

# **The Nesta Trust**

## ***Annual Report and Financial Statements***

Year ended 31 March 2025

Charity Commission registered number 1144683

**The Nesta Trust**  
**Annual Report and Financial Statements**  
**For the year ended 31 March 2025**

**Charity no. 1144683**

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**Charity no. 1144683**

**General Information**

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<b>Trustee</b>	Nesta Charity no. 1144091 Companies House no. 07706036 Scottish Charity Regulator no. SC042833
<b>Governance Advisor</b>	James Sinclair Taylor
<b>Address</b>	58 Victoria Embankment London EC4Y 0DS
<b>Charity Commission registered number</b>	1144683
<b>External Auditor</b>	RSM UK Audit LLP 25 Farringdon Street London EC4A 4AB
<b>Principal Bankers</b>	Lloyds Bank 39 Threadneedle Street London EC2R 8AU
<b>Investment Advisor</b>	Momentum Global Investment Management 2nd Floor, The Rex Building 62 Queen Street London EC4R 1EB

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**Report of the Trustee**

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**Structure, governance and management**

Nesta and The Nesta Trust were established and registered as charities in 2011 to act as successor bodies to the National Endowment for Science, Technology and the Arts ("NESTA"). NESTA was a non-departmental public body established in 1998 with a statutory remit to promote talent, creativity and innovation in science, technology and the arts and with an endowment from the National Lottery. All NESTA activities, staff, assets and liabilities were transferred on 1 April 2012 to Nesta, registered charity no. 1144091 and to the Nesta Trust ("the Trust"). The Trust holds the expendable endowment and Nesta, its sole trustee, uses returns from the Trust to pursue the charitable objects of the Trust.

The Trust was established by a Trust Deed on 22 September 2011 as amended by a scheme dated 16 March 2016. The Trust Deed appointed Nesta as sole Trustee of the Trust. It was registered as a charity in England and Wales by the Charity Commission with charity number 1144683 on 16 November 2011.

The Trust has a Protector appointed by the Secretary of State for Science, Innovation and Technology (formerly Business, Energy and Industrial Strategy) with a fiduciary duty to ensure the integrity of the administration of the Trust and the propriety of its procedures. James Sinclair Taylor, an experienced charity lawyer, was appointed as the first Protector of the Trust by the Secretary of State on 1 April 2012. His term came to an end on 31 March 2022. The process to recruit his replacement has been interrupted due to the relevant government minister changing and is still not concluded. In the interim, it has been agreed with the Secretary of State that James Sinclair Taylor shall be the Governance Adviser of the Trust with the same responsibilities and powers as the Protector.

Nesta is a company limited by guarantee and a charity registered with the Charity Commission and the Office of the Scottish Charity Regulator (OSCR). Its Trustees are both directors and members of the company. Under company and charity law, the Board of Trustees retains overall responsibility for Nesta and its role as Trustee of the Nesta Trust. The Board met six times in the year with members of the Executive Team and the Governance Advisor (in place of the Protector) present at all of these meetings.

The Board has delegated approval for decisions up to certain financial thresholds to the Chief Executive Officer, Ravi Gurumurthy, and other Executive Directors of Nesta, under a Scheme of Delegation. All decisions above this threshold must be approved by the Board or its Committees. The Board has also reserved for itself certain important decisions, such as changes to the Articles, appointment of the Chief Executive Officer and approval of the long-term objectives and strategy.

The Board has delegated authority to oversee specific aspects of Nesta's operations to a number of Committees. Each Committee operates under written Terms of Reference approved by the Board and reports regularly to the full Board.

The main Board Committees which oversee the Trust are as follows:

**Audit and Risk Committee** which reviews management reporting and financial performance against budget, and recommends to the Board the annual budget; as well as reviewing audit and financial reporting, internal financial controls, risk management and compliance. The Committee met four times during the year.

**Trust Investment Committee** whose key responsibilities are to draw up the policies and objectives governing the investment of The Nesta Trust's assets, to approve investments within ranges set by the Board, to oversee their implementation and to monitor financial performance of The Nesta Trust. The Committee met six times during the year.

**Quarterly Investment Committee** which manages the Trust's portfolio of interests in early stage companies and funds transferred from NESTA, manages social investments, and oversees any other Nesta Investment. The Committee met four times during the year.

The Trust's core purpose is to advance its charitable objects which it does through generating income to be applied by its Trustee, Nesta, to advance the Trust's charitable objects.

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**Report of the Trustee (continued)**

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**Structure, governance and management (continued)**

The Nesta Board is committed to adopting the principles set out in the Charity Governance Code (the 'Code'). In 2021, in accordance with good practice, external specialist consultants undertook a full governance and board effectiveness review of the Nesta Board and this also encompassed the role of that same board as the Nesta Trust Board. The report concluded that there is a "well-functioning board that has led Nesta through significant change". The recommendations in the report aimed at further improving and refining the governance of Nesta and the Nesta Trust have been implemented and, in addition, the Nesta Trust's governance structures are regularly reviewed internally to ensure they continue to be best practice. The Board has also reviewed the principles of the Charity Governance Code to ensure ongoing compliance. A further external review of governance and board effectiveness will be carried out later in 2025.

**Charitable objects**

The charitable objects of the Trust as detailed in the Trust Deed are detailed below:

For the public benefit:

1. To advance education, and in particular the study of innovation, by the promotion of research and the publication of the useful results thereof, in:
  - Science and technology.
  - The arts.
  - The efficiency of public services.
  - The voluntary sector and social enterprise.
  - Industry and commerce.
2. To advance:
  - Science and technology.
  - The arts.
  - The efficiency of public services.
  - The voluntary sector.
  - Industry and commerce and social enterprise which:
    - relieves poverty;
    - relieves unemployment;
    - advances health;
    - advances environmental protection or improvement and sustainable development; and
    - advances citizenship or community development through or by encouraging and supporting innovation.

