

THE JOHN BLACK CHARITABLE FOUNDATION

Company limited by guarantee

Charity No 01143431

Company No 07734413

**ANNUAL REPORT
AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

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THE JOHN BLACK CHARITABLE FOUNDATION

REPORT OF THE TRUSTEES

For the year ended 31 March 2024

The trustees present their report together with the financial statements of the company for the year ended 31 March 2024, and confirm that the financial statements comply with current statutory requirements and the requirements of the company's Memorandum and Articles of Association. This report is a directors' report and has been prepared in accordance with Financial Reporting Standard published in the UK and Ireland (FRS 102) and in accordance with s417 of the Companies Act 2006, and all trustees are directors. Items disclosed under the strategic report are not repeated here, as allowed under s414C(11).

REFERENCE AND ADMINISTRATIVE INFORMATION

| | |
|--|---|
| Foundation name: | The John Black Charitable Foundation |
| Charity registration number: | 01143431 |
| Company registration number: | 07734413 |
| Registered Office and operational address: | 24 Old Burlington Street London, W1S 3AW |

Trustees

The persons who served as trustees during the period were as follows:-

Mr S Conway
Mr D Taglight

Auditors

Moore Kingston Smith LLP
6th Floor
9 Appold Street
London, EC2A 2AP

Bankers

Barclays Bank Plc
London Barclays Wealth Private Bank
1 Churchill Place
London, E14 5HP

STRUCTURE, GOVERNANCE AND MANAGEMENT

The company is limited by guarantee and is governed by its Memorandum and Articles of Association dated 9 August 2011. The Foundation was registered with the Charity Commission on 18 August 2011, under charity number 1143431.

The Will of the late John Black dated 30 July 2002 states that the Trustees of the Will shall hold John Black's residuary Estate upon trust to apply the income thereof for the charitable purposes. In order to achieve this the trustees established this Foundation.

The trustees as charity trustees have control of the Foundation, its property and funds. The Foundation is chaired by David Taglight. Except otherwise provided in the Will, every issue may be determined by a simple majority of votes cast at a meeting of the trustees but a resolution which is in writing and signed by all the trustees is as valid as a resolution passed at a meeting.

One of the trustees' primary responsibilities is to ensure that the Foundation operates to the highest standards in all aspects of governance and risk management. Their aim is to manage the Foundation effectively, while ensuring that proper operating procedures and internal controls are maintained at all times. Transparency is central to this objective and more detail can be found in the Risk Management section of the Strategic Report.

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REPORT OF THE TRUSTEES

For the year ended 31 March 2024

RECRUITMENT AND APPOINTMENT OF TRUSTEES

Future trustees must be appointed by resolution of the trustees. The number of trustees shall be not less than two but shall not be subject to any maximum. It is clear that for our Foundation, we need people of both experience and those capable of giving their time. It is not always easy to find both those characteristics in people willing to take on the considerable commitment and responsibility required by the Foundation. We continue to search for potential trustees of the quality required.

INDUCTION AND TRAINING OF TRUSTEES

All of the existing trustees are familiar with the running of the Foundation and are provided with details of trustee training courses.

New trustees will be provided with the Memorandum and Articles of Association and web links to charities guidelines for trustees. Trustees are aware that it is their responsibility to keep abreast of developments in relation to the governance of charities under the Charities Act.

AIMS AND OBJECTIVES OF THE FOUNDATION

The Foundation was set up to support medical research into Prostate Cancer and Parkinson's Disease in the United Kingdom together with other charitable causes associated with the State of Israel. The trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Foundation's aims and objectives and when setting grant making policy for the year. The Foundation continued its adopted policy of providing funding to a variety of institutions for the public benefit. This includes research into better diagnoses and, where appropriate more effective treatments for both Prostate Cancer and Parkinson's Disease. We provide some details on this year's research under Grants and Donations below.

FINANCIAL REVIEW

ACTIVITIES AND PERFORMANCE

The trustees continued to manage the assets held by the Foundation and monitor the property assets held on its own account and those of its wholly owned subsidiaries. The trustees considered that the valuations of the two commercial properties have remained unchanged after 3 years of reductions in values due for the most part to the increase in interest rates. The valuation of its residential property has remained unchanged, albeit it has seen rental increases in line with the letting market's uplift for central London apartments. More details are in the Strategic Report.

Once again the trustees took advantage of the rise in interest rates providing the opportunity to make further investments in both gilt-edged and highly-rated corporate bonds. This has substantially improved the return on monies previously held with our bankers.

During the year the trustees purchased the outstanding 50% interest in the long leasehold property at 24 Old Burlington Street, London W1. Its wholly owned subsidiary The Margin Finance Corporation Limited has owned a 50% interest since the inception of the Foundation in 2011. The Foundation operates from one floor in the building. The trustees hope that owning 100% of this interest will allow them going forward, to create added value for the Foundation.

PRINCIPAL FUNDING SOURCES

The Foundation continues to receive donations from its wholly owned subsidiaries. It also has an investment portfolio made up of property, equities, and fixed income, all of which contribute to the income available for donations.

Since 2022, the Estate of the late John Black had been finalised and no further legacy payments will be received.

INVESTMENT POWERS, POLICY AND PERFORMANCE

Under the Memorandum and Articles of Association, the trustees have the authority to invest the funds of the Foundation at their discretion.

The trustees have continued to maintain a cautious approach towards the investment policy. In the year under review they again took advantage of rising interest rates to increase the Foundation's ownership of high quality

THE JOHN BLACK CHARITABLE FOUNDATION

REPORT OF THE TRUSTEES

For the year ended 31 March 2024

corporate bonds and government-backed securities, resulting in better returns being generated with a low risk profile.

The property investments managed in-house returned another good year in terms of income. In capital terms the two main commercial properties have been valued without reduction for the first time in 4 years. This has been due to interest rates and capital values stabilising. The valuation of our residential property remained unchanged, albeit we did see some strengthening of rental levels.

Our share portfolio of smaller companies listed on the London Stock Exchange had a quiet year in line with small-cap indices. However, we remain confident that this small portion of our overall portfolio will provide decent capital returns on top of the satisfactory dividend yield they produce. This has been the case since the year end.

RESERVES POLICY

As seen on page 15 the Foundation has substantial reserves. It keeps these to generate income which is donated to medical research to enable it to meet its charitable purposes. The Foundation continues to make longer-term medical research commitments. In previous years it has maintained an appropriate level of reserves in the form of bank deposits. However, given the marked move upwards in interest rates it now invests this cash in readily realisable government and highly-rated corporate bonds or substantial money market funds so that these funds can generate better returns while being available for immediate utilisation either for meeting its medical research commitments or to fund possible opportunities in its central London property investments should they arise.

GRANTS AND INVESTMENTS

The Trustees are pleased to report that since 2013 they have made grants and commitments amounting to £37m. These include four professional research Chairs, at UCL and Oxford University. These Chairs were initially for 10-year terms and were given to outstanding professors in their respective fields. We have donated £3m to enable Oxford University to purchase a MRI Linac machine that uses pioneering technology to locate and deliver treatment in the same session for cancer patients with great accuracy. Professor Louise Richardson, Vice Chancellor of Oxford University commented that *"the equipment has the potential to make a substantive difference both on the treatment of cancer and the furthering of significant research"*. The machine is being used to treat not just Prostate but other cancers. We made a gift of £2m to UCL to purchase a sorely needed 3T MRI scanner which will be used primarily for scientific research and NHS treatments. In recognition of this the scanner has been named *"The John Black Charitable Foundation 3T MRI Scanner"*.

