

Registered company number: 07657300

Registered charity number : 1142413

THE BADUR FOUNDATION

ANNUAL REPORT AND FINANCIAL STATEMENTS

30 JUNE 2021

THE BADUR FOUNDATION

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THE BADUR FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Csaba Barta
Daniel Hallgarten
Judit Durst
Zsombor Barta
Tehseen Overy

Registered Office

The Harley Building
79 New Cavendish Street
London
W1W 6XB

Auditors

Macalvins Limited
7 St. John's Road
Harrow
Middlesex
HA1 2EY

Solicitors

Bates Wells and Braithwaite
2-6 Cannon Street
London
EC4M 6YH

Bankers

C Hoare & Co.
37 Fleet Street
London
EC4P 4DQ

Investment Managers

Cazenove Schroder & Co. Limited
12 Moorgate
London
EC2R 6DA

Credit Suisse (UK) Limited
Five Cabot Square
London
E14 4QR

THE BADUR FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION (CONTINUED)

Investment Managers Continued

Bank Lombard Odier & Co Ltd
Rue de la Corraterie 11
1204 Geneva
Switzerland

THE BADUR FOUNDATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 JUNE 2021

The Trustees are pleased to present their report together with the charity's financial statements for the year ended 30 June 2021.

The report has also been prepared to meet the requirements for a directors' report and accounts for the purposes of the Companies' Act. It complies with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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 directors of the charitable company (the "Foundation") are its trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

Objectives and activities

The Foundation has wide objectives and can support any charitable institution or charitable purpose.

Its primary aim is to tackle poverty through education and social enterprise. It supports organisations focused on helping marginalised and disadvantaged individuals and groups who want to improve their future prospects and those of their communities. The Foundation works with teams trying to overcome social exclusion in some of the most deprived areas of the UK, Hungary and Laos.

A key criterion for the Foundation's funding and strategic support is education. It believes education can bring about changes for those on the margins of society via better employment opportunities, job security and higher wages. It also places a high value on initiatives that challenge attitudes towards social exclusion, and towards those striving to bring about change in the acceptance of minority groups. The Foundation actively looks for likeminded organisations as well as intermediaries, delivery partners and co-funders with whom it can work closely and where possible, for the long term.

Another central focus for the Foundation is organisational resilience. It aims to nurture local organisations, giving them access to the support they need to reach the next stage of their development. In funding initiatives which provide examples of good practice for other organisations, the Foundation hopes they will act as catalysts for local communities, attract further sources of funding and have the potential to be replicated in other geographical areas.

A new objective for the Foundation is to address some of the pervasive environmental challenges that are irreversibly changing the planet. It aims to support projects, organisations and communities who are tackling environmental issues in order to create a more sustainable future.

Structure, Governance and Management

Governance

The Foundation is a company limited by guarantee governed by its Memorandum and Articles of Association. It is registered as a charity with the Charity Commission. There are currently 3 members (2020: 3), each of whom agrees to contribute £1 in the event of the charity winding up.

THE BADUR FOUNDATION

REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

Appointment of trustees

The Trustees named on page 2 have all served throughout the year. The power to appoint new trustees is vested in the members of the Foundation. In considering the recruitment of a new trustee, the members would look to individuals with experience, empathy and knowledge of the Foundation's work.

Trustee induction and training

New trustees undergo an orientation to brief them on: their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and inform them of the content of the Memorandum and Articles of Association, the committee and decision-making processes, the aims of the Foundation and recent financial performance of the Foundation. During the induction period, they would meet key employees and other trustees. Continuing training for Trustees is undertaken through regular meetings, attending relevant seminars, specific discussions with individuals and organisations and briefing papers in the areas supported by the Foundation.

Organisation

Trustees meet every three to four months to consider grant applications, receive progress reports on ongoing projects and to review performance of the investment portfolio. They also consider strategic matters concerning their grant-making policy.

Currently, the Foundation has five members of staff. They manage the day-to-day operations under delegated authority of the Trustees for matters concerning grant monitoring and impact evaluation.

The Trustees confirm that they have had regard to the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning future activities, setting grant-making policy and in making grants.

Related parties and co-operation with other organisations

None of the Trustees receive remuneration or other benefit from their work with the Foundation. Any connection between a trustee and a beneficiary organisation is disclosed to the full board of trustees in the same manner as any other contractual relationship with a related party. In the current year those of a contractual nature are shown in Note 17 of the financial statements.