The voluntary sector means charities and voluntary organisations.

- Charities are organisations, which are established for exclusively charitable purposes and registered with one of the charity commissions in the United Kingdom.
- Voluntary organisations are independent organisations, which are established for purposes that add value to the community, or a significant section of the community, and which are not permitted by their constitution to make a profit for private distribution. Voluntary organisations do not include local government or other statutory authorities.
- Sustainable development means "development that meets the needs of the present without compromising the ability of future generations to meet their own needs".

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**Report of the Trustee (continued)**

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**Activities and achievements**

The Trust's core purpose is to advance its charitable objects which it does through generating income to be applied by its Trustee, Nesta, to advance the Trust's charitable objects. Nesta carried out a variety of activities during the year to advance the charitable objects of the Trust; to bring great ideas to life, supporting individuals, charities, social enterprises, businesses and public organisations with financial and practical support. These activities and also its achievements, performance and future plans, are described in the consolidated Annual Report & Accounts of Nesta, available from 58 Victoria Embankment, London, EC4Y 0DS.

**Risk management policy**

The Trustee is responsible for the oversight of the risks faced by the Nesta group of entities, including the Trust.

The monitoring and implementation of the risk management framework and consideration of organisational risk is delegated to the Audit & Risk Committee. The top-level organisational risk register is presented regularly to the Audit & Risk Committee and reviewed by the Board annually. Broader strategic risks including reputational risks are considered by the Executive Team collectively when they meet each quarter to review the top-level risk register for the organisation as a whole. Risks are assessed and controls established throughout the year. The key controls in place include:

- an established organisational and governance structure and lines of reporting;
- detailed terms of reference for the Board and all Board Committees;
- comprehensive financial planning, budgeting and management reporting, and monitoring;
- formal written policies and hierarchical authorisation and approval levels; and
- internal audit services engagement with programmes selected for review which are informed by the risk register.

During the year the major risks for the Trust as assessed by management and reported to the Audit & Risk Committee and Board for review and comment, were as follows:

- Risk that poor Trust investment returns put pressure on income to fund the activities of Nesta, mitigated by the implementation of an investment strategy with a diversification of asset classes, asset managers, investment strategies, and geographies; supported by on-going monitoring of investment managers and performance.
- Risk of having a strategic asset allocation and/or manager selection which is not appropriate mitigated by utilising investment consultants and having a Trust CIO to provide oversight.

The Trustee is satisfied that the major risks identified through the risk management process are being adequately managed where necessary while recognising that any framework can provide reasonable but not absolute assurance. There were no significant control weaknesses identified by the Trustee, management or the internal audit function during the year.

**Investment policy**

As the sole Trustee of the Trust, Nesta is responsible for the Trust's investment policy. The investment strategy is delegated to the Trust Investment Committee, which is responsible for strategic and tactical asset allocation, rebalancing, styles and weightings within asset classes, as well as monitoring manager, consultancy and custodial arrangements.

The Trustee holds the investment assets of the Trust without distinction between capital and income, applying them in furtherance of the Trust's objects. These investment assets are held as an expendable endowment. Trust assets are invested in accordance with the wide investment powers set out in the Trust Deed, which places specific conditions on the Trustee's power to invest:

"The Trustee must set the investment and spending policy for the Trust with a view to preventing the value of the Trust assets and any returns generated by the Trust assets falling below £260 million."

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**Report of the Trustee (continued)**

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**Investment policy (continued)**

The Trustee's investment objective is to balance the current and future needs of the Trust by:

- producing a consistent and sustainable level of returns to support the work of Nesta in advancing the charitable objects of the Trust;
- ensuring sufficient liquidity to avoid the forced sale of Trust assets at distressed prices, while ensuring that the majority of the assets are invested in higher-returning investment instruments;
- maintaining, if possible, the value of investments in real terms; and
- delivering these objectives within acceptable levels of risk.

To meet these objectives, the Trustee invests globally and maintains diversification across a range of asset classes to produce an appropriate balance between risk and return, believing that diversification limits the impact of any single risk.

The Trustee has reviewed the investment activities for the year and confirms that they were aligned with the investment policy, resulting in the above stated objectives being broadly met. The Trustee is aware that, given the current level of annual draw, the real-term value of investments has not been fully maintained during the year. This position is under close review to ensure ongoing alignment with the Trust's long-term nature. The Trust continues to support the delivery of Nesta's strategy, and Nesta is actively seeking to increase its external funding over time to help reduce reliance on the Trust's endowment.

The Trustee does not set a fixed target investment return but instead aims to generate a total return sufficient to support Nesta's operational costs and agreed allocations for mission-aligned investments (the Annual Draw). This approach reflects the Trust's long-term nature and the requirement, set out in the Trust Deed, to ensure the value of the Trust assets does not fall below £260 million.

**Responsible investing**

Nesta believes that responsible investment can enhance long-term portfolio performance. The process of incorporating a more responsible approach to investment involves:

- Some limited exclusion of stocks where Nesta objects on moral grounds to the activity of the company in question.
- An explicit programme to monitor fund managers' incorporation of environmental, social and governance (ESG) factors and their practice of active ownership.
- Adoption of the Hermes Equity Ownership Service for our index investments.

These policies have informed the Trustee's actions, oversight, and asset allocation decisions and have shaped the Trust's policy on Responsible Investment and Corporate Governance, as set out in its Statement of Investment Principles. The current policy was last approved by the Board in July 2023. A comprehensive review of Nesta's approach to responsible investing is underway and expected to be concluded before the end of 2025.

As far as the Trustee is aware, the only potential area where the Trust does not fully accord with its policy is in relation to historical private equity holdings, which are being run down over time and had a value of £1 million (2024: £3 million).

**Financial review**

The assets of the Trust provide income and capital to be applied by Nesta as sole Trustee to further the objects of the Nesta Trust. The investment strategy balances the desire to maintain the real value of the endowment and its ability to generate the income which Nesta will require, while at the same time maximising total return to fund activities to advance the charitable objectives of the Nesta Trust. The strategy aims to balance risk, return and capital preservation.

