

*Registered company number: 07657300*

*Registered charity number : 1142413*

**THE BADUR FOUNDATION**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**30 JUNE 2023**

# THE BADUR FOUNDATION

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# THE BADUR FOUNDATION

## LEGAL AND ADMINISTRATIVE INFORMATION

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### Trustees

Csaba Barta  
Judith Durst  
Zsombor Barta  
Tehseen Overy  
Daniel Hallgarten (resigned 9 June 2023)

### Registered Office

Badur House  
40-44 Newman Street  
London  
W1T 1QD

### Auditors

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

### Solicitors

Charles Douglas Solicitors LLP  
32 Old Burlington Street  
Mayfair, London  
W1S 3AT

### Bankers

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

# THE BADUR FOUNDATION

## LEGAL AND ADMINISTRATIVE INFORMATION (CONTINUED)

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### Investment Managers

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

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

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 2023

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The Trustees are pleased to present their report together with the charity's financial statements for the year ended 30 June 2023.

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 and inequality, along with addressing environmental challenges for a fairer and more sustainable future. It supports grassroots organisations that help those who are marginalised or disadvantaged in society to improve their future prospects and those of their communities. The Foundation works with non-profit teams, charities and social enterprises trying to overcome social exclusion in some of the most deprived areas of the UK, Hungary and Laos. It has recently extended its support to include grassroots organisations operating in Malta.

The Foundation has considered where its support can make the most difference and it prioritises initiatives aimed at increasing education and improving prospects. It believes high-quality education can have a transformative impact on life chances and opportunities, as well as being a catalyst for better job opportunities and higher wages. The Foundation also places a high value on initiatives that challenge societal attitudes towards social exclusion, and those striving to improve the inclusion of marginalised groups or individuals. It 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 core objective of the Foundation is to address some of the pervasive environmental challenges that are irreversibly changing our planet. It aims to drive positive local change by supporting organisations that are tackling environmental issues on a community level.

Within its objectives, a central focus for the Foundation is organisational development. It aims to nurture organisations, giving them access to the support they need to reach the next stage of their development. This might include diversifying income streams, through to increased social impact or adaptation in other geographical areas.



# THE BADUR FOUNDATION

## REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

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### 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 (2022: 3), each of whom agrees to contribute £1 in the event of the charity winding up.

#### *Appointment of trustees*

The Trustees named on page 2 have all served throughout the year excluding Daniel Hallgarten who resigned as Trustee on 9 June 2023. 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 six 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 18 of the financial statements.



### Overview of activities

During the year, the Foundation made grants totalling £326,759. It also continued to monitor and evaluate its multi-year, ongoing grants. Grants made during the year are listed in Note 4 on Pages 22 and 23.

#### *Hungary*

The Foundation's grant making activities in Hungary are well-established with a team of three in place. Alongside grant making, the team provides strategic input and guidance for a range of non-profit organisations, gaining a prominent profile in the wider sector in Hungary. The Foundation is channelling additional capacity into its organisational development programmes and below are details of some of the initiatives delivered and supported by the Foundation in Hungary.

The Foundation continued its innovative Resilience Programme to further enhance the support provided to current and former partners. The aim of the Resilience Programme is to provide 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 make organisations more resilient to external factors so they can optimise their ways of working in a changing environment, in order to effectively achieve their social impact in the long term. In the second phase of the programme, four organisations will receive professional and financial support tailored to their development plans and needs. The capacity building period covers two years and during this phase, the Foundation will reaffirm support to each organisation based on the results of the first year.

The Foundation further supported Wonderworkshop Association ("the Association"), a participant in the Foundation's Resilience Programme, operating in Csobánka's highly disadvantaged community, which is overrepresented by Roma. Having grown out of its existing premises, the Foundation provided funding towards the cost of purchasing a building in Csobánka, along with its refurbishment. The building will serve as the Association's new premises and will enable it to deliver its activities and programmes more effectively, as well as supporting more members of the local Roma community. The Association aims to increase the social mobility, education, and development of the local Roma community in a sustainable and continuous way, giving them the relevant tools and support to achieve their goals.