Overview of activities

During the year, the Foundation made grants totalling £203,423. It also continued to monitor and evaluate its multi-year, ongoing grants in the UK. Grants made during the year are listed in Note 4 on Pages 20 and 21.

COVID-19

The COVID-19 pandemic continues to have a significant and lasting impact on the Foundation's grant holders in a number of ways. The Foundation has continued to proactively support the teams, charities and social enterprises in its network and importantly, the vulnerable communities who rely on their work.

THE BADUR FOUNDATION

REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

Where needed, the Foundation will continue to provide COVID-19 relief support to its network in addition to its usual grant making in the UK, Hungary and Laos. Funding is considered on a case-by-case basis in order to address the individual needs of each organisation.

Hungary

The Foundation's grant-making activities in Hungary are well-established with a team of four in place. The team provides significant strategic input, learning opportunities, and business planning support for a range of non-profit organisations, gaining a prominent profile in the wider sector in Hungary. Below are highlights of some of the initiatives supported by the Foundation in Hungary.

In partnership with SIMPACT, the Foundation launched the latest round of Hatchery+, its Social Enterprise Development Programme which supports organisations and teams working in impoverished communities to develop viable social enterprise ideas, or to improve their existing social enterprise to reach long-term sustainability. Initiatives supported by the programme include Find Yourself Organisation, which aims to establish a service centre in Budapest (childcare, massage, etc.) whilst providing job opportunities for mothers raising disabled children. The programme will also support InDa House to launch a café and community space in Borsod county, whilst providing job opportunities for local disadvantaged young people.

The Foundation supported T-Tudok to lead a new pilot of the Creative Partnerships Programme (CPP) in a school in Budapest. CPP is a creative learning programme that aims to develop young people's creativity and critical thinking as well as to increase the effectiveness of teaching and learning in school. Within the CPP, professional artists and art students (including painters, graphic designers, musicians etc.) assist teachers to create learning environments in which students are fully engaged and become "high functioning". CPP's "highly functioning classroom" methodology aims to increase the quality of teaching in the school and help disadvantaged, lower-achieving children to be engaged, learn efficiently and to increase their academic performance. The Foundation provided co-funding for the second semester and will assist the team in their planning to secure additional funding for subsequent years.

This year, the Foundation initiated an innovative new programme to further enhance the support provided to its current and former partners. The aim of the Resilience Pilot Programme is to provide complex and tailored organisational development for charities working with marginalised communities in the fields of education and development, to improve the quality of life of their beneficiaries. The overall aim of the programme is to foster more resilient organisations, which can optimise their ways of working in a changing environment, in order to effectively achieve their social impact. The opportunity to participate in the first round of the programme will be offered to current and former partners of the Foundation and tailored development will be provided through group workshops, individual consultations and financial support.

Laos

The Foundation continued its support for community, education and environmental projects in the Luang Prabang Region of Laos. Here the Foundation works in partnership with the Buddhist Heritage Project ("BHP"), a local delivery partner that is embedded in the community and has longstanding knowledge, trust and experience.

THE BADUR FOUNDATION

REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

In 2021, the Foundation funded BHP's salary and administration expenses, which enabled the team to continue its work during a particularly challenging time due to the COVID-19 pandemic and the absence of crucial tourism to the region. Key areas of BHP's work include establishing an innovative Vocational School of Arts, dedicated to training students in traditional artisan skills whilst preparing them for employment on graduation. Building on this, the team provides an accessible and creative workshop space in order to maximise employment opportunities for graduating students, whilst running a social enterprise retail shop in the heart of Luang Prabang.

The Foundation provided further support to BHP to complete urgent structural and roof repairs to the historical Buddhist Archives Building at Vat Khily, which preserves a collection of almost 40,000 historic photographs and is the most important collection of photography in Laos. BHP were faced with the additional cost of repairing the Sala Thammaviharn building in line with the ruling of the regulator, Heritage House. The repair work aims to provide the necessary support to ensure this important building survives well into the future, whilst retaining its traditional appearance by adding columns and beams to the interior of the building instead of the exterior.

UK

The Foundation continued to evolve its work in the UK, actively looking for organisations and initiatives that provide meaningful opportunities to those from less advantaged backgrounds or communities. The Foundation works closely with a small number of organisations, providing the support needed for them to reach the next stage of their development. It aims to develop meaningful partnerships which best utilise the skills and contacts of staff and Trustees.