In the year ended 31 March 2025, the Nesta Trust reported a net decrease in funds of £5 million (2024: increase of £2 million). This reflects total investment income of £17 million (2024: £16 million), less expenditure of £36 million (2024: £30 million), primarily comprising transfers to Nesta to deliver charitable activities. The deficit was partially offset by net investment gains of £13 million (2024: £16 million). Investment income and expenditure were both in line with forecasts.

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**Report of the Trustee (continued)**

**Financial review (continued)**

Nesta Trust entered into an agreement on 16 July 2015 to purchase a long leasehold interest in a property located in London for £51 million. Practical completion took place on 26 September 2016, and the lease on the investment property will run until November 2162. The total amount shown in note 6 and below under investment properties is £55 million (2024: £57 million), which includes the investment property valued at £43 million (2024: £45 million) and a £12 million property fund (2024: £12 million).

During the year ended 31 March 2025, the value of Trust investments and cash decreased by £8 million to £418 million (2024: £426 million) after annual transfers to Nesta to carry out the objectives of the Trust in line with the Trust Deed. A further breakdown of the £8 million decrease can be seen in the table below:

Asset Class	Fair Value of Investment assets	Proportion of total endowment assets	Fair value of investment assets	Proportion of total endowment assets
	31 March 2025	31 March 2025	31 March 2024	31 March 2024
	£'000	%	£'000	%
<b>Current Assets:</b>				
Cash	13,531	3	5,389	1
<b>Fixed Asset Investments</b>				
<b>Equities and Private Equity:</b>				
Global Equities (quoted)	141,481	34	123,775	29
UK Small Cap (quoted)	-	-	33,732	8
Emerging Markets (quoted)	-	-	26,496	6
Infrastructure Equity (unquoted)	22,188	5	21,681	5
Private equity funds (unquoted)	1,042	-	2,710	1
<b>Fixed Income and Property:</b>				
Multi-Asset Credit (unquoted)	66,267	16	65,954	15
Asset-Backed Securities (unquoted)	79,734	19	44,767	11
Private Debt (Corporate) (unquoted)	15,234	4	10,167	2
Private Debt (Infrastructure) (unquoted)	17,285	4	17,528	4
Property (property)	55,187	13	56,969	14
Bonds (quoted)	-	-	23	-
<b>Early Stage Investments:</b>				
Investment in early stage companies	5,794	2	16,591	4
Investment in early stage funds	566	-	578	-
<b>Total Cash plus Fixed Asset Investment</b>	<b>418,309</b>	<b>100</b>	<b>426,360</b>	<b>100</b>

Actions taken during the year included the following:

*Fixed Asset Investment performance*

The allocation to Equities and Private Equity decreased to 39% (2024: 49%), with a corresponding increase in Fixed Income and Property to 56% (2024: 46%). This shift reflects the continued implementation of the current investment strategy, which aims to increase exposure to asset classes that generate more predictable cashflows. Just prior to the year-end, some investments were tactically reallocated from within the Equities and Private Equity bucket, specifically from Global Equities, into Asset-Backed Securities within Fixed Income and Property. This temporary measure was designed to increase cash yields over the next three years and reduce the risk of forced asset sales, such as selling investments at a loss during temporary market downturns. This short-term action does not change the long-term strategic allocation targets.



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**Report of the Trustee (continued)**

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*Fixed Asset Investment performance (continued)*

The long-term target allocation remains 51% to Equities and Private Equity, 48% to Fixed Income and Property, and 1% to Cash for operational liquidity. At the year-end, cash represented 3% (2024: 1%) of total endowment assets. This higher-than-target cash balance primarily resulted from the sale of an asset within the early-stage companies portfolio towards year-end. The proceeds were retained in cash rather than immediately reinvested, following a strategic decision to preserve liquidity for short-term requirements and to avoid the risk of having to sell investments soon after purchase. As a result, the current allocations temporarily deviate from the long-term targets. It is not expected that the target allocation will be fully achieved until all investment managers have drawn down their committed funds, which may take several years.

*Investment Fund Commitments*

During the year, no new commitments (2024: £nil) were made to investment managers. Undrawn commitments of £25 million remain outstanding for investment funds as disclosed in Note 10 to these Financial Statements (2024: £29 million).

*Maximising value from our self-managed early-stage venture portfolio*

The early-stage venture portfolio includes equity investments that have a fair value in 5 (2024: 6) early-stage companies, and 1 (2024: 1) early-stage investment fund. The Trust's investment strategy is to maximise the returns from the current portfolio but not to invest in any new early-stage companies or funds in the near future due to these investments being slow to generate income and being typically higher risk than other asset classes.

Direct costs, reported by external fund managers, of the Trust's investment assets totalled £0.19 million (2024: £0.41 million) across the Trust and include external fund manager fees and custodian fees. In addition, there are other indirect costs associated with fund management activities. Where fund manager fees are offset against the relevant fund's value, these are grossed up and shown as fund manager fee expenditure in the Statement of Financial Activities in accordance with normal practice along with those fund manager fees that are invoiced and paid for in cash. The full cost of investment goes beyond the fees we are charged by managers and include, for example, transaction costs, advisory costs and staff costs. We estimate that the full costs were about £4.7 million (1.1%) of the average asset value over the year (2024: £3.5 million; 0.8%). Both the year on year decrease in direct costs and the year on year increase in full costs was anticipated and results from the shift to the new investment strategy. Over the long term, the increase in cost is expected to be offset by achieving a greater total return on investments.

**Reserves policy**

The Trust Deed requires that the value of the Trust assets do not fall below £260 million. As of 31 March 2025, fixed asset investments totalled £405 million (2024: £421 million), and reserves stood at £423 million (2024: £428 million). The Trustee deems that the current level of investments and reserves are essential to generate a sustainable level of income to advance the charitable aims of the Trust. Consequently, there are no plans to spend down reserves.