To date, we have made 139 research grants: 123 of these were for research into Prostate Cancer and Parkinson's disease. During the pandemic we supported 16 grants into essential covid research some of which continues to this day. This year, again many of our researchers have had their work published in quality medical journals, and this has been a prelude to seeing their work being translated into the clinic where it can change practice for the good of patients. Again this year we have made several follow-on grants and no-cost extensions to enable work to reach its conclusion.

As in previous years, JBCF has worked with Prostate Cancer Foundation (PCF), the Van Andel Institute (VAI) and the Michael J Fox Foundation (MJFF), all based in the USA, to help them make grants to UK projects. Here in the UK, we have worked with the Urological Foundation (TUF), The Cure Parkinson's Trust (CPT) and the Rosetrees Trust (RT). All of these institutions provide the essential peer review work required before the Foundation makes any grant. A full and detailed list of this year's grants is contained in the Science Report, but of particular importance is a substantial commitment alongside CP, VAI, and for the first time The National Institute for Health and Care Research (NIHR) to start a multi-arm multi-stage project, for new research into Parkinson's disease. This trial method echoes the hugely successful Prostate Cancer trial Stampede, which has been running for 19 years and enrolled 12 thousand men, to which JBCF has been a willing participant.

During the year JBCF made grants, donations and commitments totalling £4.9m, details of which can be viewed in the full Science Report.

PUBLIC BENEFIT

The Charities Act 2006 requires that, with effect from 1 April 2008, all charities have to meet the legal requirement that their aims and objectives are for the public benefit. The Charity Commission in its "Charities and Public Benefit" guidance requires that there are two key principles to be met in order to show that an organisation's aims and objectives are for public benefit: first, there must be an identifiable benefit and secondly the benefit must be to the public or a section of the public.

THE JOHN BLACK CHARITABLE FOUNDATION

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For the year ended 31 March 2024

The trustees confirm that they have due regard to the Charities Commission guidance on public benefit and consider each year how it best meets the public benefit objectives set out in section 17 of the Charities Act 2011, including "Public Benefit: Running a charity (PB2)". The trustees are satisfied that the Foundation meets the requirements and conforms to the Act's definition of a charity meeting all elements of the two key principles. The research grants made and the activities outlined in the Science Report below provide considerable public benefit, including an improvement in the survival and quality of life of men with Prostate Cancer / Parkinson's disease, or lead to the development of novel therapies.

Applications for research grants in the areas of Prostate and Parkinson's are welcome in all formats but applicants are encouraged to write in or email.

Projects are sometimes sourced by the Foundation, sometimes by our partners and sometimes by direct approaches from scientists.

The charity partners with other institutions such as the Prostate Cancer Foundation (PCF), The Urology Foundation (TUF), Prostate Cancer UK (PCUK), Rosetrees Trust (RT), Cure Parkinson's Trust (CPT) and the Van Andel Research Institute (VARI) in order to have the highest quality peer review process before funding research. PCF, PCUK, CPT, VARI, and RT sometimes make grants and donations for research projects alongside the Foundation.

Once a grant is established the grantee is required to provide semi-annual or annual progress reports. The directors/trustees still find that this model helps produce the best results.

SCIENCE REPORT

Prostate Cancer

In 2020 we backed Dr Veeru Kasivisvanathan to undertake PRIME, a trial designed to study the benefits or otherwise of using a contrast agent, Gadolinium (GAD), when scanning the prostate. It is exciting to report that the results of PRIME were published in Paris at the EAU conference on 6th April 2023. The trial showed that the streamlined MRI, Biparametric (without GAD) results, were just as good as the Multiparametric (with GAD), and this received much publicity. It is hoped that this trial will result in a change of practice in the UK and beyond.

As well as the above, results of GLIMPSE, a part of the PRIME trial, have been published in Radiology. The study found that only a third of scans were of optimal diagnostic quality. The authors were able to make suggestions around the duration of certain sequences which improved quality. The impact will result in an improvement in Prostate Cancer detection for very little effort and cost. This will be valuable both to patients and operators of the MRI facilities.

We have for some years supported the hugely successful Stampede Trial with grants to various professors working on the 19-year-old project.

It was pleasing to see yet another publication, this time in The Lancet, emanating from work carried out in Gert Attard's (The John Black professor of Prostate Cancer at UCL) laboratory.

This work showed that there was significant life expectancy improvement when adding Abiraterone, to standard hormone therapy while that was still working. The results showed this improvement whether or not the cancer had metastasised. The task now is to get NICE to approve the findings and change practice in England, Scotland has already done so.

Once again, taking advantage of the opportunities supplied by JBCF-named professors, we made a grant to Gert Attard's laboratory to enable it to assemble and undertake research into tissue taken at the time of the successfully published Radical Trial.

This sought to evaluate when and how often men who had undergone radical prostatectomy, should receive radiotherapy +/- Androgen Deprivation Therapy (ADT). The team will explore the features predictive of ADT response with new AI intelligence models and unpick the biology underlying it. They will also be able to extract RNA material from these tissue samples to understand the molecular signalling associated with the imaging findings.

We supported Dr Nikolitsa Nomicou at UCL. She is hoping to augment the efficacy of sonodynamic therapies. If successful, this will hopefully bring about a new defensive mechanism aiming to optimise the effects of minimally invasive treatment against metastatic and castration-resistant Prostate Cancer.

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For the year ended 31 March 2024

In 2018 we backed Greg Shaw at UCL to investigate NeuroSafe, a method of refining the operations involving prostatectomy in order to reduce the unwanted after-effects. It was pleasing to see this work published in Springer Nature.

This year we have backed a similar project at Imperial College. Mr. Nikhil Mayor, under the watchful eye of Professor Hashim Ahmed, will use Fluorescence Confocal Microscopy (FCM) to evaluate a small portable scanner that will help identify the margins of safety in prostatectomy. FCM is a novel technique that produces real-time, high-resolution digital images of tissue. Although these two grants have similar aims, we have learned that to change practice sometimes requires at least two trials.

This year's Challenge Award made via The Prostate Cancer Foundation based in USA was made to a team at Oxford. The primary investigator is Dr Edward O'Neill, with the support of amongst others of Professor Ian Mills, The John Black Professor of Prostate Cancer at Oxford University. Edward is investigating a new metabolic imaging technique, targeting radionuclide combination treatment of Prostate Cancer bone metastases. Any new signatures he finds could be used as a means to stratify patients and their likely responses to treatments.

This year's Young Investigator awards were strongly contested. We chose firstly Peter Godolphin, a research fellow at the MRC Clinical Trials Unit based at UCL. Peter will research optimal methods for identifying and communicating which treatments are best, for men with metastatic hormone-sensitive Prostate Cancer (mHSPC).

Secondly, we supported clinical lecturer Mark Salji from the University of Glasgow. Mark's project is more complex than Peter's. Most men treated with androgen deprivation therapy (ADT), will relapse, known as castration-resistant (CRPC). The development of CRPC is poorly understood with treatments mainly targeting the Androgen Receptor, an area where JBCF has sponsored much research. CRPC is clinically associated with glucocorticoid-mediated cardiovascular risk factors such as obesity and type 2 diabetes. A role for the glucocorticoid receptor (GR) is now emerging in CRPC. N-acetyl-aspartate (NAA) is the downstream metabolite of prostate-specific membrane antigen (PSMA), which converts NAAG to NAA and glutamate. Mark hypothesises a central role for NAA in promoting CRPC, as a local acetate source for lipid-dependent survival mechanisms, driven by GR activation.

