gross salary. Employees are also entitled to membership of a private medical insurance scheme after satisfactory completion of their probationary period. No other employee benefits were paid during the year.

The charity's key management personnel comprised the Chief Executive Officer (CEO). The CEO's total remuneration (excluding employer's pension contributions) in the year to 31 August 2020 was £88,917 (2019: £63,983). The Foundation also made pension contributions of £12,224 (2019: £8,732) and paid employer's National Insurance contributions of £11,071 (2019: £7,752) in respect of the CEO.

The numbers of employees whose benefits for the year fell within the following bands were:

	<b>2020</b> <b>number</b>	<b>2019</b> <b>number</b>
£60,000 to £69,999	-	1
£70,000 to £79,999	-	1
£80,000 to £89,999	1	-

The Foundation's Trustees were not paid any remuneration nor received any other benefits from the Foundation or a related entity. Two directors (2019: one) received reimbursement for travel expenses incurred whilst on Saïd Foundation business of £1,030 (2019: £47).

**8 Investments**

The Foundation's Statement of Investment Policies sets out the overall objectives for the investment portfolio, which are to provide a stream of funding in support of the Foundation's mission, and to at least preserve the real (inflation-adjusted) purchasing power of the assets. The Board of Trustees alone is empowered to vary these policies, although management of the portfolio within these objectives is delegated to the Investment Committee.

The Foundation's investment portfolio consists of the following asset classes, all of which are held at fair value:

	<b>2020</b> <b>£000's</b>	<b>2020</b> <b>%</b>	<b>2019</b> <b>£000's</b>	<b>2019</b> <b>%</b>
<i>Investment properties:</i>				
- College House, London SW3	39,450	46%	42,775	50%
- One Kingsway, Cardiff	18,336	22%	19,254	23%
- King William Street, London EC4	9,200	11%	9,650	11%
<i>Financial investments:</i>				
- Listed equities	8,611	10%	3,944	5%
- Fixed income and cash	4,715	6%	3,857	5%
- Gold and commodities	2,683	3%	-	0%
- Private equity	1,055	1%	1,135	1%
- Hedging and alternatives	640	1%	4,171	5%
	<b>84,690</b>	<b>100%</b>	<b>84,786</b>	<b>100%</b>

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**8 Investments (continued)****a) Analysis of investment properties**

	2020 £000's	2019 £000's
Market value at 1st September	71,679	70,775
Additions (costs of improvement and refurbishment work)	755	654
Net revaluation (losses) / gains	<u>(5,448)</u>	<u>250</u>
<b>Market value at 31st August</b>	<b><u>66,986</u></b>	<b><u>71,679</u></b>
Historical cost at 31st August	<u>65,652</u>	<u>64,897</u>

The Foundation holds three investment properties:

College House, King's Road, London SW3

The property was purchased in October 2014 for £36.40 million. A professional valuation undertaken in August 2020 by Knight Frank in accordance with the Royal Institute of Chartered Surveyors (RICS) Red Book valued the asset at £39.45 million.

One Kingsway, Cardiff

The property was purchased in February 2016 for £18.15 million. A professional valuation undertaken in February 2020 by Savills in accordance with the RICS Red Book valued the asset at £18.0 million. Since that date, a further £336,000 of capital expenditure has been incurred on refurbishment of vacant space in the building. The Trustees have capitalised the costs of this refurbishment work because it is expected to enhance the asset's income-generating potential. The reported valuation is therefore £18.34 million (being the valuation as at February 2020 plus capital expenditure incurred since the valuation date). The Trustees have taken advice on the commercial property market in Cardiff and consider that the February 2020 valuation remained appropriate as at 31 August 2020.

King William Street, London EC4

The property was purchased in May 2017 for £9.40 million. A professional valuation undertaken in August 2020 by Jones Lang LaSalle in accordance with the RICS Red Book valued the asset at £9.2 million.

**b) Analysis of financial investments**

	Market value at 01.09.2019 £000's	Purchase of new investments £000's	Proceeds from sale / distribution £000's	Investment gains / (losses) £000's	Market value at 31.08.2020 £000's
Listed equities	3,944	9,429	(3,880)	(882)	8,611
Fixed income and cash	3,857	14,679	(13,824)	3	4,715
Gold and commodities	-	2,577	-	106	2,683
Private equity	1,135	-	(227)	147	1,055
Hedging and alternatives	4,171	372	(3,527)	(376)	640
<b>Total</b>	<b><u>13,107</u></b>	<b><u>27,057</u></b>	<b><u>(21,458)</u></b>	<b><u>(1,002)</u></b>	<b><u>17,704</u></b>