**Future plans**

Nesta's Trustees agreed an 'in-principle' funding rule covering the year to 31 March 2026, allowing Nesta to draw down up to £23.5 million (2024: £22.4 million) for operating expenditure in support of its strategic plan. Funding made available by Nesta Trust does not constitute a commitment until a drawdown request is made. A further £26 million (2024: £16 million) may be drawn down for mission aligned investment and exceptional (i.e. not in the ordinary course of business) spending initiatives.

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**Report of the Trustee (continued)**

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**Going concern**

The financial statements have been prepared on the going concern basis because the Trustee has not identified any material uncertainties. The Trustee has considered the current geopolitical and economic climate, including ongoing global political uncertainty and its potential impact on financial markets. As part of this review, the Trustee assessed the potential exposure of the Trust's investment portfolio to market volatility and external risks. While market conditions remain uncertain, the Trustee is reasonably assured that the Trust's diversified investment portfolio helps to mitigate these risks. Based on the portfolio's performance and available resources, the Trustee is confident that the Trust is well positioned to fund its activities for a period of at least twelve months from the date the financial statements are authorised for issue.

**Public Benefit Statement**

The Trustee confirms that, in exercising its powers and duties in relation to the Trust, it has had due regard to the Charity Commission's statutory guidance on public benefit. The Annual Report and Accounts of the Trustee give more detail of the activities undertaken by the Trustee to further the charitable purposes of the Trust for public benefit.

**Fundraising Statement**

Section 162a of the Charities Act 2011 requires us to make a statement regarding fundraising activities. The Trust does not undertake any fundraising activities and does not use any professional fundraisers or 'commercial participators' or any third parties to solicit donations. We are therefore not subject to any regulatory scheme or relevant codes of practice. We have not received any complaints in relation to fundraising activities in the current or previous year, nor do we consider it necessary to design specific procedures to monitor such activities.

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**Report of the Trustee (continued)**

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**Statement of Trustee's Responsibilities**

The Trustee is responsible for preparing the Report of the Trustee and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustee is 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 accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the accounts on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustee is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable it to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008; and the provisions of the trust deed. It is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustee is aware, as at the date of this report, they have taken all the steps they ought to have taken to make themselves aware of any relevant audit information of which the Trust's auditor is unaware.

Approved by the Board of Trustees of Nesta in their capacity as Trustee of The Nesta Trust and authorised for issue by:

Ed Richards  
Chair, on behalf of the Board of Trustees

Date: 05 December 2025 | 3:35 PM GMT

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**Independent Auditor's Report to the Trustee of The Nesta Trust**

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**Opinion**

We have audited the financial statements of The Nesta Trust (the 'charity') for the year ended 31 March 2025 which comprise Statement of Financial Activities, the Balance Sheet, the 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025 and of its incoming resources and application of resources 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 Charities Act 2011.

**Basis for opinion**

We have been appointed auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under those Acts.

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 charity 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 trustee's 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 charity'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 trustee with respect to going concern are described in the relevant sections of this report.

**Other information**

The other information comprises the information included in the annual report and financial statements other than the financial statements and our auditor's report thereon. The trustee is responsible for the other information contained within the annual report and financial statements. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

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**Independent Auditor's Report to the Trustee of The Nesta Trust (continued)**

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**Other information (continued)**

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

We have nothing to report in this regard.

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

We have nothing to report in respect of the following matters where the Charities Act 2011 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustee's annual report and financial statements; or
- proper and sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustee**

As explained more fully in the statement of trustee's responsibilities set out on page 10 the trustee is 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 trustee 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 trustee is responsible for assessing the charity'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 trustee either intends to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

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

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

**The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk 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 and to respond appropriately to fraud or suspected fraud identified during the audit.

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**Independent Auditor's Report to the Trustee of The Nesta Trust (continued)**

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**The extent to which the audit was considered capable of detecting irregularities, including fraud (continued)**

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the charity operates in and how the charity is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), the Charities Act 2011, the parent charity's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustee Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence with local tax authorities and evaluating advice received from external tax advisors.

The audit engagement team identified the risk of management override of controls and valuation of investments as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates and inspected correspondence with regulatory authorities and reviewing management's rationale for the valuation of investments.

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

**Use of our report**

This report is made solely to the charity's trustee as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustee those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustee as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP  
 Statutory Auditor  
 Chartered Accountants  
 25 Farringdon Street  
 London  
 EC4 4AB

Date: 05 December 2025 | 7:31 PM GMT

RSM UK Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

**The Nesta Trust**  
**Annual Report and Financial Statements**  
**Statement of Financial Activities**

**Charity no. 1144683**

**For the year ended 31 March 2025**

		<b>Expendable Endowment funds 2025 £'000</b>	<b>Expendable Endowment funds 2024 £'000</b>
	<b>Note</b>		
<b>Income and endowments from:</b>			
Investment	<b>2</b>	17,344	16,359
<b>Total income</b>		<u>17,344</u>	<u>16,359</u>
<b>Expenditure on:</b>			
Raising funds	<b>3</b>	188	412
Charitable activities	<b>4</b>	35,568	29,922
<b>Total Expenditure</b>		<u>35,756</u>	<u>30,334</u>
Net gains on investments	<b>6</b>	13,463	16,041
<b>Net (expenditure) / income and net movement in funds</b>		<u>(4,949)</u>	<u>2,066</u>
<b>Reconciliation of funds</b>			
Total funds brought forward		<u>428,286</u>	<u>426,220</u>
Total funds carried forward		<u>423,337</u>	<u>428,286</u>

The Trust has no recognised gains or losses other than those passing through the Statement of Financial Activities.

All of the Trust's activities are derived from continuing operations.

The accompanying notes on pages 17 to 25 form an integral part of these financial statements.