In 2021 we supported a Dr Mark Lynch project, named COBRA, which was going to investigate surgically removed prostates, where operations had been held up due to Covid restrictions. When Covid overran, the project became problematic and there was a considerable underspend. We have been delighted to put these funds to use in another of Mark Lynch's projects which we think might have considerable benefit, and if all goes according to plan form the basis for larger funding, possibly a Challenge Award, next year. The project called INTRICATE, aims to use T-cells, some of which are being collected through biobanks also funded by us, to form a valuable source of information, concerning immune signatures to predict cancer diagnosis and trajectory of Prostate Cancer.

Last year we gave further support to the REIMAGINE trial run out of UCL by Professor Mark Emberton. During this year, some results were published showing among other things, that using MRI scans as a screening test, alongside PSA density, allows the detection of cancers that would have been missed by the blood test alone.

Parkinson's Disease

We have again supported Professor Roger Barker at Cambridge University. It has been understood for many years that one of the main causes of Parkinson's disease is the loss of dopamine cells. One of the strategies Roger is testing is transplanting new dopamine nerve cells back into the brain. The thinking goes "restore dopamine, restore function." By sampling blood and spinal fluids of patients undergoing dopamine cell transplantation using state-of-the-art laboratory techniques, he hopes to determine whether such transplants trigger an immune response that might lead to graft rejection. He also hopes that this project will determine the type of response and how best to stop it.

We have made a substantial three-year grant to a newly set up trial process, using the same highly successful strategy as The Stampede Trial has employed in Prostate Cancer. That trial has been running for 19 years and is acknowledged worldwide. In simple terms, it is multi-arm multi-stage (MAMS). Several drug targets are researched from the same start date, with in this case cohorts of 400 people, as the trial results become known arms are dropped, augmented or new drugs introduced. This has the benefit of not waiting for three or four years for each result, and then rethinking. Professor Mahesh (Max) Parmar who was responsible for Stampede, has helped Cure Parkinson's Trust (CPT) set this up. Professor Tom Foltynie, another JBCF-backed researcher, is also heavily involved as one of the team leaders. The initial targets have been chosen from the International Linked Clinical Trials programme, which was responsible for promoting Ambroxol which we backed from 2015 and is now in a Phase III clinical trial. We strongly believe in MAMS as a sensible, economic way forward for

THE JOHN BLACK CHARITABLE FOUNDATION
REPORT OF THE TRUSTEES
For the year ended 31 March 2024

trials. We have been joined in this substantial long-term endeavour by NIHR, Van Andel, CPT and the Edmond J. Safra Foundation and Michael J Fox Foundation who sponsored the early work of pulling the trial together.

We supported Professor Marloes Peeters at Newcastle University. Standard medication for Parkinson's requires multiple doses per day and can result in significant side effects. When the disease progresses patients experience "off periods" when medication is not working. In this project, patients will use a wearable sensor to monitor medication levels optimise the treatment and minimise "off periods". There is currently no device to achieve this.

RELATED PARTIES

The Foundation owns 100% of the share capital of The Margin Finance Corporation Limited and Borrisbrook Properties Limited.

David Taglight, a trustee of the Foundation is a director of The Margin Finance Corporation Limited. He was also the executor of the Estate of the late John Black. Stephen Conway is a director of Borrisbrook Properties Limited.

AUDITORS

Moore Kingston Smith LLP were appointed auditors in accordance with section 485 of the Companies Act 2006, and a resolution proposing their re-appointment will be put at a general meeting.

This report was approved by the Board of Trustees on 18th December 2024 and signed on its behalf by



David Taglight
Trustee

THE JOHN BLACK CHARITABLE FOUNDATION

STRATEGIC REPORT

For the year ended 31 March 2024

The aims of the Foundation during the year continued to be the management of its own funds and investments and the making of donations to charitable bodies in accordance with its charitable aims and objectives.

The principal activities of its wholly owned subsidiaries continued to be that of property investment, development, management, the making of loans and other investments for the financial benefit of the Foundation, to generate income to enable the Foundation to carry out its objects.

The increase in interest rates in 2023 and 2024 provided the trustees with an opportunity to adopt a more active treasury management strategy, and an improved yield on the Foundation's cash. The trustees have focused on fixed-income investments ranging from gilt-edged to investment-grade corporate bonds.

During the year the trustees continued to monitor the group's property interests. All properties remained fully let.

Amadeus House, is an office building close to Heathrow Airport, owned by the Foundation, and is let to the First Secretary of State for Housing and Communities and Local Government for a further 12 years. The trustees left the value unchanged at £12m.

The mixed-use freehold site on Drury Lane London WC2, owned by the Foundation's wholly owned subsidiary The Margin Finance Corporation Limited, extends over three-quarters of an acre and has been owned since the inception of the charity. All tenants remain in place and are trading normally with the rental income remaining unchanged at £1.4m. Having written down the value since 2019 from £27m to £22m, the trustee directors believe that £22m remains a correct valuation in current markets.

The likelihood of a reduction in interest rates makes both Amadeus House and Drury Lane attractive at these valuations.

Borrisbrook Properties Ltd, the Foundation's other wholly owned subsidiary, owns the freehold of a block of 90 apartments in Kensington High Street, London W14. The Foundation owns directly 13 flats which are let out on assured shorthold tenancies. This attractive asset held its value during the year.

As at 31 March 2024 the net assets of the Foundation stood at £77,303,250 (2023: £77,857,722). This was after making grants and donations of £4,938,215 (2023: £4,088,587).

The results of the Foundation and its subsidiaries for the year are set out in the Consolidated Statement of Financial Activities on page 14 of the financial statements.

The trustees believe that the Foundation has sufficient reserves to be able to continue successfully in the future and make increasing contributions towards its stated aims and objectives as set out in the Trustees' Report.

RISK MANAGEMENT

The trustees regularly examine the major strategic business and operational risks which the Foundation faces and confirm that systems have been established to ensure that necessary steps are taken to minimise such risks. The trustees of the Foundation sit on the board of its subsidiaries. Both the Foundation and the subsidiaries hold regular meetings to review performance, operating procedures, internal controls, operational risks and uncertainties. In terms of its investment the Foundation and its subsidiaries face two areas of fundamental risk. The first is a major banking collapse whereby a highly rated bank might not repay the group's deposits. For this reason the trustees have spread the deposits among several major financial institutions. The second fundamental risk is a serious collapse in the central London property market which would impact commercial and residential property capital and letting values. Given the location and diversity of the

THE JOHN BLACK CHARITABLE FOUNDATION

STRATEGIC REPORT

For the year ended 31 March 2024

group's properties and the fact that the group is asset rich with no debt, the trustees think the risk of serious damage to the Foundation position is minimal.

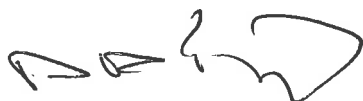
PLANS FOR FUTURE PERIODS

The Foundation continues to make research grants in the areas of Prostate Cancer and Parkinson's disease. In the year under review we made a further 16 grants bringing the total number of projects in the two diseases to 139. More detail can be found in the Report of the Trustees.