During the year, the Foundation supported Woodshed Workshop, a social enterprise providing transformational opportunities to socially excluded and disadvantaged people, empowering them through practical training and education to develop woodcraft and trade skills, enabling them to participate in real workshop-to-retail projects. The team designs and creates high quality wood products through innovative use of reclaimed, recycled, reused, and locally sourced wood. With support from the Foundation, provision will be extended to include an accredited qualification and enrichment activities, preparing marginalised young people for the world of work, or into further education and training.

The Foundation also supported Youth Realities (YR), a youth-led organisation that addresses teenage relationship abuse through creative education and specialist, survivor-centred support. YR offers a range of provision including 1:1 support for young survivors, a weekly fitness and confidence building programme for young women, and a 15-week programme targeted at young men. With support from the Foundation, YR seeks to sustain the increased demand for its services in response to COVID-19 and other additional challenges, including a significant increase in domestic violence and abuse, exacerbated mental health challenges, and increased social anxiety.

The Foundation provided further support to Oswin Project, a charity that aims to improve ex-offenders' chances of finding long-term employment on leaving prison through the provision of bespoke careers support. The team already runs Café 16, a prisoner operated café in HMP Northumberland. Building on the success of the original Café 16, the team aims to launch a new Café 16 at Newcastle Cathedral. This seeks to bridge the employment gap on release from prison, supporting prison leavers find better lives away from offending. Baked goods in the community café will be produced in the bakery at HMP Northumberland and the Foundation provided support towards the salaries of two Oswinners (prison leavers), who will be employed at the new café.

THE BADUR FOUNDATION

REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

Environmental

Recognising the scale of the climate crisis, the Foundation has committed additional support for environmental initiatives, seeking to help local projects that tackle key environmental challenges in order to create a more sustainable future. The Foundation will consider supporting research, education and action within the broad themes of Biodiversity and Land Use, Climate Action and Fresh and Marine Ecosystems.

The Foundation joined the Devon Environment Foundation (DEF), which was set up to identify the most effective local projects using Nature-based Solutions and provide the support they need to accelerate and amplify their impact. It supported DEF in the early stages of its formation, as well as taking a place on its Steering Committee. The Steering Committee is made up of founding and actively involved partners; their role is to analyse and approve grants, whilst using their networks to heighten awareness. DEF supports locally rooted projects that fall into three broad themes: landscape regeneration, river restoration, and marine conservation.

The Foundation also supported Plastic Free North Devon to pilot an environmental education project that aims to increase care and stewardship over the natural world through education alongside real-life experience. The project will take a multi-layered approach through community engagement, using virtual reality technology to bring nature to local communities. It will also provide opportunities for secondary school students to experience the local wildlife and landscape themselves. Finally, it will offer paid ambassador roles, providing meaningful employment and experience for those seeking a career in the environmental sector.

The above demonstrates a selection of projects and organisations funded by the Foundation. Further information can be found on the Foundation's website www.badurfoundation.org.

Future activities

The Trustees intend to continue with their current strategy where education and social enterprise remain the key pillars of their grant-making, along with grants supporting environmental initiatives. The Foundation seeks to be a flexible, relationship-based funder, offering not only grants but support in the form of relevant skills and advice, be it guidance on how to build organisational capacity or in financial management. Where appropriate, the Foundation's 5 staff members provide a range of strategic support and assistance for the Foundation's grant holders. This approach has received positive feedback from grant holders and the Foundation is encouraged to continue offering this manner of support in the future.

The widespread impact of the COVID-19 pandemic continues to be felt by the sector and the many communities it serves. The Foundation will continue to be as flexible as possible, considering the individual needs of each organisation and providing additional support on a case-by-case basis.

Financial review

The Foundation's net surplus for the year was £1,999,568 (2020: £30,557,607). During the year, the Foundation received total donations of £3,913,449 (2020: £29,596,328). This continues to secure the Foundation's ability for its grant-making operations for many years to come.

As at 30 June 2021, the net assets were £34,779,823 (2020: £32,780,255).

THE BADUR FOUNDATION

REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

Investments

The Foundation has Investment Portfolios with Cazenove Capital, Credit Suisse UK, and Lombard Odier, all under a discretionary mandate. The Investment Committee meets regularly to review the Portfolios in both their performance and asset allocation, and to monitor market events, discussing relevant issues with the various fund managers. This monitoring relationship remained vital as markets continued to be impacted by the COVID-19 pandemic throughout the financial year.