**The Nesta Trust**  
**Annual Report and Financial Statements**  
**Balance Sheet**

**Charity no. 1144683**

**As at 31 March 2025**

	<b>Note</b>	<b>2025 £'000</b>	<b>2024 £'000</b>
<b>Fixed assets</b>			
Investments	<b>6</b>	404,778	420,971
<b>Current assets</b>			
Debtors	<b>7</b>	6,118	3,034
Cash at bank and in hand		13,531	5,389
		<u>19,649</u>	<u>8,423</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	<b>8</b>	(1,090)	(1,108)
		<u>18,559</u>	<u>7,315</u>
<b>Net current assets</b>			
		<u>423,337</u>	<u>428,286</u>
<b>Total assets less current liabilities</b>			
		<u>423,337</u>	<u>428,286</u>
<b>Net assets</b>			
		<u>423,337</u>	<u>428,286</u>
<b>Charitable funds</b>			
Endowment funds		423,337	428,286
		<u>423,337</u>	<u>428,286</u>
<b>Total funds</b>	<b>9</b>	<u>423,337</u>	<u>428,286</u>

The accompanying notes on pages 17 to 25 form an integral part of these financial statements.

Approved by the Board of Trustees of Nesta in their capacity as Trustee of The Nesta Trust and authorised for issue by:

Ed Richards  
Chair, on behalf of the Board of Trustees

Date: 05 December 2025 | 3:35 PM GMT



**The Nesta Trust**  
**Annual Report and Financial Statements**  
**Cash Flow Statement**

**Charity no. 1144683**

**For the year ended 31 March 2025**

	<b>Note</b>	<b>2025 £'000</b>	<b>2024 £'000</b>
<b>Cash outflows from operating activities:</b>			
Net cash used in operating activities	<b>a</b>	(38,670)	(29,532)
<b>Cash flows from investing activities</b>			
Net cash provided by investing activities	<b>b</b>	46,812	27,221
<b>Change in cash and cash equivalents</b>		<u>8,142</u>	<u>(2,311)</u>
<b>Cash and cash equivalents at 1 April</b>		<u>5,389</u>	<u>7,700</u>
<b>Cash and cash equivalents at 31 March</b>		<u>13,531</u>	<u>5,389</u>

**Cash flow statement notes:**

**a) Reconciliation of net (expenditure) / income to net cash outflow from operating activities**

Net (expenditure) / income	(4,949)	2,066
Net gains on investments	(13,463)	(16,041)
Interest, dividends and rent received	(17,344)	(16,359)
Investment fees	188	412
(Increase) / decrease in debtors	(3,084)	369
(Decrease) / increase in creditors	(18)	21
	<u>(38,670)</u>	<u>(29,532)</u>

**b) Cash flows from investing activities**

Interest and dividends received	17,344	16,359
Investment fees	(188)	(412)
<i>Quoted Investments:</i> Additions	(50,293)	(5,095)
Disposals	96,659	35,275
<i>Unquoted Investments:</i> Additions	(89,608)	(21,741)
Disposals	72,830	2,823
<i>Property Investments:</i> Disposals	68	12
	<u>46,812</u>	<u>27,221</u>

**The Nesta Trust**  
**Annual Report and Financial Statements**  
**Notes to the Accounts**

**Charity no. 1144683**

**For the year ended 31 March 2025**

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**1. Accounting policies**

**a) General information**

The Nesta Trust is a charitable trust registered in England and Wales (Charity Commission number: 1144683). The registered address of The Nesta Trust is 58 Victoria Embankment, London, EC4Y 0DS.

**Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Charities Act 2011. Assets and liabilities are initially recognised at historical cost or transaction value, except for the revaluation of investments.

The financial statements are presented in sterling, which is the functional currency of the charity. Amounts are presented to the nearest £1,000.

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

**Going Concern**

The financial statements have been prepared on the going concern basis because the Trustee has not identified any material uncertainties. The Trustee is reasonably assured from the performance of the investment portfolio that the Trust's resources will be sufficient to fund activities for a period of at least twelve months from when the financial statements are authorised for issue.

**b) Fund accounting**

The funds of the Trust are held without distinction as to capital and income and can be applied in furtherance of the Trust's objects. As a result, all assets are held as an expendable endowment.

**c) Income**

All income is accounted for when the Charity is entitled to the income, the amount can be quantified with reasonable accuracy and the receipt of the income is probable. Investment income includes interest, dividends and rental income from investment assets and deposits, with any associated tax credits or recoverable taxation, and included in the Statement of Financial Activities on an accruals basis.

**d) Expenditure**

Expenditure is accounted for on an accruals basis. Support costs are comprised of Governance costs which include direct expenditure attributable to maintaining the public accountability of the Trust and compliance with regulation and good practice. Investment management costs include investment fund manager fees which are grossed up where they are offset against the fund's value rather than payable in cash, dilution levies, investment consultancy and custodian fees. Irrecoverable VAT incurred is allocated to the expenditure category to which it relates.

**e) Fixed assets - investments**

Financial investment assets are grouped into *Equities and Private Equity; Fixed Income and Property; and Early Stage Investments*. Within these groupings are a mixture of quoted investments, unquoted investments and property (both sole ownership of a physical building and partial ownership of an investment in a property fund) as disclosed in note 6.

The Investment Property is held at fair value, with gains recognised in the Statement of Financial Activities. It is valued annually by an independent qualified valuer in accordance with RICS Valuation - Global Standards.

Cash, short-term deposits and investments to be disposed of within 12 months of the Balance Sheet date are presented in the Balance Sheet as current assets. All other financial assets are presented as fixed assets.