In 2022, the Foundation launched its new 'Badur Incubation Programme', which provides diagnosis-based and individualised organisational development using group training workshops, individual analysis, expert consultation, peer learning and financial support for NGOs, social enterprises and non-profit initiatives. The overarching goal is for organisations to achieve their mission more effectively and in a sustainable manner, making the best use of organisational resources - particularly given the ever-changing external environment. From the open call, 30 applications were received and 16 field visits were completed. Nine organisations have been selected to participate in the workshop phase.



## THE BADUR FOUNDATION

### REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

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#### *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 trusted delivery partner that is embedded in the local community.

The Foundation provided funding towards BHP’s salary and administration expenses, taking account of the continued negative impact of the COVID-19 pandemic. The pandemic, along with the measures taken to manage it, led to a sustained absence of tourism to the region. The Foundation’s support ensured the team could continue to operate during a difficult time, as tourism has not yet returned to pre-pandemic levels.

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 a creative workshop space in order to maximise employment opportunities for graduating students and other local artisans, whilst running a social enterprise retail shop in the heart of the town.

#### *The UK*

In the UK, the Foundation actively looks for initiatives that approach social and environmental problems in an inclusive way. It is particularly interested in organisations that address the needs of under-represented and disadvantaged communities or individuals. The Foundation works closely with a small number of organisations and it aims to develop meaningful partnerships, which utilise the skills and networks of staff and Trustees.

In 2022 the Foundation supported Stone Soup Academy, a school that meets the needs of over 90 young people in Nottingham who are either excluded or at risk of exclusion from mainstream education. With support from the Foundation, the team will pilot a full-time staff role dedicated to supporting pastoral care for year 11 students and those who have left the school post-16. The pilot aims to address the significant challenges that students in alternative education face in achieving successful transition to post-16 education or training. The staff role will provide crucial mentorship support whilst being an advocate for students when they leave the school.

The Foundation provided further funding to Woodshed Workshop, towards the salary of the organisation’s Founder, as well as giving ongoing advice and support. Based in Sacriston, Woodshed Workshop delivers joinery, woodworking, crafts and construction skills to young people aged 14-16, young adults aged 16-24, and adults from marginalised communities. It works with local people over the long term, empowering them to develop the skills, confidence and resilience to thrive. Having established a partnership with Woodshed Workshop over multiple years, the Foundation continues to work with the team as they seek to increase organisational stability and growth.



An additional grant was also awarded to Youth Realities, a youth-led organisation based in Barnet that addresses teenage relationship abuse through creative education and specialist, survivor-centred support. With support from the Foundation, Youth Realities will trial the extension of its 'Deepin Dance' provision for young women aged 17-25 in Barnet. The pilot will measure whether Youth Realities can utilise Deepin Dance as an open-access opportunity to establish a safe, voluntary and non-commitment-based space that is fun, inclusive and empowering, whilst being a successful route into further support for young survivors.

### *Malta*

The Foundation has extended its support to include grassroots organisations operating in Malta. Its initial focus will be on strengthening local conservation initiatives due to the acute issues facing Malta's already fragile environment.

To better understand the Maltese environmental landscape, the Foundation supported the Conservation Collective to commission a scoping report to identify key challenges, priorities and opportunities. Going forward, the Foundation will work closely with a small number of grassroots teams, helping them to develop, deliver and scale their initiatives as effectively as possible. It will also utilise wider partnerships, in order to bolster the sector as a whole and to maximise the funding and support available.

### *Environmental*

The Foundation continues to develop its support for environmental initiatives, seeking to drive positive change at the grassroots. In order to maximise its impact and resources, it will focus on the following themes: access to nature, sustainable food systems and rewilding (including education to improve environmental awareness and stewardship).

The Foundation supported Devon Wildlife Trust to run the 'Devon Beaver Project', which will see the creation of more space for water and wildlife, whilst stimulating a culture of renewed coexistence between people and beavers. It will focus on two Devon catchments with existing beaver populations, delivering a comprehensive education and awareness raising programme, creating beaver management groups, delivering the beaver management strategy, and developing green finance avenues. The Foundation's grant contributed to the purchase of essential tools and equipment to carry out this project.