**The Saïd Foundation**  
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**9 Debtors and prepayments**

	2020 £000's	2019 £000's
Sundry debtors	19,206	21,519
Accrued income	243	241
Prepayments	11	7
<b>Total</b>	<b>19,460</b>	<b>21,767</b>

**10 Creditors****a) Amounts falling due within one year**

	2020 £000's	2019 £000's
Grant commitments not yet paid	5,233	6,418
Accruals and deferred income	367	334
Bank loans	313	272
Trade creditors	279	197
Taxation and social security	78	131
<b>Total</b>	<b>6,270</b>	<b>7,352</b>

'Accruals and deferred income' includes a balance of £268,000 (2019: £254,000) relating to rental income from investment properties received in advance. The balance at the last year end has been recognised in the income and expenditure account in full during the year.

**b) Amounts falling due after more than one year**

	2020 £000's	2019 £000's
Bank loans	27,626	28,752
Grant commitments not yet paid	12,674	13,092
	<b>40,300</b>	<b>41,844</b>

The Foundation has two bank loans. The first is a £10 million facility, of which £8.1 million was outstanding at 31 August 2020, secured on the One Kingsway investment property which was last valued at £18.0 million. The Foundation is committed to make monthly repayments of interest and principal over a ten-year term from February 2017. The lender holds first legal charge over the property as security.

The second bank loan is a £20 million facility secured on the College House investment property which was valued at £39.45 million at 31 August 2020. The Foundation is committed to make quarterly interest payments over a five-year term from August 2018, with the principal repayable in full at the end of the term. The lender holds first legal charge over the property as security, and rental income from the property is remitted to the Foundation after the lender's interest and fees are deducted.

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**10 Creditors (continued)****c) Grant commitments not yet paid**

Grant commitments not yet paid at 31 August 2020 comprised the following balances:

	<b>£000's</b>
Saïd Business School Foundation (Osney Power Station)	14,197
Saïd Business School Foundation (Strategic Development Fund)	1,277
International Rescue Committee	1,348
UNHCR (DAFI Higher Education Scholarships in Lebanon and Jordan)	937
Turquoise Mountain	273
Amal (grant to the new independent entity)	245
Amal (grants to year one and year two partners)	49
INSEAD Scholarships	89
UK Scholarship Programme grantees (all individually < £20,000)	61
Less: adjustment to discount grant liabilities required by FRS102	(569)
<b>Total grant commitments not yet paid</b>	<b><u>17,907</u></b>

**11 Cash Flow Statement****a) Reconciliation of net movement in funds to net cash flow from operating activities:**

	<b>2020</b>	<b>2019</b>
	<b>£000's</b>	<b>£000's</b>
Net (loss) / income for the year (as per Statement of Financial Activities)	(8,401)	1,798
Adjusted for:		
Returns on investment and servicing of finance	(3,796)	(4,004)
Losses / (gains) on investments and investment properties	6,450	(1,533)
Interest paid on borrowings	828	920
Interest received on cash balances	(5)	(54)
Decrease in debtors	2,309	880
Decrease in creditors	(1,543)	(1,554)
<b>Net cash (used in) operating activities</b>	<b><u>(4,158)</u></b>	<b><u>(3,547)</u></b>

**b) Analysis of cash flows from dividends, interest and rents from investment properties:**

	<b>2020</b>	<b>2019</b>
	<b>£000's</b>	<b>£000's</b>
Dividends and interest from financial investments	5	54
Rental income from investment properties	3,808	3,964
<b>Total</b>	<b><u>3,813</u></b>	<b><u>4,018</u></b>

**c) Reconciliation of movements on net debt**

	<b>Net debt at</b>	<b>Cash flows</b>	<b>Non-cash</b>	<b>Net debt</b>
	<b>01.09.2019</b>	<b>£'000s</b>	<b>movements</b>	<b>31.08.2020</b>
	<b>£000's</b>	<b>£'000s</b>	<b>£'000s</b>	<b>£000's</b>
Cash at bank and in hand	10,143	(8,624)	-	1,519
<i>Bank loans due within one year</i>	<i>(272)</i>	<i>272</i>	<i>(313)</i>	<i>(313)</i>
<i>Bank loans due after one year</i>	<i>(28,752)</i>	<i>892</i>	<i>234</i>	<i>(27,626)</i>
Total bank loans	<u>(29,024)</u>	<u>1,164</u>	<u>(79)</u>	<u>(27,939)</u>
<b>Net debt</b>	<b><u>(18,881)</u></b>	<b><u>(7,460)</u></b>	<b><u>(79)</u></b>	<b><u>(26,420)</u></b>

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**12 Analysis of restricted funds**

	<b>Balance 01.09.19 £000's</b>	<b>Income £000's</b>	<b>Expenditure £000's</b>	<b>Balance 31.08.20 £000's</b>
Scholarship Programme	-	1	(1)	-
Syria Programme	-	1	(1)	-
<b>Total restricted funds</b>	<b>-</b>	<b>2</b>	<b>(2)</b>	<b>-</b>

During the year the Foundation received two restricted donations from third-party donors. In accordance with the donors' wishes, these funds were applied in full to the Scholarship Programme and the Syria Programme during the year.