**The Nesta Trust**  
**Annual Report and Financial Statements**  
**Notes to the Accounts (continued)**

**Charity no. 1144683**

**For the year ended 31 March 2025**

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**1. Accounting policies (continued)**

**e) Fixed assets - investments (continued)**

The carrying value of all investments is at fair value. Investment gains and losses, whether realised or unrealised are credited or charged to net gains or losses on investments in the Statement of Financial Activities. Fair value is established by using valuation guidelines as detailed below:

*I. Valuation - quoted investments:*

The fair values of quoted investments are based on externally reported bid prices at the Balance Sheet date.

Equity investments, bonds, and property investments are held in pooled funds and are stated at fair value, being the fair value of the underlying investments held. These valuations are provided by the relevant fund managers.

*II. Valuation - unquoted investments:*

Unquoted investments are held through funds managed by dedicated investment managers. These funds are included at the most recent valuations provided by the private equity managers.

Where a valuation is not available at the Balance Sheet date, the most recent valuation from the manager is used, adjusted for cash flows between the most recent valuation and the Balance Sheet date.

Unquoted investments in early-stage companies are initially recognised at cost and subsequently measured at fair value, representing the estimated price in an arm's length transaction between informed and willing parties.

Where a company has completed a successful funding round within the past 12 months, the price of that round is used as a reasonable estimate of fair value.

If no recent funding round is available, investments are valued using standard valuation techniques appropriate to the business, which may include earnings multiples, net asset value, or discounted cash flows.

At the balance sheet date, each investment is reviewed to determine whether there is evidence that its value should be adjusted. A qualitative assessment of the investee company's financial health is applied to guide whether fair value should be maintained, increased, or reduced:

- **Healthy:** Company is performing to plan and is unlikely to run out of cash within 12 months. Value is typically held at cost unless there is sufficiently clear evidence to support an increase in valuation.

- **Sick:** Company is performing off-plan. A reduction in value is considered, based on the severity of identified issues and the likelihood of recovery.

- **Terminal:** Company is significantly underperforming, is likely to run out of cash within six months, and recovery is not foreseen. Value is written down accordingly.

Valuation of early-stage companies is inherently uncertain. The approach taken represents management's best estimate of fair value at the reporting date.

**The Nesta Trust**  
**Annual Report and Financial Statements**  
**Notes to the Accounts (continued)**

**Charity no. 1144683**

**For the year ended 31 March 2025**

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**1. Accounting policies (continued)**

**e) Fixed assets - investments (continued)**

**II. Valuation - unquoted investments: (continued)**

An estimated value of investments in early-stage funds is calculated using the most recent valuations provided by the fund managers. Where a valuation is not available at the Balance Sheet date, the most recent valuation from the manager is used, adjusted for cash flows between the most recent valuation and the Balance Sheet date.

**III. Treatment - Unquoted investments:**

Investments or contributions to funds to date are recognised in full in the Balance Sheet. Undrawn commitments are disclosed by way of note.

**f) Significant estimates**

The preparation of financial statements requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent liabilities at the Balance Sheet date. Actual outcomes could differ from those estimates. This is especially the case of the valuation of the Trust's investment in early-stage companies which is an inherently volatile and uncertain process. However, the valuation guidelines applied are considered to be the best estimate of fair value and this investment type represents only £5.8 million (1%) (2024: £16.6 million (4%)) of total investments.

**g) Debtors**

Debtors are recognised at fair value less any provision for bad debt. A provision for bad debt is established when there is objective evidence that the debt will not be collected according to the original terms.

**h) Creditors**

Creditors are recognised when the Trust has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

**i) Taxation**

The Trust is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly the Trust is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. No tax charge arose in the year.

**j) Exchange gains and losses**

The financial statements are presented in pounds sterling, the functional and presentational currency. Foreign currency transactions are translated using the exchange rates prevailing at the date of settlement. Realised and unrealised exchange gains and losses are recognised in the Statement of Financial Activities.

**The Nesta Trust**  
**Annual Report and Financial Statements**  
**Notes to the Accounts (continued)**

**Charity no. 1144683**

**For the year ended 31 March 2025**

<b>2. Investment income</b>	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
<b>Quoted investments</b>		
Interest and dividends receivable	2,132	2,815
<b>Unquoted investments</b>		
Rental income	2,506	2,506
Interest and dividends receivable	12,247	11,020
<b>Total income from unquoted investments</b>	<b>14,753</b>	<b>13,526</b>
Other income	128	-
Bank interest	331	18
<b>Total investment income</b>	<b>17,344</b>	<b>16,359</b>
<b>3. Investment management costs</b>	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
Investment manager fees	161	347
Custodian fees	27	65
	<b>188</b>	<b>412</b>
<b>4. Charitable activities</b>	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
Nesta Drawdown - operational	22,400	21,300
Nesta Drawdown - investment and exceptional spending initiatives.	9,802	8,139
Nesta Drawdown - other	3,200	200
Nesta Drawdown - investment repayment	(355)	(184)
Consultancy and professional	141	136
Governance and protector fees	57	60
Other	323	271
	<b>35,568</b>	<b>29,922</b>

The Trust's charitable objects are advanced by generating income, which is applied by its sole Trustee, Nesta. Where Nesta disposes of an investment funded by a drawdown from the Trust, the proceeds are returned and disclosed as 'Nesta Drawdown – investment repayment' in the note above. During the year, there was a material 'other' drawdown of £3 million as a contribution towards the Longitude Prize on Antimicrobial Resistance, representing an exceptional drawdown.

The auditor's remuneration for the year was £30,935 (2024: £37,860) which includes a reversal of a £7,500 over-accrual from the prior year.

Included in other is a foreign exchange difference gain of £10,463 (2024: loss £2,428).

**5. Staff Costs and Trustee Remuneration and Expenses**

There were no employees during the year or the previous year. All administrative and support functions are carried out by staff employed by Nesta, the sole Trustee. Nesta had transactions with the Trust during the year, as disclosed in Note 12.