Another organisation in Devon was the Deer Wood Trust ("the Trust"), an ancient woodland where native trees are planted and restored, as well as being a venue for nature connection and learning. As an outdoor venue, the Trust lacked suitable space to host groups on cold and rainy days. The Foundation supported the Trust to build a new learning shelter, which will enable activities to be delivered throughout the calendar year. It also aims to increase collaboration opportunities for the Trust with the increasing number of teachers, therapists and community leaders who want to use the site to hold similar events. In turn, this aims to increase the reach of the Deer Wood Trust and provide a reliable venue for sustainable learning, improving wellbeing, and supporting green careers.



# THE BADUR FOUNDATION

## REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

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The Foundation continued its support for the Devon Environment Foundation ("DEF"), which identifies the most effective local initiatives using Nature-based Solutions and provides the support they need to accelerate and amplify their impact. This is the third year the Foundation has supported DEF.

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](http://www.badurfoundation.org).

### *Future activities*

The Trustees intend to continue with their current strategy where tackling poverty and inequality remain the key pillars of their grant-making, along with grants supporting environmental initiatives. The Foundation seeks to be a proactive, 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 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.

### **Investments**

In May 2022, the Foundation purchased a building on Newman Street in London as a long-term investment. The overarching aim of the investment property is to generate a long-term, stable income source for the Foundation which will benefit the grassroots charities and social enterprises it supports.

The Foundation continues to hold smaller, low risk investment portfolios with Cazenove Capital, Credit Suisse UK and Lombard Odier.

The Investment Committee meets periodically to review the performance of these portfolios. They continue to be managed against conservative benchmarks.

The market value of the Foundation's investment portfolios which includes the investment property as at 30 June 2023 is £32,422,709 as shown in Note 7 and 8 and on pages 24 and 25.

### **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 2023 of £33,851,372 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 property and portfolios managed under discretionary mandates. It is intended that the net rental income from the investment property will be utilised to meet future grant commitments.

Free reserves, defined as cash at bank and in hand less creditors, amount to £1,052,874 as at 30 June 2023.



# THE BADUR FOUNDATION

## REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

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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.

### **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.



# THE BADUR FOUNDATION

## REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

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### 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 18<sup>th</sup> March 2024 and signed on its behalf by:



**Csaba Barta**  
Trustee

# THE BADUR FOUNDATION

## INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES FOR THE YEAR ENDED 30 JUNE 2023

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### Opinion

We have audited the financial statements of The Badur Foundation (the 'company') for the year ended 30 June 2023 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 2023 and of its incoming resources and application of resources (including its income and expenditure) for the year then ended;
- have been properly prepared in accordance with 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 2023

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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 2023**

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**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](http://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 2023

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#### 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

*21<sup>st</sup> March*..... 2024



# THE BADUR FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES (including income and expenditure account) FOR THE YEAR ENDED 30 JUNE 2023

	Note	Unrestricted Income Fund	Unrestricted Capital Fund	Total Funds	Total Funds
		2023 £	2023 £	2023 £	2022 £
<b>Income from:</b>					
Donations and legacies	2	798,868	-	798,868	15,000
Income from investments:					
Investment income	3	752,580	-	752,580	488,405
<b>Total income</b>		<b>1,551,448</b>	<b>-</b>	<b>1,551,448</b>	<b>503,405</b>
<b>Expenditure on:</b>					
Costs of raising funds		-	33,149	33,149	176,755
Expenditure on charitable activities	4	871,974	1,326	873,300	658,811
<b>Total expenditure</b>		<b>871,974</b>	<b>34,475</b>	<b>906,449</b>	<b>835,566</b>
<b>Net income for the year before gains and losses</b>		<b>679,474</b>	<b>(34,475)</b>	<b>644,999</b>	<b>(332,161)</b>
Realised investment gains/(losses):					
- on foreign currency		(22,232)	-	(22,232)	5,673
- on fixed asset investments		-	(39,252)	(39,252)	236,387
		<b>(22,232)</b>	<b>(39,252)</b>	<b>(61,484)</b>	<b>242,060</b>
Unrealised investment gains/(losses):					
- on foreign currency		(104,665)	-	(104,665)	16,095
- on fixed asset investments		-	25,246	25,246	(38,188)
- on investment property			(1,320,353)	(1,320,353)	-
		<b>(104,665)</b>	<b>(1,295,107)</b>	<b>(1,399,772)</b>	<b>(22,093)</b>
<b>Net gains/(losses) on investments</b>		<b>(126,897)</b>	<b>(1,334,359)</b>	<b>(1,461,256)</b>	<b>219,967</b>
<b>Net income</b>		<b>552,577</b>	<b>(1,368,834)</b>	<b>(816,257)</b>	<b>(112,194)</b>
Transfer between funds		(938,523)	938,523	-	-
<b>Net movement in funds</b>		<b>(385,946)</b>	<b>(430,311)</b>	<b>(816,257)</b>	<b>(112,194)</b>
<b>Reconciliation of funds</b>					
Balance brought forward at 1 July 2022		1,811,664	32,855,965	34,667,629	34,779,823
<b>Balance carried forward at 30 June 2023</b>	13	<b>1,425,718</b>	<b>32,425,654</b>	<b>33,851,372</b>	<b>34,667,629</b>