During the year the Foundation maintained its conservative investment strategy of capital preservation, whereby bonds and cash were the largest holdings across the investment portfolios.

The market value of the Foundation's investment portfolios as at 30 June 2021 is £32,104,536 as shown in Note 7 on pages 22 and 23.

There was an unrealised loss across the portfolios of £1,559,021 for the year ended 30 June 2021 primarily due currency fluctuations throughout the year, most notably fluctuations in USD.

Reserves

The Trustees aim to establish a level of unrestricted funds, in real terms, that ensures the Foundation can continue to meet its objectives and ensure long-term financial stability for the next 20-30 years. It is envisaged that the unrestricted reserves as at 30 June 2021 of £34,779,823 would be financially adequate and flexible enough to provide for the Foundation's future objectives.

The Capital Fund is held as an unrestricted fund representing tangible fixed assets and investment portfolios managed under discretionary mandates, with the aim of capital preservation over the long term. It is also intended to be drawn against to meet future grant commitments.

The Trustees review the reserves requirement annually, to ensure that they accurately reflect the Foundation's overall reserve policy and to meet its objectives in the short, medium and long term.

Risk management

The Trustees are responsible for establishing and monitoring internal control systems within the Foundation. The major risks which may impact the activities of the Foundation have been reviewed during the year and the Trustees are satisfied that the system of internal controls currently in place is adequate, whilst recognising that they are designed to manage rather than eliminate risk. Internal controls are reviewed on an ongoing basis as part of the day-to-day risk management process within the Foundation.

The risk within the charity lies with its grant giving and its associated reputational risk. The Trustees have established a comprehensive monitoring process to manage this risk.

THE BADUR FOUNDATION

REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

Statement of trustees' responsibilities

The Trustees (who are also directors of the Badur Foundation Limited 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).

Company law requires the Trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charitable company and of the incoming 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 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 presume that the charity 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. The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

The Trustees 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.

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.

Auditors

Macalvins Limited was re-appointed as the Foundation's auditors and has expressed their willingness to continue in that capacity.

Approved by the Board on 11 March 2022 and signed on its behalf by:



Csaba Barta
Trustee

THE BADUR FOUNDATION

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES FOR THE YEAR ENDED 30 JUNE 2021

Opinion

We have audited the financial statements of The Badur Foundation (the 'company') for the year ended 30 June 2021 which comprise of Statement of Financial Activities, Balance Sheet, Cashflow statement and notes to the financial statements, including a summary of 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 company's affairs as at 30 June 2021 and of its incoming resources and application of resources (including its income and expenditure) for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 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 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. 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.

THE BADUR FOUNDATION

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

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.

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters 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 Trustees' responsibilities statement set out on page 10 the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as 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 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 company or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021**

Auditors' 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 Auditors' 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:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the company and sector in which it operates, control environment and financial performance including the design of the company's remuneration policies, key drivers for staff remuneration, bonus levels and performance targets;
- the results of our enquiries of the trustees about their own identification and assessment of the risks of irregularities;
- the process for identifying, evaluating and complying with laws and regulations and whether the trustees were aware of any instances of non-compliance;
- the process for detecting and responding to the risks of fraud and whether the trustees have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations.

These matters were discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included United Kingdom company law and local tax legislation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

THE BADUR FOUNDATION

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

Use of our report

This report is made solely to the 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 company's members those matters we are required to state to them in an Auditors' 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Macalvins

Colin D. Ford (Senior Statutory Auditor)
for and on behalf of **Macalvins Limited**
Chartered Accountants
and Statutory Auditors
7 St John's Road
Harrow
Middlesex
HA1 2EY

17 March..... 2022

THE BADUR FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES (including income and expenditure account) FOR THE YEAR ENDED 30 JUNE 2021