We aim to maintain and where possible increase our income to be able to provide further grants to existing projects and fund new ones. This year we have seen an increase in our annual income, given our purchasing of fixed-income securities as interest rates rose.

We continue to support the highest quality research for carefully peer-reviewed projects, where the aims are better diagnosis, stratification, treatment and therapy in the areas of Prostate Cancer and Parkinson's disease.

The trustees strive to seek projects at major institutions to expand our stated aims and objectives, frequently in collaboration with other charitable bodies and institutions. A full analysis of the Foundation's current and future plans is given under the Public Benefit section in the Report of the Trustees.



David Taglight
Trustee

Date: 18.12.2024

THE JOHN BLACK CHARITABLE FOUNDATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

For the year ended 31 March 2023

The trustees (who are also directors of The John Black Charitable Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard published in the UK and Ireland, FRS 102.

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

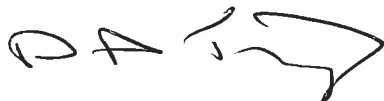
The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group 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 trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Signed on behalf of the Board of Trustees



David Taglight
Trustee

Date: 18.12.2024

Independent Auditors' Report to the Members of The John Black Charitable Foundation For the year ended 31 March 2024

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2024 and of the group's 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

Independent Auditors' Report to the Members of The John Black Charitable Foundation For the year ended 31 March 2024

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 strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain

Independent Auditors' Report to the Members of The John Black Charitable Foundation For the year ended 31 March 2024

audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.

Independent Auditors' Report to the Members of The John Black Charitable Foundation For the year ended 31 March 2024

- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

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

Moore Kingston Smith LLP

Date: 19 December 2024

Andrew Stickland (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

6th Floor
9 Appold Street
London
EC2A 2AP

THE JOHN BLACK CHARITABLE FOUNDATION
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 31 March 2024

| | | 2024 Total Unrestricted Funds £ | 2023 Total Unrestricted Funds £ |
|--|----|---|---|
| Income from: | | | |
| Investments | 2 | 4,194,697 | 3,996,624 |
| Share of profit from joint venture | 10 | 23,422 | 50,443 |
| Total income | | <u>4,218,119</u> | <u>4,047,067</u> |
| Expenditure on: | | | |
| Direct property costs | 3 | 351,313 | 276,269 |
| Other investment management and administrative costs | 3 | 325,867 | 284,185 |
| Deferred tax movement | | - | (500,000) |
| Charitable activities | 4 | 4,938,215 | 4,088,587 |
| Total expenditure | | <u>5,615,395</u> | <u>4,149,041</u> |
| Net gains / (losses) on investments | | 842,803 | (5,593,670) |
| Net income / (expenditure) | | <u>(554,473)</u> | <u>(5,695,644)</u> |
| Net movement in funds | | <u>(554,473)</u> | <u>(5,695,644)</u> |
| Reconciliation of funds | | | |
| Total funds brought forward | | <u>77,857,722</u> | <u>83,553,366</u> |
| Total funds carried forward | | <u>77,303,250</u> | <u>77,857,722</u> |

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

THE JOHN BLACK CHARITABLE FOUNDATION


BALANCE SHEET

As at 31 March 2024

| | | The group 2024 £ | The charity 2024 £ | The group 2023 £ | The charity 2023 £ |
|--|-------|------------------------|--------------------------|------------------------|--------------------------|
| | Notes | | | | |
| Fixed assets | | | | | |
| Tangible assets | 7 | 140,350 | - | 142,043 | - |
| Investment in joint venture | 10 | - | 1,753,555 | 1,999,333 | - |
| Investment properties | 11 | 38,558,788 | 13,058,788 | 35,058,788 | 13,058,788 |
| Equity investments and bonds | 8 | 38,544,109 | 51,768,525 | 28,934,605 | 42,445,300 |
| Cash investments | 8 | 478,764 | 475,727 | 334,847 | 316,754 |
| | | <u>77,722,011</u> | <u>67,056,595</u> | <u>66,469,616</u> | <u>55,820,842</u> |
| Current assets | | | | | |
| Stock - properties for sale | | 3,796,966 | - | 3,796,966 | - |
| Debtors | 13 | 2,137,627 | 16,600,831 | 9,669,057 | 24,082,299 |
| Treasury fixed term deposits | 14 | 250,000 | - | - | - |
| Cash at bank and in hand | | <u>1,190,231</u> | <u>714,572</u> | <u>3,929,744</u> | <u>3,305,952</u> |
| | | 7,374,824 | 17,315,403 | 17,395,767 | 27,388,251 |
| Liabilities | | | | | |
| Creditors amounts due within one year | 15 | (1,388,224) | (912,876) | (1,092,016) | (649,602) |
| Net current assets | | <u>5,986,600</u> | <u>16,402,527</u> | <u>16,303,751</u> | <u>26,738,649</u> |
| Total assets less current liabilities | | 83,708,611 | 83,459,122 | 82,773,367 | 82,559,491 |
| Creditors amounts falling due after more than one year | 16 | (4,353,202) | (4,353,202) | (2,863,486) | (2,863,486) |
| Provision for liabilities | 20 | <u>(2,052,159)</u> | <u>-</u> | <u>(2,052,159)</u> | <u>-</u> |
| Net assets | | <u>77,303,250</u> | <u>79,105,920</u> | <u>77,857,722</u> | <u>79,696,005</u> |
| Funds | | | | | |
| Unrestricted funds | | | | | |
| General funds | | 78,695,360 | 79,105,920 | 79,123,262 | 79,696,005 |
| Non-charitable retained funds | | <u>(1,392,110)</u> | <u>-</u> | <u>(1,265,540)</u> | <u>-</u> |
| Total charity funds | | <u>77,303,250</u> | <u>79,105,920</u> | <u>77,857,722</u> | <u>79,696,005</u> |

As permitted by section 408 CA 2006, the parent charity's gross income and results have not been included in the financial statements. The parent's gross income was £3,516,950 (2023: £3,333,208) and it recorded a deficit of £590,085 (2023: deficit of £5,701,611).

Approved by Trustees on 18th December and signed on their behalf by



David Taglight
Trustee

Charity number: 01143431

Company registration number: 07734413

THE JOHN BLACK CHARITABLE FOUNDATION
CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 March 2024

| | Note | 2024 | 2023 |
|---|--------------|--------------|--------------|
| | | £ | £ |
| Cash flows from operating activities | | | |
| Cash generated from / (absorbed by) operations | 23 | 3,727,385 | (5,021,290) |
| Cash flows from investing activities | | | |
| Fixed asset additions | (1,406) | - | - |
| Cost of investment additions | (17,681,222) | (24,271,679) | (24,271,679) |
| Proceeds on sale of investments | 7,021,033 | 7,728,983 | 7,728,983 |
| | | (10,661,595) | (16,542,696) |
| Cash flows from financing activities | | | |
| Interest income | 1,681,488 | 1,544,385 | 1,544,385 |
| Dividend income | 226,036 | 266,023 | 266,023 |
| Investment income | 2,287,173 | 2,186,216 | 2,186,216 |
| | | 4,194,697 | 3,996,624 |
| Net increase in cash and cash equivalents | | (2,739,513) | (17,567,362) |
| Cash and cash equivalents at the beginning of the year | | 3,929,744 | 21,497,106 |
| Cash and cash equivalents at the end of the year | | 1,190,231 | 3,929,744 |

THE JOHN BLACK CHARITABLE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2024

1) Accounting policies

- a) The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charity and subsidiaries are a public benefit group for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP), the Companies Act 2006, the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the companies. Monetary amounts in these financial statements are rounded to the nearest pound.