The notes on pages 19 to 29 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 2023

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Investment portfolios	7	4,938,481	5,525,442
Investment property	8	27,484,228	27,328,692
Tangible assets	9	2,945	1,831
		<u>32,425,654</u>	<u>32,855,965</u>
<b>Current assets</b>			
Cash at bank and in hand		2,009,477	2,438,754
Debtors	10	372,844	110,667
		<u>2,382,321</u>	<u>2,549,421</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year - unrestricted	11	(447,651)	(213,007)
<b>Net current assets</b>		<u>1,934,670</u>	<u>2,336,414</u>
<b>Total assets less current liabilities</b>		<u>34,360,324</u>	<u>35,192,379</u>
<b>Creditors: amounts falling due after more than one Year - unrestricted</b>	12	<u>(508,952)</u>	<u>(524,750)</u>
<b>Net assets</b>		<u>33,851,372</u>	<u>34,667,629</u>
<b>Funds</b>			
Unrestricted capital fund		32,425,654	32,855,965
Unrestricted income fund		1,425,718	1,811,664
<b>Total unrestricted funds</b>	13	<u>33,851,372</u>	<u>34,667,629</u>

The financial statements were approved by the Board of the Badur Foundation on 18<sup>th</sup> March 2024 and signed on their behalf by:



**Csaba Barta**  
Trustee

The notes on pages 19 to 29 form part of these financial statements.  
Company number 07657300.



# THE BADUR FOUNDATION

## CASHFLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2023

	2023 £	2023 £	2022 £	2022 £
<b>Net cash inflow from operating activities (Note 15)</b>		<b>(149,586)</b>		<b>(234,167)</b>
<b>Returns on investment and servicing of finance</b>				
Dividends received	48,863		211,602	
Interest received	30,859		156,958	
Rent received	672,858		56,045	
		<b>752,580</b>		<b>424,605</b>
<b>Capital expenditure and financial investment</b>				
Proceeds from sale of investments	2,864,336		30,840,418	
Purchase of fixed assets	(1,475,890)		(1,658)	
Purchase of investment property	(2,440)		(27,328,692)	
Purchase of investments	(209,607)		(7,435,823)	
		<b>1,176,399</b>		<b>(3,925,755)</b>
<b>Effect of currency translation on cash and cash equivalents</b>		<b>(37,174)</b>		<b>292,144</b>
<b>Net decrease in cash</b>		<b>1,742,219</b>		<b>(3,443,173)</b>

### Analysis of net funds

	Net balance at 1 July 2022 £	Cash increase /(decrease) in the year £	Net balance at 30 June 2023 £
Cash at bank	2,438,754	(429,277)	<b>2,009,477</b>
Investment cash (see note below)	365,277	2,171,496	<b>2,536,773</b>
	<b>2,804,031</b>	<b>1,742,219</b>	<b>4,546,250</b>

Note

Increase/(Decrease) in cash awaiting investment (note 7)

2,081,774

Unrealised gains on cash held for investment

89,722

**2,171,496**

The notes on pages 19 to 29 form part of these financial statements.