**13 Analysis of unrestricted funds**

	<b>Balance 01.09.19 £000's</b>	<b>Income £000's</b>	<b>Expenditure £000's</b>	<b>Other Gains and (Losses) £000's</b>	<b>Balance 31.08.20 £000's</b>
Expendable endowment fund	<b>67,500</b>	<b>3,904</b>	<b>(5,713)</b>	<b>(6,592)</b>	<b>(59,099)</b>

**Expendable endowment fund**

The Foundation's endowment fund is maintained to generate income to enable the continuing fulfilment of the Foundation's objectives. The Trustees' power to spend the Fund is not restricted by donors or by the Foundation's constitution, providing it is spent to meet the charitable objectives. However, it is the Trustees' intention to maintain the purchasing power of the expendable endowment fund in real terms.

**14 Analysis of net assets between funds**

	<b>Restricted Funds £000's</b>	<b>Unrestricted Funds - Expendable Endowment £000's</b>	<b>Total 2020 £000's</b>	<b>Total 2019 £000's</b>
Investment properties	-	66,986	66,986	71,679
Financial investments	-	17,704	17,704	13,107
Current assets	15,819	5,160	20,979	31,910
Creditors falling due within one year	(3,073)	(3,197)	(6,270)	(7,352)
Creditors falling due after one year	(12,746)	(27,554)	(40,300)	(41,844)
<b>Net Assets</b>	<b>-</b>	<b>59,099</b>	<b>59,099</b>	<b>67,500</b>

**15 Contingent liabilities and commitments**

In May 2020, the Foundation's Student Committee approved grants totalling £811,000 to 27 successful candidates for UK scholarships for students studying in the 2020/21 academic year (2019: £696,000 to 28 students). This amount was not recognised as expenditure in the financial year ended 31 August 2020 because the terms of the scholarship awards had not been met at the reporting date.

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**15 Contingent liabilities and commitments (continued)**

In July 2020, the Foundation became party to a Memorandum of Understanding with the new independent entity which will operate the Amal programme in 2021 and beyond. This committed the Foundation to providing funding to Amal of up to £800,000, on the condition that ‘match funding’ is obtained from third-party funders. The first £250,000 of this total is payable in a single instalment by March 2021. The Trustees consider that payment of this initial funding is probable so it has been recognised in full and carried forward as a liability at 31 August 2020. However, the Trustees consider that there is a greater degree of uncertainty about how much of the remaining £550,000 will become payable. This subsequent funding is therefore possible but uncertain and accordingly has not been recognised in the financial statements.

The Foundation's grant agreement with the Saïd Business School Foundation (SBSF) states that, in the event that the Trustees decide to cease the annual funding for SBSF, the Foundation will nevertheless provide funding to SBSF to ensure that the Strategic Development Fund commitments already made can be met. At 31 August 2020 these commitments totaled £3.76 million, of which £1.42 million had already been paid to SBSF or provided for in the Foundation's accounts. This leaves the Foundation with a commitment of £2.34 million should the Trustees ever decide to cease the annual funding for SBSF.

**16 Operating leases**

The Foundation is lessor of 23 individual lease arrangements for office and retail units at its three investment properties. The leases are all classified as operating leases and the income from these leases is recognised on a straight-line basis over the lease term. In addition to amounts accrued to the period end, the Foundation is entitled to receive the following future minimum lease payments under non-cancellable operating leases:

	<b>2020</b>	<b>2019</b>
	<b>£000's</b>	<b>£000's</b>
Amounts due:		
Not later than one year from 31 August	3,338	3,371
Later than one year and not later than five years from 31 August	9,249	10,693
Later than five years from 31 August	3,121	4,161
<b>Total rental income from operating leases</b>	<b>15,708</b>	<b>18,225</b>

**17 Financial instruments**

	<b>2020</b>	<b>2019</b>
	<b>£000's</b>	<b>£000's</b>
Financial assets held at fair value	84,690	84,786

Financial assets held at fair value comprise financial investments and investment properties.