These financial statements consolidate the results of the Charity and its wholly-owned subsidiaries The Margin Finance Corporation Limited and Borrisbrook Properties Limited, on a line by line basis. The consolidated SOFA includes the group's share of the joint venture's results, up until the point the group acquired the remaining 50% share at which point the property owned by the joint venture was reclassified to investment properties and the income and expenditure shown in investment income and direct property costs respectively. In the prior period the group's share of the fair value of the joint venture is shown in the consolidated Balance Sheet. Transactions and balances between the charity and its subsidiaries have been eliminated from the consolidated financial statements. Balances between the group organisations are disclosed in the notes of the charity's balance sheet.

On acquisition of subsidiaries all of their assets and liabilities that exist at the date of acquisition are recorded at their fair values reflecting their condition at that date. Where subsidiaries are acquired for nil consideration and are akin to a gift, the fair value of assets and liabilities at the date are recognised as voluntary income in the statement of financial activities. All changes to those assets and liabilities including the resulting surpluses or deficits that arise after the group has gained control of the subsidiary are charged to the post acquisition statement of financial activities.

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable group to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the current economic environment and have taken account of pressures on rental and investment income. After making enquiries the trustees have concluded that there is a reasonable expectation that the charitable group has adequate resources to continue to settle its debts as they fall due for the foreseeable future. The charitable group therefore continues to adopt the going concern basis in preparing its financial statements.

b) Incoming Resources

All incoming resources are accounted for when the charity has entitlement to the funds, receipt is probable and the amount is measurable.

- c) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of support costs. The charity has no restricted funds.
- d) Unrestricted funds are incoming resources received or generated for the charitable purposes, which are not designated for particular purposes.
- e) Investment income is accounted for when receivable and includes retained tax recoverable.
- f) Rent receivable is recognised in the period to which it relates.

THE JOHN BLACK CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2024

1) Accounting policies (continued)

g) Resources Expended

Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

Resources expended are allocated to the particular activity where the cost relates directly to that activity. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with use of resources.

- h) Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.
- i) Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. For grants made in the financial period, the full amount of the grant is recognised in the year in which the commitment is made and shown as a long term or short term creditor as appropriate.
- j) Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

| | |
|----------------------------------|----------------------|
| Freehold land and buildings | Nil |
| Plant and machinery | 25% reducing balance |
| Fixtures, fittings and equipment | 25% reducing balance |

Investment properties are included in the balance sheet at their open market value. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years.

Although this accounting policy is in accordance with the Financial Reporting Standard, it is a departure from the general requirement of the Companies Act 2006 for all tangible assets to be depreciated. In the opinion of the trustees compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

- k) Listed investments are stated at market value at the balance sheet date. The statement of financial activities includes the net gains and losses on revaluations and disposals throughout the year.
Unlisted investments and investments in subsidiaries are stated at valuation less provision for diminution in value.
Deposits held with original maturities of more than three months are shown within current asset investments.

l) **Stock**

Stock is stated at the lower of cost and estimated selling price less costs to complete and sell.

m) **Foreign currency translation**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

THE JOHN BLACK CHARITABLE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2024

1) Accounting policies (continued)

n) Judgements and key estimates

In the application of the company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

o) Critical Judgements

Valuation of investment properties

The valuation of investment properties is sensitive to changes in the market rates for comparable properties. The valuation of the properties are assessed annually by the directors, and adjustments are passed through the Statement of Financial Activities.

p) Financial Instruments

Cash and Cash Equivalents

Cash and cash equivalents include cash at bank and in hand and short term deposits with a maturity date of three months or less.

Basic Financial Instruments

The charity only holds basic financial instruments as defined by FRS 102. Financial instruments receivable or payable within one year of the reporting date are carried at their transaction price and subsequently at amortised cost.

THE JOHN BLACK CHARITABLE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2024

| 2) Investment income | 2024 Total £ | 2023 Total £ |
|---|--------------------|--------------------|
| Gross rental Income from UK properties | 2,287,173 | 2,186,216 |
| Interest receivable | 1,681,488 | 1,544,385 |
| Dividends receivable from UK listed investments | 226,036 | 266,023 |
| | <u>4,194,697</u> | <u>3,996,624</u> |

The charity had no restricted investment income in the years ended 31 March 2024 or 31 March 2023.

| 3) Total resources expended | 2024 £ | 2023 £ |
|---|------------------|------------------|
| <u>Direct Property Costs in generating Rental Income</u> | | |
| Direct property costs | 181,191 | 145,187 |
| Legal and professional | 167,023 | 128,266 |
| Depreciation | 2,251 | 2,816 |
| Loss on disposal of fixed assets | 848 | - |
| | <u>351,313</u> | <u>276,269</u> |
| <u>Other Investment Management and administration costs</u> | | |
| Staff costs | 100,770 | 97,338 |
| Directors' remuneration from subsidiary undertakings | 100,000 | 100,000 |
| Social security costs | 19,643 | 20,168 |
| External investment management costs | 2,002 | 1,668 |
| Office running costs | 51,233 | 21,614 |
| Bad debts | - | (7,129) |
| Miscellaneous | 75 | 381 |
| Governance costs (see below) | 52,144 | 50,145 |
| | <u>325,867</u> | <u>284,185</u> |
| Deferred tax movement | <u>-</u> | <u>(500,000)</u> |
| <u>Charitable Activities - grants and donations to institutions (see note 4)</u> | <u>4,938,215</u> | <u>4,088,587</u> |
| Total Resources Expended as per consolidated Financial Statements | <u>5,615,395</u> | <u>4,149,041</u> |

Governance costs

| | | |
|------------------------------------|---------------|---------------|
| Auditors' remuneration | | |
| - Parent company and consolidation | 28,814 | 27,557 |
| - Audits of subsidiary companies | 23,330 | 22,588 |
| | <u>52,144</u> | <u>50,145</u> |

THE JOHN BLACK CHARITABLE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2024

4) Summary of grants and donations to institutions

| | 2024 | 2023 |
|--|------------------|------------------|
| | £ | £ |
| Charitable grants awarded for in current year: | | |
| Prostate cancer | 2,067,486 | 1,526,284 |
| Parkinson's disease | 1,853,229 | 1,769,803 |
| Other charitable purposes | 1,017,500 | 792,500 |
| Total charitable grants awarded | <u>4,938,215</u> | <u>4,088,587</u> |
| Total charitable grants paid in the year | <u>3,392,495</u> | <u>3,052,243</u> |

The institutions to which medical research grants and donations have been made, since the charity's inception include:

| | |
|---------------------------|----------------------------------|
| Oxford University | King's College |
| Cambridge University | Nottingham University |
| University College London | Queen's University, Belfast |
| Imperial College London | Institute of Cancer Research |
| Bristol University | Francis Crick Institute |
| Cardiff University | Southampton University |
| Plymouth University | Edinburgh University |
| Royal Marsden Hospital | St George's University of London |
| Royal Free Hospital | |

Further details of the research grants and donations can be found in the Scientific Report of the Report of the Trustees.