# THE BADUR FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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### 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.

Rental income is received quarterly in advance, but recognised in the statement of financial activity on a straight line basis over the term of the lease.

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) Service charges, property operating expenses

In the case of service contracts with third parties, service charges are recovered from tenants.

Service charges in respect of vacant property are expensed. These mainly relate to gas, water, electricity, cleaning and security.



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2023**

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**Service charges, property operating expenses continued:**

Property operating expenses comprise those costs that are directly attributable to the operation of properties, net of costs charged to tenants. These mainly relate to tax, insurance, leasehold, maintenance and professional fees. These are expensed as incurred. Administrative expenses are expenses that are not directly attributable to the operation of properties (including charged management costs not directly related to properties, office overheads, advice, valuation and audit fees, listing costs and marketing and promotion costs).

**e) Support costs**

Support costs are allocated to the charitable activity as incurred.

**f) Governance costs**

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

**g) 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.

**h) Taxation**

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

**i) 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

**j) 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.

**k) 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.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**Going concern continued:**

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 2023 of £1,934,670 and on this basis it is a going concern.

**I) Investment Property**

Investment property is measured initially at its cost, including related transaction costs such as advisory costs, notary costs, transfer taxes and borrowing costs. After initial recognition, investment property is stated at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset.

The Trustees revalue the investment property annually as at the financial position date and where necessary seek advice from professional valuation experts who hold recognised and relevant professional qualifications and have recent experience in the location and category of the investment property being valued. These valuations form the basis for the carrying amounts in the financial statements.

The fair value of investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in the light of current market conditions, including vacancy and rental incentives. The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Fund and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

The fair value of investment property does not reflect future capital expenditure that will improve or enhance the property and does not reflect the related future benefits from this future expenditure other than those a rational market participant would take into account when determining the value of the property.

Gains and losses arising from changes in fair values are included in the statement of financial activity in the year in which they arise.

**2. Income from donations and legacies**

	2023 £	2022 £
Donations – unrestricted	788,868	-
Value of services received treated as a donation - unrestricted	10,000	15,000
	<u>798,868</u>	<u>15,000</u>



# THE BADUR FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

### 3. Investment income

	2023 £	2022 £
Interest earned	30,417	156,909
Dividend income	48,863	211,602
Rental income – Newman Street	672,858	119,845
Other Interest	442	49
	<u>752,580</u>	<u>488,405</u>

### 4. Expenditure on charitable activities

	2023 £	2022 £
Grant-making (see below)	436,786	433,123
Charitable programmes	9,278	-
Support costs	242,291	201,163
Governance costs	11,287	13,100
Property expenditure – Newman Street	173,658	11,425
	<u>873,300</u>	<u>658,811</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 (£1,543) and audit fees (£9,744).

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 £110,027 in (2022: £68,671).

Trustees received no remuneration and were not reimbursed for out-of-pocket expenses in both 2023 and 2022.

# THE BADUR FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

### Expenditure on charitable activities continued:

The following grants were made during the year:

	2023	2022
	£	£
Barefoot Kitchen	5,050	-
Bike Stop	(17,342)	17,342
Brookside Theatre	-	5,000
Buddhist Heritage Project – Archive building repairs	16,030	-
Buddhist Heritage Project – Overheads	-	32,205
Creative Learning	-	6,650
Conservation Collective	8,358	1,750
Deer Wood Trust	12,237	-
Denton Youth and Community Project	20,000	15,000
Devon Environment Foundation	5,000	9,000
Devon Wildlife Trust	15,000	-
Earth Doctors Ltd “Big River Bakery”	-	5,000
Escape2Make	-	4,000
Firestarter Association	-	15,424
Flow Foundation	-	3,189
Foundation Futures	34,300	14,030
Green Schools Project	10,000	15,000
High Trees Community Development Trust	10,000	20,000
Kompania Foundation	223	-
Mahajana Foundation	-	9,045
Oswin Project	14,000	-
Plastic Free North Devon	12,000	-
Roma Minority Representatives	(1,180)	6,650
Romaversitas Alapitvany	-	4,577
SIMPACT	19,141	-
Smile For Life Children's Charity (SFL)	10,000	14,810
Stone Soup Academy	60,432	-
Tandem Theatre	430	-
Well Grounded	45,000	15,000
Wilder City	2,880	14,690
Women for the Future Association: Roma Heroes	-	22,000
Wonderworkshop Association	-	102,090
Woodshed Workshop CIC	32,000	12,000
Youth Realities	13,200	-
Total of grants awarded	326,759	364,452
Support costs classified as grant making	110,027	68,671
Total grant-making	436,786	433,123