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**18 Transactions with trustees and connected persons**

Three Saïd Foundation Trustees are also Directors of The Saïd Business School Foundation Trustee Ltd, which is sole trustee of the Saïd Business School Foundation. They are Mr Wafic Saïd, Mr Khaled Saïd and Lord Powell of Bayswater. Grants made to the Saïd Business School Foundation during the year, and amounts owed at 31 August (before discounting), were:

	<b>Grant Commitments 2020 £000's</b>	<b>Amount owed 2020 £000's</b>	<b>Grant Commitments 2019 £000's</b>	<b>Amount owed 2019 £000's</b>
Osney Power Station grant	-	14,197	-	14,468
Strategic Development Fund	1,192	1,277	1,172	1,257
<b>Total</b>	<b>1,192</b>	<b>15,474</b>	<b>1,172</b>	<b>15,725</b>

Donations made by the Chairman are disclosed separately at note 2 to the financial statements. The sole donation of £59,000 in the year to 31 August 2020 took the form of 'in kind' use of office premises at 24 Queen Anne's Gate (2019: £59,000). £19.0 million of Chairman's commitments from the current and previous years were outstanding as at 31 August 2020 (2019: £21.4 million).

Mr Khaled Saïd is a Trustee of the Turquoise Mountain Trust to which the Foundation has granted funds in previous years. Of those grants, £273,000 remained unpaid at 31 August 2020 (2019: £1,491,000). Mr Khaled Saïd recused himself from Board discussions about the approval of these grants to Turquoise Mountain.

Mr Khaled Saïd is also a Partner of Capital Generation Partners LLP which provides the Foundation with investment and property management advice. In the year to 31 August 2020, the firm charged £128,000 plus VAT for property management advice and a further £11,000 plus VAT for investment management services (2019: £32,000 plus VAT for property management advice and a further £13,000 for investment reporting services provided as a 'gift in kind'). All these amounts had been paid at year-end. Mr Khaled Saïd recused himself from decisions made about the appointment of Capital Generation Partners at meetings of the Foundation's Board of Trustees.

Lord Powell of Bayswater is a member of the Board of the Northern Trust Corporation of the United States which provides custody and brokerage services for investments held by the Foundation. In the year to 31 August 2020, the Foundation paid Northern Trust £1,000 in custody fees (2019: nil) and £10,000 in brokerage commissions (2019: nil). The decision to appoint Northern Trust was taken by the Investment Committee of which Lord Powell is not a member.

During the year, the Foundation's Board decided to support plans to spin out the Amal programme into an independent entity. In September 2020, the Trustees of the new Amal (registered charity number 1190887) appointed Ms Catherine Roe, who is one of the Foundation's Trustees, as Amal's Chief Executive. The Foundation has pledged funding of up to £800,000 to the new organisation, of which £250,000 was recognised in the year to 31 August 2020, and of which £245,200 remained unpaid at year-end. The remaining £550,000 has been disclosed as a contingent liability at note 15 to the financial statements.

**The Saïd Foundation**  
**Notes to the Financial Statements**  
**for the year ended 31 August 2020**

**19 Analysis of Statement of Financial Activities – prior year comparatives**

	<b>Restricted Funds 2019 £000's</b>	<b>Unrestricted Funds - Expendable Endowment 2019 £000's</b>	<b>Total 2019 £000's</b>
<b>INCOME FROM:</b>			
- Donations	1,341	494	1,835
- Investments	-	4,004	4,004
- Other income	-	17	17
<b>Total income</b>	<b>1,341</b>	<b>4,515</b>	<b>5,856</b>
<b>EXPENDITURE ON:</b>			
Raising funds	-	(1,450)	(1,450)
Charitable expenditure	(1,341)	(2,747)	(4,088)
<b>Total expenditure</b>	<b>(1,341)</b>	<b>(4,197)</b>	<b>(5,538)</b>
Net gains on financial investments	-	1,300	1,300
Net gains on investment properties	-	250	250
Net (losses) on foreign currency movements	-	(70)	(70)
<b>Net income / (expenditure)</b>	<b>-</b>	<b>1,798</b>	<b>1,798</b>
<b>Net movement in funds for the year</b>	<b>-</b>	<b>1,798</b>	<b>1,798</b>
<b>RECONCILIATION OF FUNDS</b>			
Funds brought forward 1 <sup>st</sup> September 2018	-	65,702	65,702
<b>Funds carried forward 31<sup>st</sup> August 2019</b>	<b>-</b>	<b>67,500</b>	<b>67,500</b>