Other major grants awarded during the year were given to charitable causes associated with the State of Israel in accordance with the wishes of the late John Black. These included donations to:

| | |
|--|-----------------------------|
| B'nai B'rith Hillel Foundation - UJS | Kisharon Langdon |
| British Emunah Fund | Nightingale House |
| British Friends of Shalva | Norwood |
| British Friends of the Sarah Herzog Memo | Ohel Sarah UK |
| British Friends of ZAKA | ORT UK |
| Community Security Trust | UK Friends of Yair Yisroel |
| Friends of Israel Sports Centre for the Disabled | The Jewish Deaf Association |
| Jewish Blind & Disabled | World Jewish Relief |
| Jewish Care | Youth Aliyah child Rescue |

THE JOHN BLACK CHARITABLE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2024

5) Net Incoming Resources for the Year

| | 2024 | 2023 |
|--|-------------|-------------|
| | £ | £ |
| This is stated after charging: | | |
| Depreciation | 2,251 | 2,816 |
| Auditors' remuneration (charity £28,814) | 52,144 | 50,145 |
| Directors' remuneration | 100,000 | 100,000 |

The directors' remuneration of £100,000 (2023: £100,000) was paid to D Taglight, in his capacity as director of The Margin Finance Corporation Limited. This was paid in accordance with the will of the late J Black. No expenses were reimbursed to Trustees during the year.

6) Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's investment subsidiaries, The Margin Finance Corporation Limited and Borrisbrook Properties Limited have gifted available profits to the charity.

A balance of £2,052,159 (2023: £2,052,159) is held in The Margin Finance Corporation Limited for deferred tax relating to the investment property.

7) Tangible Fixed Assets Group

| | Land and Buildings | Plant and machinery | Total |
|-----------------------|---------------------------|----------------------------|--------------|
| | £ | £ | £ |
| Cost | | | |
| At 1 April 2023 | 133,596 | 275,344 | 408,940 |
| Additions | - | 1,406 | 1,406 |
| Disposals | - | (3,693) | (3,693) |
| At 31 March 2024 | 133,596 | 273,057 | 406,653 |
| Amortisation | | | |
| At 1 April 2023 | - | 266,897 | 266,897 |
| Charge for the year | - | 2,251 | 2,251 |
| Disposals | - | (2,845) | (2,845) |
| At 31 March 2024 | - | 266,303 | 266,303 |
| Net book value | | | |
| At 31 March 2024 | 133,596 | 6,754 | 140,350 |
| At 31 March 2023 | 133,596 | 8,447 | 142,043 |

No fixed assets are held under finance lease.

THE JOHN BLACK CHARITABLE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2024

8) Investments

| | The group 2024 £ | The charity 2024 £ | The group 2023 £ | The charity 2023 £ |
|---|---------------------------------|-----------------------------------|---------------------------------|-----------------------------------|
| Market value brought forward | 28,934,605 | 42,445,300 | 13,706,768 | 32,644,648 |
| Additions at cost | 15,883,852 | 14,542,132 | 24,337,520 | 20,202,960 |
| Disposal proceeds | (7,021,033) | (5,771,678) | (7,718,983) | (7,718,983) |
| Net gain/(loss) on revaluation | 746,685 | 552,771 | (1,390,700) | (2,683,325) |
| Market value carried forward | <u>38,544,109</u> | <u>51,768,525</u> | <u>28,934,605</u> | <u>42,445,300</u> |
| Cash held as part of investment portfolio | 478,764 | 475,727 | 334,847 | 316,754 |
| Total | <u>39,022,873</u> | <u>52,244,252</u> | <u>29,269,452</u> | <u>42,762,054</u> |
| Cost brought forward | 29,918,587 | 31,650,959 | 13,405,349 | 19,272,281 |
| Additions at cost | 15,883,852 | 14,542,132 | 24,337,520 | 20,202,960 |
| Disposals at cost | (7,057,114) | (5,825,564) | (7,824,282) | (7,824,282) |
| Cost carried forward | <u>38,745,325</u> | <u>40,367,527</u> | <u>29,918,587</u> | <u>31,650,959</u> |

| Investments held (market value) | The group 2024 £ | The charity 2024 £ | The group 2023 £ | The charity 2023 £ |
|--|---------------------------------|-----------------------------------|---------------------------------|-----------------------------------|
| Stock exchange listed investments | | | | |
| Shares | 9,536,332 | 9,536,332 | 5,675,306 | 5,675,306 |
| Short-dated bonds | 10,690,506 | 9,346,197 | 10,242,435 | 7,677,417 |
| Long-dated bonds | 8,667,452 | 7,201,983 | 3,928,392 | 3,343,162 |
| Gilts | 9,649,819 | 8,166,254 | 9,088,472 | 8,105,086 |
| Investments in subsidiaries (valuation) | - | 17,517,759 | - | 17,644,329 |
| Cash held as part of the investment portfolio (cost) | 478,764 | 475,727 | 334,847 | 316,754 |
| | <u>39,022,873</u> | <u>52,244,252</u> | <u>29,269,452</u> | <u>42,762,054</u> |

All of the group's investments are located in the UK.

THE JOHN BLACK CHARITABLE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2024

| Material investments in subsidiary holdings | Group £ | Charity £ |
|--|--------------------|----------------------|
| Subsidiaries | | |
| The Margin Finance Corporation Limited | - | 11,517,759 |
| Borrisbrook Properties Limited | - | 6,000,000 |
| | - | 17,517,759 |

9) Subsidiary undertakings

The charity owns the whole of the issued ordinary share capital of The Margin Finance Corporation Limited, a company registered in England (Company number: 02159047). The activity of the subsidiary was property investment, development, consultancy, management and the making of loans.

| | 31 March 2024 £ | 31 March 2023 £ |
|--|--------------------------------|--------------------------------|
| Turnover | 1,432,829 | 1,366,355 |
| Cost of sales | (71,292) | (22,086) |
| Gross profit | 1,361,537 | 1,344,269 |
| Administrative expenses | (364,892) | (302,778) |
| Operating profit | 996,645 | 1,041,491 |
| Profit from joint ventures | 26,977 | 50,443 |
| Interest received | 802,617 | 851,840 |
| Interest paid | (599,649) | (775,128) |
| Fair value losses on investment properties | (249,801) | (2,000,000) |
| Fair value losses on listed investments | 67,345 | (926) |
| Profit/(loss) on ordinary activities before taxation | 1,044,134 | (832,280) |
| Tax | - | 500,000 |
| Profit/(loss) for the year | 1,044,134 | (332,280) |
| Assets | 28,949,563 | 36,668,802 |
| Liabilities | (17,431,804) | (25,024,473) |
| | 11,517,759 | 11,644,329 |
| Share capital | 2 | 2 |
| Revaluation reserve | 10,520,916 | 10,520,916 |
| Profit and loss account | 996,841 | 1,123,411 |
| | 11,517,759 | 11,644,329 |

THE JOHN BLACK CHARITABLE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2024

9) Subsidiary undertakings (continued)

The charity owns the whole of the issued ordinary share capital of Borrisbrook Properties, a company registered in England (Company number: 01903049). The subsidiary was acquired on 5 April 2013. The activity of the subsidiary is that of property dealers, developers and property investors.