# THE BADUR FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

### 5. Employees

The average number of employees during the year was 6 (2022: 5). The number of employees who received remuneration and benefits amounting to more than £60,000 in either year is nil.

	2023 £	2022 £
Salaries	170,702	112,968
Social Security Costs	16,411	17,068
Pension Costs	4,919	3,546
	<u>192,032</u>	<u>133,582</u>

The trustees are considered to be the key management within the Foundation.

### 6. Net incoming resources

	2023 £	2022 £
This is stated after charging:		
Auditors' remuneration – audit of accounts	9,744	12,100
Auditors' remuneration – other services	1,988	4,120
Depreciation	<u>1,326</u>	<u>3,143</u>

Net incoming resources are shown after any foreign exchange movement.

### 7. Investments

	2023 £	2022 £
Market value at 1 July 2022	5,525,442	32,104,536
Purchases made during the year	209,607	7,435,823
Sales proceeds received	(2,864,336)	(30,840,418)
Increase/(Decrease) in cash awaiting investment	2,081,774	(3,372,697)
Gains and (losses) on investments for the year		
- Realised	(39,252)	236,387
- Unrealised	<u>25,246</u>	<u>(38,189)</u>
Market value at 30 June 2023	<u>4,938,481</u>	<u>5,525,442</u>



# THE BADUR FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

### 7. Investments continued

#### Analysis of market value at 30 June 2023

	2023 £	2022 £
Equities – listed on a recognised Stock Exchange	609,534	628,298
Bonds	1,050,676	2,354,777
Absolute return funds	741,498	2,177,090
Cash awaiting investment	2,536,773	365,277
<b>Market value at 30 June 2023</b>	<b>4,938,481</b>	<b>5,525,442</b>

### 8. Investment property

	2023 £	2022 £
Fair Value at 1 July 2022	27,328,692	-
Additions	1,475,889	27,328,692
Revaluation	(1,320,353)	-
<b>Fair value at 30 June 2023</b>	<b>27,484,228</b>	<b>27,328,692</b>

At 30 June 2023 the investment property is stated at fair value.

The Trustees undertook a valuation of the investment property with advice from professional valuation experts. The fair value reflects rental income from current leases and assumptions about rental income from future leases, as well consideration to active market prices adjusted for location, condition and nature of the property.

# THE BADUR FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

### 9. Tangible fixed assets

	Furniture, fittings and equipment £	Website design and development £	Total £
<b>Cost</b>			
At 1 July 2022	23,867	5,956	29,823
Additions during the year	2,440	-	2,440
Disposals	-	-	-
At 30 June 2023	<u>26,307</u>	<u>5,956</u>	<u>32,263</u>
<b>Depreciation</b>			
At 1 July 2022	22,036	5,956	27,992
Charge for the year	1,326	-	1,326
Depreciation on disposal	-	-	-
At 30 June 2023	<u>23,362</u>	<u>5,956</u>	<u>29,318</u>
<b>Net book value</b>			
At 30 June 2023	<u>2,945</u>	<u>-</u>	<u>2,945</u>
At 30 June 2022	<u>1,831</u>	<u>-</u>	<u>1,831</u>

### 10. Debtors

	2023 £	2022 £
Prepayments	34,115	30,405
VAT recoverable	-	43,053
Other debtors	<u>338,729</u>	<u>37,209</u>
	<u>372,844</u>	<u>110,667</u>

### 11. Creditors - Amounts falling due within one year

	2023 £	2022 £
Trade creditors	45,011	21,822
Grant commitments	94,901	111,775
Accruals and deferred income	252,606	75,331
Other creditors	<u>55,133</u>	<u>4,079</u>
	<u>447,651</u>	<u>213,007</u>

