

# **BRIDGE TO THE FUTURE**

**(Limited by Guarantee)**

**COMPANY NO.: 08497337**

**CHARITY NO.: 1153559**

## **REPORT AND ACCOUNTS**

**for the year ended  
31 August 2023**

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# **BRIDGE TO THE FUTURE**

**(Limited by Guarantee)**

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**BRIDGE TO THE FUTURE**  
**(Limited by Guarantee)**

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<b>Status:</b>	Company Limited by Guarantee No.: 08497337 Registered Charity No.:1153559 The company's governing document is its Memorandum and Articles of Association dated 22 April 2013	
<b>Registered Office:</b>	10 Queen Street Place London EC4R 1AG	
<b>Trustees:</b>	Lord Guglielmo Verdirame Emma Goddard Jutta von Falkenhausen Sir Michael Jackson Ewald Engelen Fleur Meijs	
<b>Auditors:</b>	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG	
<b>Bankers:</b>	Handelsbanken 2nd Floor, High Hill House 6A Hampstead High Street London NW3 2HR	
<b>Investment managers:</b>	Rothschild St Julian's Court St Julian's Avenue St Peter Port	Vanguard Investment Series plc Brown Brothers Harriman Fund Administration Service (Ireland) Ltd 30 Herbert Street, Dublin D02 W329, Ireland
Heronbridge Investment Management LLP 47 Esplanade St Helier Jersey, JE1 0BD	Citco Fund Services (Ireland) Limited Custom House Plaza Block 6 International Financial Services Centre Dublin 1, D01 X9Y5 Ireland	Generation Investment Management LLP 20 Air Street London W18 5AN  Morant Wright Funds (Ireland) plc 33 Sir John Rogerson's Quay Dublin D02 XK09, Ireland

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## **BRIDGE TO THE FUTURE**

**(Limited by Guarantee)**

Trustees' report for the year ended 31 August 2023

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### **TRUSTEES' REPORT**

**For the year ended 31 August 2023**

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Bridge to the Future (the company) for the year ended 31 August 2023. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019).

#### **Structure, governance and management**

##### **a. Constitution**

The company is registered as a charitable company, limited by guarantee and was set up by a Memorandum of Association.

The company is constituted under a Memorandum of Association and is a registered charity, number 1153559.

The principal object of the company is, for the public benefit, to advance the education (including social and physical training) of persons of any age, in such ways as the charity Trustees think fit.

##### **b. Method of appointment or election and induction and training of Trustees**

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. The Board of Trustees is responsible for the search and appointment of new Board members. As part of the induction program, new Board members are provided with information about the company and its regulator, such as the Memorandum of Association, the Articles of Association, general information about the company and UWC Mostar, the Charities Commission guidance for trustees. Annually the Board of Trustees receive an update on any regulatory changes that impact the company as part of ongoing training.

The trustees who served during the year and to the date the accounts were signed were as follows:

Lord Guglielmo Verdirame (Chair)

Ewald Engelen

Jutta von Falkenhausen

Sir Michael Jackson

Fleur Meijs

Emma Goddard

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## **BRIDGE TO THE FUTURE**

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Trustees' report for the year ended 31 August 2023

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### **c. Organisational structure and decision making**

The Trustees are responsible for the oversight and strategy of the charity and for decisions in respect of the grants to be made to beneficiaries. The Trustees are also the Key Management personnel of the charity and are not remunerated for their services to the charity. The management of the charity's investments is delegated to the Investment Committee who have been appointed for their specific knowledge of this field. The day-to-day administration of the charity is delegated to the clerk of the Trustees.

### **d. Key risks and principal uncertainties**

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

The uncertainty of investment returns is managed by the Investment Committee to the best of their abilities. The Investment Committee decided to diversify the endowment investments with a larger proportion of the portfolio invested in equities. The endowment is exposed to volatility of the prices in its investments. However, as the endowment has a long term horizon, it only needs a smaller proportion of funds available for annual donations to UWC Mostar.

Therefore, to manage the liquidity risks, the Trustees ensure that sufficient liquid funds are available to meet the endowment's short and medium term donations.

The overall aim is to achieve a 5% plus inflation investment return over the long term. Further analysis is included in the Investment Review on page 5.