| | 31 March 2024 £ | 31 March 2023 £ |
|---|--------------------------------|--------------------------------|
| Turnover | 240,077 | 221,981 |
| Cost of sales | (104,346) | (115,853) |
| Gross profit | <u>135,731</u> | <u>106,128</u> |
| Administrative expenses | (59,864) | (59,800) |
| Operating profit | <u>75,867</u> | <u>46,328</u> |
| Interest receivable and similar income | 6,079 | 6 |
| Profit on ordinary activities before taxation | <u>81,946</u> | <u>46,334</u> |
| Tax | - | - |
| Profit for the year | <u><u>81,946</u></u> | <u><u>46,334</u></u> |
| Assets | 758,146 | 727,054 |
| Liabilities | <u>(23,744)</u> | <u>(28,264)</u> |
| | <u><u>734,402</u></u> | <u><u>698,790</u></u> |
| Share capital | 100 | 100 |
| Profit and loss account | <u>734,302</u> | <u>698,690</u> |
| | <u><u>734,402</u></u> | <u><u>698,790</u></u> |

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10) Share in joint venture

Old Burlington Street Joint Venture

The Margin Finance Corporation Limited has a 50% share in Old Burlington Street Joint Venture. The other 50% was purchased by The John Black Charitable Foundation on 27 January 2024. From this date the charity became entitled to 50% of the joint venture profits.

Profit and Loss

Due to The Margin Finance Corporation Limited

For the year ended 31 March 2024

| | 2024 | 2023 |
|---------------------------------|-------------|-------------|
| | £ | £ |
| Turnover | | |
| Rent receivable | 49,647 | 95,733 |
| Net profit/ (loss) for the year | 26,977 | 50,443 |

Due to The John Black Charitable Foundation

For the period ended 31 March 2024

| | | |
|---------------------------------|-------|---|
| Turnover | | |
| Rent receivable | 8,194 | - |
| Net profit/ (loss) for the year | 3,555 | - |

Balance Sheet at 31 March 2024

| | | |
|--|-----------|-----------|
| Fixed assets | 3,500,000 | 2,250,000 |
| Current assets | 12,111 | 41,721 |
| Gross assets | 3,512,111 | 2,291,721 |
| Gross liabilities | (5,000) | (41,795) |
| Total assets less total liabilities- share of net assets | 3,507,111 | 2,249,926 |
| Revaluation reserve | 889,357 | 1,746,448 |
| Current account | 2,617,754 | 503,478 |
| | 3,507,111 | 2,249,926 |

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Carrying amount of Old Burlington Street Joint Venture

| | 2024 | 2023 |
|---------------------------------------|------------------|------------------|
| | £ | £ |
| Brought forward | 1,999,333 | 1,958,890 |
| Share of (loss)/profit | 30,533 | 50,443 |
| Drawings | (22,954) | (10,000) |
| Additions | 1,403,453 | |
| Revaluation of Joint Venture property | 96,746 | - |
| Carried forward | <u>3,507,111</u> | <u>1,999,333</u> |

Absence of 2022 financial information

The company was unable to obtain accurate accounting records for the year ending 31 March 2022 for Old Burlington Street. An analysis was undertaken to analyse the profits and losses from the previous seven years of the joint venture and it was decided that the non-inclusion of the 2022 results would not have a material effect on the 2022 consolidated accounts. The 2022 results have been included in the 2023 figures.

| 11) Investment properties | Group | Group | Charity | Charity |
|--|-------------------|-------------------|-------------------|-------------------|
| | 2024 | 2023 | 2024 | 2023 |
| | £ | £ | £ | £ |
| Fair value | | | | |
| Brought forward | 35,058,788 | 39,263,217 | 13,058,788 | 15,263,217 |
| Addition | 1,403,453 | - | - | - |
| Reclassification from joint venture | 1,999,333 | - | - | - |
| Fair value adjustments of additions and reclassification | 97,214 | - | - | - |
| Net losses through fair value adjustments | - | (4,204,429) | - | (2,204,429) |
| Carried forward | <u>38,558,788</u> | <u>35,058,788</u> | <u>13,058,788</u> | <u>13,058,788</u> |

The investment properties are included in the balance sheet at open market value (historical cost of the brought forward properties is £27,393,075). The investment properties were revalued by the directors as at 31 March 2024. The directors are considered qualified to value the investment properties held by the charity due to their considerable experience in the sector.

The addition represents the purchase of 50% of the joint venture (Note 10). Following this purchase the group holds 100% of the joint venture, which comprises an investment property, valued at £3,500,000, and other balance sheet items. In the group financial statements, the £3,500,000 is therefore shown as an investment property, with the £7,111 allocated across other balance sheet headings. The historical cost of the property is £2,610,643.

12) Financial instruments

| | 2024 | 2023 |
|---|-------------------|-------------------|
| | £ | £ |
| Carrying amount of financial assets at: | | |
| Fair value through the SOFA | <u>38,544,109</u> | <u>28,934,605</u> |

THE JOHN BLACK CHARITABLE FOUNDATION
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13) Short term debtors

| | The group 2024 £ | The charity 2024 £ | The group 2023 £ | The charity 2023 £ |
|---|---------------------------------|-----------------------------------|---------------------------------|-----------------------------------|
| Trade debtors | 220,412 | 2,150 | 324,284 | 2,512 |
| Other debtors | 1,917,215 | 1,670,640 | 9,344,773 | 1,521,623 |
| Amount due from Subsidiaries | - | 25,279 | - | 240,402 |
| Amount due from Subsidiaries: Loan balance (see note 18) | - | 14,902,762 | - | 22,317,762 |
| | <u>2,137,627</u> | <u>16,600,831</u> | <u>9,669,057</u> | <u>24,082,299</u> |

The £14,902,762 (2023: £22,317,762) due from subsidiaries included in the charity balance sheet is due in over one year.

14) Current asset investments

| | The group 2024 £ | The charity 2024 £ | The group 2023 £ | The charity 2023 £ |
|------------------------------|---------------------------------|-----------------------------------|---------------------------------|-----------------------------------|
| Treasury fixed term deposits | <u>250,000</u> | <u>-</u> | <u>-</u> | <u>-</u> |

15) Creditors - amounts due within 1 year

| | The group 2024 £ | The charity 2024 £ | The group 2023 £ | The charity 2023 £ |
|---------------------------------|---------------------------------|-----------------------------------|---------------------------------|-----------------------------------|
| Trade creditors | 4,513 | 1,875 | 1,809 | - |
| Taxation and social security | 108,974 | 34,154 | 61,579 | - |
| Other creditors | 597,453 | 199,563 | 407,348 | 28,322 |
| Grant commitments (see note 18) | 677,284 | 677,284 | 621,280 | 621,280 |
| | <u>1,388,224</u> | <u>912,876</u> | <u>1,092,016</u> | <u>649,602</u> |

16) Creditors - amounts due after 1 year

| | The group 2024 £ | The charity 2024 £ | The group 2023 £ | The charity 2023 £ |
|---------------------------------|---------------------------------|-----------------------------------|---------------------------------|-----------------------------------|
| Grant commitments (see note 18) | <u>4,353,202</u> | <u>4,353,202</u> | <u>2,863,486</u> | <u>2,863,486</u> |

17) Analysis of net assets between funds

All the charity's and the group's funds are undesignated, unrestricted general funds.