# THE BADUR FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

### 12. Creditors - Amounts falling due after more than one year

	2023 £	2022 £
Grant commitments	20,000	16,850
Rent deposits	488,952	507,900
	<u>508,952</u>	<u>524,750</u>

### 13. Analysis of net assets between funds

	Unrestricted income fund	Unrestricted capital fund	2023 Total £	2022 Total £
	£	£	£	£
Tangible fixed assets	-	2,945	2,945	1,831
Investments (including property)	-	32,422,709	32,422,709	32,854,134
Net current assets	1,934,670	-	1,934,670	2,336,414
Creditors due after one year	(508,952)	-	(508,952)	(524,750)
<b>Net surplus</b>	<u>1,425,718</u>	<u>32,425,654</u>	<u>33,851,372</u>	<u>34,667,629</u>

### 14. Movement in funds

	Unrestricted income fund	Unrestricted capital fund	2023 Total £	2022 Total £
	£	£	£	£
Balance at 1 July 2022	1,811,664	32,855,965	34,667,629	34,779,823
Incoming resources	1,551,448	-	1,551,448	503,405
Resources expended	(871,974)	(34,475)	(906,449)	(835,566)
Realised/(unrealised) gains and losses	(126,897)	(1,334,359)	(1,461,256)	219,967
Transfer between funds	(938,523)	938,523	-	-
<b>Balance at 30 June 2023</b>	<u>1,425,718</u>	<u>32,425,654</u>	<u>33,851,372</u>	<u>34,667,629</u>



# THE BADUR FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

### 15. Reconciliation of net incoming resources to operating activities

	2023	2022
	£	£
Net (deficit)/income for the year before (losses)/gain	644,999	(332,161)
Depreciation charges	1,326	3,143
Dividends, interest and rent receivable	(752,581)	(488,406)
(Increase) in deferred rental income	156,144	(63,800)
(Increase)/decrease in debtors	(262,178)	(3,222)
Increase in creditors	76,428	562,562
Increase/(decrease) in grant commitments	(13,724)	87,717
<b>Net cash inflow from operating activities</b>	<b>(149,586)</b>	<b>(234,167)</b>

### 16. 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 2023, the total of such guarantees was £3.

### 17. Lease commitments

At 30 June 2023, the Foundation had future minimum lease payments under non-cancellable operating leases as follows:

	2023	2022
	£	£
Within one year	-	9,742
After one year but within five years	-	-
<b>Total</b>	<b>-</b>	<b>9,742</b>

The lease agreement for office space in The Harley Building, London, W1W 6XB expired on 31 December 2022. The Foundation has no lease commitments on 30 June 2023.

### 18. Related party transactions

The Foundation received unrestricted donations from Trustees during the year totalling £630,345 (2022: £Nil) net of gift aid.

During the year, the Foundation was invoiced for disbursements totalling £49,778 (2022: £492) by HGT Management LLP of which a Trustee is a Partner. These items were re-charged to the Foundation at cost plus VAT.

## THE BADUR FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

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#### Related party transactions continued:

The Foundation also received bookkeeping, accountancy and administrative services from HGT Management LLP without charge. These donated services have been valued at £10,000 for the year (2022: £15,000).

As at 30 June 2023, the amount owed by the Foundation to HGT Management LLP was £20,986 (2022: £Nil).

During the year, the Foundation was invoiced by BXR Advisory Partners LLP, of which a Trustee is a Partner, for a license fee associated with 40-44 Newman Street of £11,200 (2022: £Nil).

As at 30 June 2023, the amount owed by the Foundation to BXR Advisory Partners LLP was £15,000 (2022: £Nil).

During the year, the Foundation recharged rent charges of £Nil (2022: £18,904) to The Kadas Prize Foundation, a charity with common Trustees. These expenses were recharged to The Kadas Prize Foundation at cost including VAT.

During the year, the Foundation was charged rent of £26,044 (2022: £24,179) by BXR Partners Kft, Hungary, an entity over which a Trustee exercises joint control.

As at 30 June 2023, the amount owed by the Foundation to BXR Partners Kft was £Nil (2022: Nil).