	Note	Unrestricted Income Fund	Unrestricted Capital Fund	Total Funds	Total Funds
		2021 £	2021 £	2021 £	2020 £
Income from:					
Donations and legacies	2	15,000	3,898,449	3,913,449	29,596,328
Income from investments:					
Investment income	3	320,931	-	320,931	57,639
Total income		335,931	3,898,449	4,234,380	29,653,967
Expenditure on:					
Costs of raising funds		-	133,920	133,920	25,859
Expenditure on charitable activities	4	460,887	3,490	464,377	531,897
Total expenditure		460,887	137,410	598,297	557,756
Net income for the year before gains and losses		(124,956)	3,761,039	3,636,083	29,096,211
Realised investment gains/(losses):					
- on foreign currency		(182,422)	-	(182,422)	775,995
- on fixed asset investments		-	102,921	102,921	115,966
		(182,422)	102,921	(79,501)	891,961
Unrealised investment gains/(losses):					
- on foreign currency		2,007	-	2,007	(500)
- on fixed asset investments		-	(1,559,021)	(1,559,021)	569,935
		2,007	(1,559,021)	(1,557,014)	569,435
Net gains/(losses) on investments		(180,415)	(1,456,100)	(1,636,515)	1,461,396
Net income		(305,371)	2,304,939	1,999,568	30,557,607
Transfer between funds		520,474	(520,474)	-	-
Net movement in funds		215,103	1,784,465	1,999,568	30,557,607
Reconciliation of funds					
Balance brought forward at 1 July 2020		2,456,868	30,323,387	32,780,255	2,222,648
Balance carried forward at 30 June 2021	12	2,671,971	32,107,852	34,779,823	32,780,255

The notes on pages 18 to 27 form part of these financial statements.

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

All activities are classed as continuing.

THE BADUR FOUNDATION

BALANCE SHEET

30 JUNE 2021

	Note	2021 £	2020 £
Fixed assets			
Investments	7	32,104,536	25,771,126
Tangible assets	8	3,316	6,806
		<u>32,107,852</u>	<u>25,777,932</u>
Current assets			
Cash at bank and in hand		2,715,804	7,112,354
Debtors	9	43,645	67,655
		<u>2,759,449</u>	<u>7,180,009</u>
Current liabilities			
Creditors: amounts falling due within one year - unrestricted	10	(80,435)	(177,686)
Net current assets		<u>2,679,014</u>	<u>7,002,323</u>
Total assets less current liabilities		<u>34,786,866</u>	<u>32,780,255</u>
Creditors: amounts falling due after more than one Year - unrestricted	11	(7,043)	-
Net assets		<u>34,779,823</u>	<u>32,780,255</u>
Funds			
Unrestricted capital fund		32,107,852	30,323,387
Unrestricted income fund		2,671,971	2,456,868
Total unrestricted funds	12	<u>34,779,823</u>	<u>32,780,255</u>

The financial statements were approved by the Board of the Badur Foundation on 11 March 2022 and signed on their behalf by:



Csaba Barta
Trustee

The notes on pages 18 to 27 form part of these financial statements.
Company number 07657300.

THE BADUR FOUNDATION

CASHFLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2021

	2021 £	2021 £	2020 £	2020 £
Net cash inflow from operating activities (Note 14)		3,252,444		28,960,521
Returns on investment and servicing of finance				
Dividends received	214,345		54,669	
Interest received	106,586		2,970	
		320,931		57,639
Capital expenditure and financial investment				
Proceeds from sale of investments	7,649,983		3,018,034	
Purchase of fixed assets	-		(4,933)	
Purchase of investments	(28,187,227)		(8,203,448)	
		(20,537,244)		(5,190,347)
Effect of currency translation on cash and cash equivalents		(1,676,367)		851,617
Net increase in cash		(18,640,236)		24,679,430

Analysis of net funds

	Net balance at 1 July 2020 £	Cash increase /(decrease) in the year £	Net balance at 30 June 2021 £
Cash at bank	7,112,354	(4,396,550)	2,715,804
Investment cash (see note below)	17,775,087	(14,243,686)	3,531,400
	24,887,441	(18,640,236)	6,247,204

Note

Increase/(decrease) in cash awaiting investment (note 7)	(12,747,734)
Unrealised gains on cash held for investment	(1,495,952)
	(14,243,686)

The notes on pages 18 to 27 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

1. Accounting policies

a) Basis of financial statements

The financial statements have been prepared under the historical cost convention as modified by the policies on investment revaluations and 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Foundation meets the definition of a public benefit entity under FRS 102.

b) Income

Donations are recognised in the period in which the Foundation is entitled to receipt and the amount can be measured with reasonable certainty. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period. Gift aid is added to the value of the donation to which it relates.

Investment income is accounted for on a receivable basis.