The Nesta Trust  
Annual Report and Financial Statements  
Notes to the Accounts (continued)

Charity no. 1144683

For the year ended 31 March 2025

6. *Investments*

		Fair value at 1 April 2024 £'000	Additions at cost £'000	Maturities, proceeds & disposals at fair value £'000	Net gains and (losses) £'000	Total fair value at 31 March 2025 £'000
<b>Equities and Private Equity</b>	<b>Category</b>					
Global Equities	<i>Quoted</i>	123,775	50,002	(34,406)	2,110	<b>141,481</b>
UK Small Cap	<i>Quoted</i>	33,732	291	(35,114)	1,091	-
Emerging Markets	<i>Quoted</i>	26,496	-	(27,139)	643	-
Infrastructure Equity	<i>Unquoted</i>	21,681	127	-	380	<b>22,188</b>
Private equity funds	<i>Unquoted</i>	2,710	-	(1,320)	(348)	<b>1,042</b>
<b>Total Equities and Private Equity</b>		<b>208,394</b>	<b>50,420</b>	<b>(97,979)</b>	<b>3,876</b>	<b>164,711</b>
<b>Fixed Income and Property</b>						
Multi-Asset Credit	<i>Unquoted</i>	65,954	-	(3)	316	<b>66,267</b>
Asset-Backed Securities	<i>Unquoted</i>	44,767	79,993	(44,999)	(27)	<b>79,734</b>
Private Debt (Corporate)	<i>Unquoted</i>	10,167	7,828	(3,716)	955	<b>15,234</b>
Private Debt (Infrastructure)	<i>Unquoted</i>	17,528	1,398	(1,608)	(33)	<b>17,285</b>
Property	<i>Property</i>	56,969	-	(68)	(1,714)	<b>55,187</b>
Bonds	<i>Quoted</i>	23	-	-	(23)	-
<b>Total Fixed Income and Property</b>		<b>195,408</b>	<b>89,219</b>	<b>(50,394)</b>	<b>(526)</b>	<b>233,707</b>
<b>Early Stage Investments</b>						
Investment in early stage companies	<i>Unquoted</i>	16,591	262	(21,184)	10,125	<b>5,794</b>
Investment in early stage funds	<i>Unquoted</i>	578	-	-	(12)	<b>566</b>
<b>Total Early Stage Investments</b>		<b>17,169</b>	<b>262</b>	<b>(21,184)</b>	<b>10,113</b>	<b>6,360</b>
<b>Total fixed asset investments</b>		<b>420,971</b>	<b>139,901</b>	<b>(169,557)</b>	<b>13,463</b>	<b>404,778</b>

The valuation of the investment property (58 Victoria Embankment) is £42.9 million (2024: £44.8 million). The valuation is reviewed at each year end by an independent qualified property valuer, Gareth Hosgood (MRICS). Property above also includes a fund with a fair value of £12.3 million at the year end (2024: £12.2 million).

**The Nesta Trust**  
**Annual Report and Financial Statements**  
**Notes to the Accounts (continued)**

**Charity no. 1144683**

**For the year ended 31 March 2025**

**6. Investments (continued)**

		<b>Fair value at 1 April 2023 £'000</b>	<b>Additions at cost £'000</b>	<b>Maturities, proceeds &amp; disposals at value £'000</b>	<b>Net gains and (losses) £'000</b>	<b>Total fair value at 31 March 2024 £'000</b>
<b>Equities and Private Equity</b>	<b>Category</b>					
Global Equities	<i>Quoted</i>	135,216	-	(30,190)	18,749	<b>123,775</b>
UK Small Cap	<i>Quoted</i>	32,351	5,095	(5,085)	1,371	<b>33,732</b>
Emerging Markets	<i>Quoted</i>	26,592	-	-	(96)	<b>26,496</b>
Infrastructure Equity	<i>Unquoted</i>	19,684	3,291	-	(1,294)	<b>21,681</b>
Private equity funds	<i>Unquoted</i>	3,860	70	(1,051)	(169)	<b>2,710</b>
<b>Total Equities and Private Equity</b>		<b>217,703</b>	<b>8,456</b>	<b>(36,326)</b>	<b>18,561</b>	<b>208,394</b>
<b>Fixed Income and Property</b>						
Multi-Asset Credit	<i>Unquoted</i>	62,733	3	-	3,218	<b>65,954</b>
Asset-Backed Securities	<i>Unquoted</i>	43,047	7	-	1,713	<b>44,767</b>
Private Debt (Corporate)	<i>Unquoted</i>	2,872	7,774	(248)	(231)	<b>10,167</b>
Private Debt (Infrastructure)	<i>Unquoted</i>	8,639	10,546	(1,524)	(133)	<b>17,528</b>
Property	<i>Property</i>	66,100	-	(12)	(9,119)	<b>56,969</b>
Bonds	<i>Quoted</i>	23	-	-	-	<b>23</b>
<b>Total Fixed Income and Property</b>		<b>183,414</b>	<b>18,330</b>	<b>(1,784)</b>	<b>(4,552)</b>	<b>195,408</b>
<b>Early Stage Investments</b>						
Investment in early stage companies	<i>Unquoted</i>	13,558	50	-	2,983	<b>16,591</b>
Investment in early stage funds	<i>Unquoted</i>	1,529	-	-	(951)	<b>578</b>
<b>Total Early Stage Investments</b>		<b>15,087</b>	<b>50</b>	<b>-</b>	<b>2,032</b>	<b>17,169</b>
<b>Total fixed asset investments</b>		<b>416,204</b>	<b>26,836</b>	<b>(38,110)</b>	<b>16,041</b>	<b>420,971</b>

**The Nesta Trust**  
**Annual Report and Financial Statements**  
**Notes to the Accounts (continued)**

**Charity no. 1144683**

**For the year ended 31 March 2025**

<b>7. Debtors</b>	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
Accrued income	2,632	3,034
Other debtors	3,484	-
Amounts due from Parent undertaking	2	-
	<u>6,118</u>	<u>3,034</u>

Accrued income of £2.6 million (2024: £3 million) represents the recognition of lease incentives (a rent-free period) over the term of the lease for 58 Victoria Embankment. The lease is held with the Trust's parent, Nesta. Of the total, £2.2 million (2024: £2.6 million) is expected to be recognised in the Statement of Financial Activities after more than one year.