THE JOHN BLACK CHARITABLE FOUNDATION
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18) Grant Commitments

| | Oxford Prostate Chair | Oxford Parkinson's Chair | UCL Prostate Chair | Oxford Bionano- science Chair | NHNN Parkinson's | Total |
|---|--------------------------------------|---|-----------------------------------|--|-----------------------------|------------------|
| | £ | £ | £ | £ | | £ |
| Grant commitments at 31 March 2022 | 375,000 | 1,050,000 | 1,023,422 | - | - | 2,448,422 |
| Awarded in year | - | - | - | 1,500,000 | - | 1,500,000 |
| Paid in year | (125,000) | - | (188,656) | (150,000) | - | (463,656) |
| Grant commitments at 31 March 2023 | 250,000 | 1,050,000 | 834,766 | 1,350,000 | - | 3,484,766 |
| Awarded in year | 865,000 | - | - | - | 1,600,000 | 2,465,000 |
| Cancelled | (250,000) | - | - | - | - | (250,000) |
| Paid in year | (173,000) | (150,000) | (196,280) | (150,000) | - | (669,280) |
| Grant commitments at 31 March 2024 | 692,000 | 900,000 | 638,486 | 1,200,000 | 1,600,000 | 5,030,486 |
| Due within one year | 173,000 | 150,000 | 204,284 | 150,000 | - | 677,284 |
| Due after one year | 519,000 | 750,000 | 434,202 | 1,050,000 | 1,600,000 | 4,353,202 |
| | <u>692,000</u> | <u>900,000</u> | <u>638,486</u> | <u>1,200,000</u> | <u>1,600,000</u> | <u>5,030,486</u> |

Oxford Prostate Chair

A grant of £1,250,000 was awarded in the year ended 31 March 2016 to Oxford University to support a professorship to undertake research in the field of Prostate cancer. This was payable over a 10-year period in equal amounts of £125,000 per annum. In December 2023 this was replaced by a new grant, which cancelled the £250,000 commitment at 31 March 2023. The new grant amounted to £865,000 and is payable over a 5-year period in equal amounts of £173,000 per annum.

Oxford Parkinson's Chair

A grant of £1,500,000 was awarded in the year ended 31 March 2017 to Oxford University to support the research of an associate professor in Parkinson's disease. This is payable over a 10-year period in equal amounts of £150,000. Four years of payment have been held back for years 2020, 2021, 2022 and 2023, which is a result of the late starting of the project. In the year ended 31 March 2024, payments have resumed, with the 4th payment of £150,000 paid in March 2024. These payments are expected to continue being made in every subsequent year until the year ended 31 March 2030.

UCL Prostate Chair

A grant of £1,387,666 was awarded in the year ended 31 March 2018 to UCL to establish a chair in Prostate Cancer Research. This is payable over 10 years. A further £253,344 was awarded in the year ended 31 March 2021, payable over seven years.

Oxford Bionanoscience Chair

A grant of £1,500,000 was awarded in the year ended 31 March 2023 to Oxford University for the creation of a professorship in bionanoscience. This is payable over a 10-year period in equal amounts of £150,000 per annum.

THE JOHN BLACK CHARITABLE FOUNDATION

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NHNN Parkinson's

A grant of £1,600,000 was awarded alongside the National Institute for Health and Care Research (NIHR), Cure Parkinson's Trust, Parkinson's UK, and the Michael J Fox Foundation. The total financial commitment of all parties is £16,104,386 payable over 10 years. The parties have agreed to support, finance and administer a multi-arm multi-stage (MAMS) research project into Parkinson's disease.

19) Related Party Transactions

At the balance sheet date the Foundation was owed £14,928,041 (2023: £22,317,762) by its wholly owned subsidiary The Margin Finance Corporation Limited. This amount comprises two parts:

(i) A sum of £14,902,762 (2023: £14,902,762) being the loan account of the late John Black at the date of death in 2010. This asset was transferred from the Estate to the Foundation by the executor. It represents the advances made by the late John Black in his lifetime to purchase and refurbish the subsidiary's two main commercial property investments on Drury Lane and Old Burlington Street, currently valued at £22m and £3.5m. As the entirety of the subsidiary's income is donated each year to the Foundation, the loan can only be repaid upon sale of the property investments. The loan is interest free. A fixed and floating charge exists over the investment property and undertakings of The Margin Finance Corporation Limited.

(ii) The Foundation and its subsidiary, The Margin Finance Corporation Limited agreed in February 2022 to provide a 5-year loan facility of £12.5m to an unconnected third party, secured on several properties on a 50% loan to value. Interest is payable on the drawn and undrawn parts of the facility. The Foundation provided funding to its subsidiary as and when funds were requested by the borrower. During the year the facility was reduced to £1,945,000 upon the payment of a penalty. Interest on the facility is paid quarterly in arrears to The Margin Finance Corporation Limited and within one month of receipt, the interest is paid over to the Foundation. All drawn amounts were repaid in the year ended 31 March 2024 and the balance owing at the year-end was £Nil (2023: £7,415,000).

Payment for services of key management and directors of the Foundation were made on behalf of The John Black Charitable Foundation by its subsidiaries.

| 20) Provisions for liabilities | 2024 | 2023 |
|--------------------------------|------------------|------------------|
| | £ | £ |
| Balance brought forward | 2,052,159 | 2,552,159 |
| Movement in year | - | (500,000) |
| Balance carried forward | <u>2,052,159</u> | <u>2,052,159</u> |

Provisions for liabilities is the deferred tax on a property held in The Margin Finance Corporation Limited, calculated at 25%.

THE JOHN BLACK CHARITABLE FOUNDATION
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21) Staff Costs

Number of employees

The average monthly number of employees (including directors) during the year was:

| | 2024 | 2023 |
|-------------------------|-------------------|-------------------|
| | Number | Number |
| Office and management | 3 | 3 |
| | <u> </u> | <u> </u> |
| Employment costs | 2024 | 2023 |
| | £ | £ |
| Wages and salaries | 200,770 | 197,338 |
| Social security costs | 19,643 | 20,168 |
| | <u> </u> | <u> </u> |

The key management personnel of the group is considered to be the Trustees. Total remuneration for key management personnel across the group is £100,000 (2023: £100,000).

One person received remuneration in excess of £60,000. See Note 5 for details.

22) Surplus for the financial year

As permitted by section 408 Companies Act 2006, the parent charity's gross income and results have not been included in the financial statements. The gross income and surplus for the financial year is made up as follows:

| | 2024 | 2023 |
|---|-------------------|-------------------|
| | £ | £ |
| Parent Charity's gross income for the financial year | 3,516,950 | 3,333,208 |
| | <u> </u> | <u> </u> |
| Parent Charity's Surplus/(Deficit) for the financial year | (590,085) | (5,701,611) |
| | <u> </u> | <u> </u> |

23) Cash generated from operations

| | 2024 | 2023 |
|--|------------------|--------------------|
| | £ | £ |
| Net (deficit)/surplus in the year | (554,473) | (5,695,644) |
| Fair value losses/(gains) on investments | (843,899) | 5,544,686 |
| Depreciation | 2,251 | 2,816 |
| Investment income | (4,194,697) | (3,996,624) |
| Deferred tax movements | - | (500,000) |
| Loss on disposal of fixed assets | 848 | - |
| Change in Debtors | 7,531,430 | (1,359,313) |
| Change in Creditors | 1,785,925 | 982,789 |
| | <u>3,727,385</u> | <u>(5,021,290)</u> |