Donated services are recognised on the basis of the value of the gift to the charity as determined by the donor where such a cost is quantifiable and measurable; a corresponding amount is then recognised in expenditure in the period of receipt. No income is recognised where there is no financial cost incurred by the third party.

c) Expenditure

Expenditure is included on an accrual's basis.

Costs of generating funds comprise those costs directly attributable to managing the investment portfolio and raising investment income.

Grants payable are charged in the year where the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled or at the point when the fulfilment of the conditions are no longer seen to be within the control of the Trustees. Grants offered subject to conditions which have not been met at the year-end are noted as a commitment, but not accrued as expenditure.

d) Support costs

Support costs are allocated to the charitable activity as incurred.

THE BADUR FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

e) Governance costs

Governance costs comprise of all costs involving the public accountability of the charity and costs related to statutory requirements.

f) Investments

Investments, listed and quoted, are included at market value. The valuation is provided by a third-party fund manager. Unquoted investments are carried at the Trustees' valuation.

g) Taxation

The Foundation is a registered charity and is not liable to United Kingdom income tax or corporation tax on charitable activities.

h) Fixed assets depreciation policy

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Furniture, fittings and equipment	3 years
Website development and design	3 years

i) Foreign currencies

Assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the balance sheet. All differences are taken to the Statement of Financial Activities.

j) Going concern

Where total liabilities exceed current assets, the Trustees consider the ability of the Foundation to continue to meet these obligations (as and when they fall due) from liquid assets, and also the continuing support they receive from their donors and creditors. If the Trustees are satisfied that the Foundation can meet its obligations, then financial statements are prepared on a going concern basis.

The Trustees are of the view that the Foundation has sufficient cash balances to meet its grant commitments, reporting a net current asset balance at 30 June 2021 of £2,679,014 and on this basis it is a going concern.

THE BADUR FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

2. Income from donations and legacies

	2021 £	2020 £
Donations – unrestricted	3,898,449	29,581,328
Value of services received treated as a donation - unrestricted	15,000	15,000
	<u>3,913,449</u>	<u>29,596,328</u>

3. Investment income

	2021 £	2020 £
Bank interest	101,992	2,700
Dividend income	214,345	54,669
Other Interest	4,594	270
	<u>320,931</u>	<u>57,639</u>

4. Expenditure on charitable activities

	2021 £	2020 £
Grant-making (see below)	203,423	248,251
Support costs	245,612	266,552
Governance costs	15,342	17,094
	<u>464,377</u>	<u>531,897</u>

The Foundation concentrates its efforts on its grant making activities and hence no allocation of support costs by activity has been undertaken. Governance costs comprise legal fees (£2,895) and audit fees (£12,448).

A portion of support costs have been classified as grant-making to better reflect the allocation of the Foundations resources towards providing advisory services to the organisations that they support. Support costs classified as grant-making is £123,890 in 2021.

Trustees received no remuneration but were reimbursed for out-of-pocket expenses of nil in 2021 (2020: £27).

THE BADUR FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

Expenditure on charitable activities continued:

The following grants were made during the year:

	2021	2020
	£	£
Apricot Centre – Contribution to support young people leaving care	18,100	-
Association of Roma Minority Representatives – Covid-19 relief grant	-	9,799
BAGazs Public Benefit Association – Covid-19 relief grant	-	3,016
Barefoot Kitchen – Support costs for new community growing site	9,000	-
Bike Stop – Covid-19 relief grant	-	1,295
Brookside Theatre – Contribution toward a youth production	10,450	-
Buddhist Heritage Project – Archive building repairs	5,386	45,399
Buddhist Heritage Project – Contribution towards operating costs	-	37,279
Buddhist Heritage Project – Covid-19 emergency funding	-	849
Buddhist Heritage Project – Overheads 2021	32,324	-
Buddhist Heritage Project – Workshop	-	5,094
Csodamuhely Association – Support towards adult education programme	-	16,896
Devon Environment Foundation – Support for environmental projects in Devon	10,000	-
Earth Doctors Ltd “Big River Bakery”	15,150	-
Enactus UK – Covid-19 relief grant	5,000	-
Ethnic Talents Nonprofit Bt – Contribution towards labour market integration of marginalised communities	(11,356)	-
Flow Foundation – Contribution towards capacity building work	10,643	-
Foundation Futures – Contribution towards ‘Makes Stuff’ pilot	-	26,080
Giving Yoga Foundation – Contribution towards development	-	2,577
Jai Bhim Trirantna Buddhist Community – Support for financial stabilisation	14,089	-
Let’s Help Each Other Association – Contribution towards the refurbishment and opening of a sandwich factory	-	13,707
Live Consciously Association – Contribution towards purchase of a van	613	5,798
Live Consciously Association – Covid-19 relief grant	-	3,684
Mahajana Foundation – Covid-19 relief grant	-	4,885
Make Your Way CIC – Contribution towards external business support	-	3,000
Make Your Way CIC – Covid-19 relief grant	-	4,000
Multi-Faith Centre – Covid-19 relief grant	-	700
Oswin Project – Contribution toward Café 16	26,000	25,700
Plastic Free North Devon – ‘Protect our Playground’ project	8,995	-
SIMPACT – Support for social enterprise development programme	-	12,493
T-Tudok – Assistance to introducing a new methodology in a school	4,645	-
Well Grounded – Covid-19 relief grant	(24,500)	25,000
Wonderworkshop Association – Support for Community Assistants Programme	35,256	-
Woodshed Workshop CIC – Contribution to provide support for learners	17,630	-
Woodshed Workshop CIC – Covid-19 relief grant	674	1,000
Youth Realities – Contribution to meet increased service demand	15,324	-
Total of grants awarded	203,423	248,251

THE BADUR FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

5. Employees

The average number of employees during the year was 5 (2020: 4). The number of employees who received remuneration and benefits amounting to more than £60,000 in either year is nil.

	2021 £	2020 £
Salaries	104,711	104,269
Social Security Costs	11,296	12,295
Pension Costs	2,352	2,306
	<u>118,359</u>	<u>118,870</u>

6. Net incoming resources

	2021 £	2020 £
This is stated after charging:		
Auditors' remuneration – audit of accounts	10,409	9,794
Auditors' remuneration – other services	2,023	-
Depreciation	3,490	2,985
Loss on disposal of assets	-	-

Net incoming resources are shown after any foreign exchange movement.

7. Investments

	2021 £	2020 £
Market value at 1 July 2020	25,771,126	2,225,857
Purchases made during the year	28,187,227	3,078,188
Sales proceeds received	(7,649,983)	(3,018,034)
Increase/(decrease) in cash awaiting investment	(12,747,734)	17,673,954
Securities transferred in specie	-	5,125,260
Gains and (losses) on investments for the year		
- Realised	102,921	115,966
- Unrealised	(1,559,021)	569,935
Market value at 30 June 2021	<u>32,104,536</u>	<u>25,771,126</u>

THE BADUR FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

7. Investments continued

Analysis of market value at 30 June 2021

	2021 £	2020 £
Equities – listed on a recognised Stock Exchange	5,108,726	581,263
Bonds	22,083,625	6,523,334
Absolute return funds	1,380,785	891,443
Cash awaiting investment	3,531,400	17,775,086
Market value at 30 June 2021	32,104,536	25,771,126

8. Tangible fixed assets

	Furniture, fittings and equipment £	Website design and development £	Total £
Cost			
At 1 July 2020	22,209	5,956	28,165
Additions during the year	-	-	-
Disposals	-	-	-
At 30 June 2021	22,209	5,956	28,165
Depreciation			
At 1 July 2020	15,403	5,956	21,359
Charge for the year	3,490	-	3,490
Depreciation on disposal	-	-	-
At 30 June 2021	18,893	5,956	24,849
Net book value			
At 30 June 2021	3,316	-	3,316
At 30 June 2020	6,806	-	6,806

THE BADUR FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

9. Debtors - Amounts falling due within one year

	2021 £	2020 £
Prepayments	23,073	30,283
Other debtors	20,572	37,372
	<u>43,645</u>	<u>67,655</u>

10. Creditors - Amounts falling due within one year

	2021 £	2020 £
Trade creditors	3,581	5,423
Grant commitments	33,865	137,279
Accruals	42,699	34,700
Other creditors	290	284
	<u>80,435</u>	<u>177,686</u>