Other debtors of £3.5 million (2024: £nil) comprise deferred consideration of £2.4 million receivable in relation to the sale of an investment (of which £1.1 million is due after more than one year), a distribution of £1.0 million declared by an investment in March 2025 and received in April 2025, and other immaterial balances of £0.1 million.

<b>8. Creditors: amounts falling due within one year</b>	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
Accruals	141	193
Deferred income	723	723
VAT payable	148	124
Trade creditors	78	68
	<u>1,090</u>	<u>1,108</u>

Deferred income of £0.7 million (2024: £0.7 million) relates to rental income, which is invoiced quarterly in advance, from the Trust's parent Nesta for 58 Victoria Embankment as per below:

	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
<u>Deferred Income</u>		
Balance as at 1 April	723	723
Amount released to Investment Income	(723)	(723)
Amount deferred in year	723	723
	<u>723</u>	<u>723</u>
Balance as at 31 March	723	723

<b>9. Funds</b>	<b>2025</b>	<b>2024</b>
	<b>£'000</b>	<b>£'000</b>
<b>Expendable endowment fund</b>		
As at 1 April	428,286	426,220
Net expenditure	(18,412)	(13,975)
Net gains on investments	13,463	16,041
	<u>423,337</u>	<u>428,286</u>
<b>Balance at 31 March</b>	<b>423,337</b>	<b>428,286</b>

The Trust holds a single fund, an expendable endowment. Nesta, the sole Trustee and a separate charitable entity, draws down on the Trust's assets to pursue its own charitable objects, which are aligned with those of the Trust.



**The Nesta Trust**  
**Annual Report and Financial Statements**  
**Notes to the Accounts (continued)**

**Charity no. 1144683**

**For the year ended 31 March 2025**

**10. Commitments**

Investments or contributions to funds that have been contracted but not yet drawn down are shown in the commitments below:

	<b>At 1 April 2024 £'000</b>	<b>Additions £'000</b>	<b>Drawn down £'000</b>	<b>At 31 March 2025 £'000</b>
Investment Funds	28,666	-	(4,098)	24,568
Nesta-Mission aligned investment and exceptional spending initiatives.	16,334	19,136	(9,135)	26,335
	<b>45,000</b>	<b>19,136</b>	<b>(13,233)</b>	<b>50,903</b>

  

	<b>At 1 April 2023 £'000</b>	<b>Additions £'000</b>	<b>Drawn down £'000</b>	<b>At 31 March 2024 £'000</b>
Investment Funds	48,395	-	(19,729)	28,666
Nesta-Mission aligned investment and exceptional spending initiatives.	23,164	186	(7,016)	16,334
	<b>71,559</b>	<b>186</b>	<b>(26,745)</b>	<b>45,000</b>

Commitments made to investment funds are expected to be largely drawn by June 2027. Commitments made to Nesta for mission aligned investment and exceptional (i.e. not in the ordinary course of business) spending initiatives are expected to be largely drawn by March 2028.

Commitments will be primarily funded by the liquidation of equity investments.

**11. Operating lease receivables**

At 31 March 2025 the Trust continued the agreement with Nesta to lease 58 Victoria Embankment. The total future minimum lease payments under non-cancellable operating leases which are calculated based on the rental notice period are as follows:

	<b>2025 £'000</b>	<b>2024 £'000</b>
Not later than one year	2,891	2,891
Later than one year and not later than five years	11,564	11,564
Later than five years	4,875	7,766
	<b>19,330</b>	<b>22,221</b>

**The Nesta Trust**  
**Annual Report and Financial Statements**  
**Notes to the Accounts (continued)**

**Charity no. 1144683**

**For the year ended 31 March 2025**

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**12. Related party transactions**

The Trust has the following related parties:

(1) The Department for Science, Innovation and Technology ('DSIT')

The Trust is classified by the Office of National Statistics as within the public sector boundary, with DSIT being the sponsoring body.

(2) Nesta is the sole Trustee of the Trust.

During the year, the Trust entered into the following transactions with related parties:

- Nesta drew down £22.4 million (2024: £21.3 million) from the Trust to fund operational activities.
- Nesta drew down £9.8 million (2024: £8.1 million) from the Trust to fund investment and exceptional spending initiatives.
- Nesta drew down £3.0 million (2024: £nil) from the Trust to part fund the Longitude Prize on Antimicrobial Resistance.
- Nesta drew down £0.2 million (2024: £0.2 million) from the Trust to fund other activities.
- Nesta paid the Trust £0.4 million (2024: £0.2 million) in relation to realisations of investments the Trust historically funded.
- Nesta was invoiced £2.9 million (2024: £2.9 million) for rent. The amount recognised in the Statement of Financial Activities differs due to the accounting adjustment for the rent-free period, with rental income of £2.5 million (2024: £2.5 million) recognised in the year. In addition, £0.7 million (2024: £0.7 million) was received in advance and is included within creditors as deferred income.
- The Trust contributed £0.2 million (2024: £0.1 million) to Nesta towards Nesta staff time spent on the administration of the Trust.

At the year end there was an outstanding debtor balance of £1,880 (2024: £nil) owing from Nesta.

**13. Control**

The Trust is controlled by Nesta (Charity no. 1144091; Companies House no. 07706036; Scottish Charity Regulator no. SC042833), which is the ultimate parent company by virtue of being Sole Trustee. Nesta's principal purpose is to support innovation and tackle big societal challenges through charitable activities. Nesta is the parent undertaking of the smallest and largest group for which consolidated accounts are drawn up, of which the Trust is a member. The accounts of Nesta are publicly available from 58 Victoria Embankment, London, EC4Y 0DS.