11. Creditors - Amounts falling due after more than one year

	2021 £	2020 £
Grant commitments	7,043	-
	<u>7,043</u>	<u>-</u>

12. Analysis of net assets between funds

	Unrestricted income fund	Unrestricted capital fund	2021 Total £	2020 Total £
	£	£	£	£
Tangible fixed assets	-	3,316	3,316	6,806
Investments	-	32,104,536	32,104,536	25,771,126
Net current assets	2,679,014	-	2,679,014	7,002,323
Creditors due after one year	(7,043)	-	(7,043)	-
Net surplus	<u>2,671,971</u>	<u>32,107,852</u>	<u>34,779,823</u>	<u>32,780,255</u>

THE BADUR FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

13. Movement in funds

	Unrestricted income fund	Unrestricted capital fund	2021 Total £	2020 Total £
	£	£		
Balance at 1 July 2020	2,456,868	30,323,387	32,780,255	2,222,648
Incoming resources	335,931	3,898,449	4,234,380	29,653,967
Resources expended	(460,887)	(137,410)	(598,297)	(557,756)
Realised/unrealised gains and losses	(180,415)	(1,456,100)	(1,636,515)	1,461,396
Transfer between funds	520,474	(520,474)	-	-
Balance at 30 June 2021	2,671,971	32,107,852	34,779,823	32,780,255

14. Reconciliation of net incoming resources to operating activities

	2021 £	2020 £
Net income for the year before gains/(losses)	3,636,083	29,096,211
Depreciation charges	3,490	2,984
Loss on disposal of assets	-	-
Dividend and interest receivable	(320,931)	(57,639)
Decrease/(increase) in debtors	24,010	2,015
Increase/(decrease) in creditors	6,163	(10,058)
Increase/(decrease) in grant commitments	(96,371)	(72,992)
Net cash inflow from operating activities	3,252,444	28,960,521

15. Company status

The Foundation is a company limited by the guarantee of its members and incorporated in England & Wales. In the event of a winding up, each member guarantees to pay an amount not exceeding £1. At 30 June 2021, the total of such guarantees was £3.

THE BADUR FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

16. Lease commitments

At 30 June 2021 the Foundation had future minimum lease payments under non-cancellable operating leases as follows:

	2021	2020
	£	£
Within one year	19,483	34,115
After one year but within five years	9,742	-
After five years	-	-
Total	29,225	34,115

The Foundation renewed the lease agreement for office space in The Harley Building, London, W1W 6XB on 01 February 2020 for an annual amount payable of £38,966. The agreement expires on 31 December 2022. The Foundation shares the space with another charity and hence its anticipated lease commitment to the expiry date is £29,225.

17. Related party transactions

The Foundation received unrestricted donations from Trustees during the year totalling £3,118,759 (2020: £1,302,840) net of gift aid.

During the year, the Foundation was invoiced for disbursements totalling £457 (2020: £1,217) by HGT Management LLP of which two Trustees are Partners. These items were re-charged to the Foundation at cost plus VAT.

The Foundation also received bookkeeping, accountancy and administrative services from HGT Management LLP without charge. These donated services have been valued at £15,000 for the year (2020: £15,000).

As at 30 June 2021, the amount owed by the Foundation to HGT Management LLP was £72 (2020: £52).

Additionally, during the year the Foundation was invoiced for costs associated with former office premises of £204 (2020: nil) by BXR Partners LLP of which a Trustee is a partner. These items were re-charged to the Foundation at cost plus VAT.

As at 30 June 2021, the amount owed to the Foundation by BXR Partners LLP was nil (2020: £3,616).

THE BADUR FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

Related party transactions continued:

Also, during the year the Foundation was invoiced for costs associated with the Marble Arch House premises of nil (2020: £882) by BXR Advisory Partners LLP of which a Trustee is a partner. These items were re-charged to the Foundation at cost plus VAT. During the year the Foundation was invoiced for costs associated with The Harley Building premises of £278 (2020: nil) by BXR Advisory Partners LLP.

As at 30 June 2021, the amount owed by the Foundation to BXR Advisory Partners LLP was nil (2020: nil).

During the year, the Foundation recharged rent charges of £24,336 (2020: £28,846) to The Kadas Prize Foundation, a charity with common Trustees. These expenses were recharged to The Kadas Prize Foundation at cost including VAT.

As at 30 June 2021, the amount owed to the Foundation by the Kadas Prize Foundation was nil (2020: nil).

During the year, the Foundation was charged rent of £25,376 (2020: £27,083) by BXR Partners Kft, Hungary, an entity over which a Trustee exercises joint control.

As at 30 June 2021, the amount owed by the Foundation to BXR Partners Kft was nil (2020: nil).