### **Public Benefit**

The Trustees have considered the Charity Commission guidance on public benefit and consider that the charity is compliant.

### **Objectives and Activities**

The object of the charity is the advancement of education.

A declaration of trust was approved by the Board on 9 August 2016 to hold the funds specifically to promote education by supporting the educational work of United World Colleges Mostar (UWC Mostar) and its students by means only of the award of scholarships for students at UWC Mostar or grants to UWC Mostar. The charitable trust is administered as an expendable endowment and safeguards are implemented to protect the capital of the endowment in the long term. It is the intention of the Trustees to continue to raise funds for the endowment fund to increase the number of scholarships at UWC Mostar. The Trustees will determine the amount of grants to be made each year to UWC Mostar.

### **a. Review of activities and achievements**

The charity's funds increased to € 21,344,143 in the current year (€19,578,044 in 2022). The increase in net funds consisted of additional donations €951,027 (€1,036,218 in 2022), investment income €53,946 (€63,956 in 2022), charitable expenditure of €788,071 (€801,120 in 2022) and other net gains of €1,549,197 (losses €550,874 in 2022). The Trustees are content that total funds have increased by 9%.

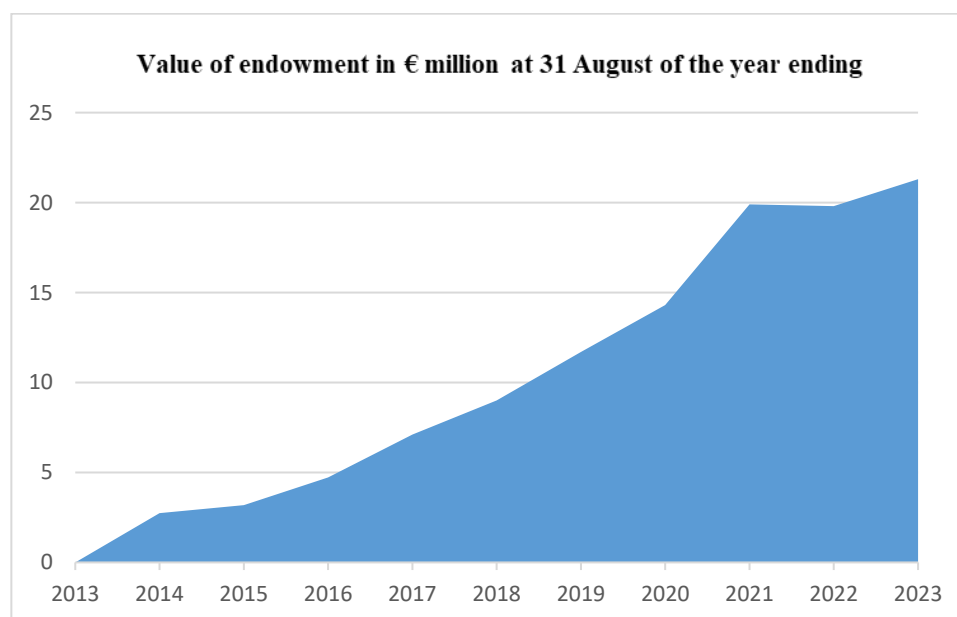
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## BRIDGE TO THE FUTURE

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Trustees' report for the year ended 31 August 2023

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The Trustees approved grants for scholarships at UWC Mostar from the endowment. The table below shows the number of students receiving a scholarship per year of attendance at UWC Mostar and the amounts and the period when the costs were recognised in the financial statements. In the previous financial year, a restricted donation was received for one scholarship for a student attending UWC Mostar in Sept 2022- June 2024 and the grant was awarded to UWC Mostar, this student has not been included in the table below as it was not a grant from the endowment funds.

Number of students	Attending school-year at UWC Mostar	Amounts recognised as charitable expenditure	Recognised in period/year ending
19	Sept 2020- June 2022	€451,750	31 Aug 2020
22	Sept 2021- June 2023	€538,000	31 Aug 2021
24	Sept 2022- June 2024	€689,298	31 Aug 2022
24	Sept 2023- June 2025	€687,000	31 Aug 2023

Students are selected and awarded their scholarship in the year preceding the school-year and as such the costs need to be recognised at the point that the scholarship is awarded, being one year in advance of the student attending UWC Mostar. The costs of scholarship increased for the new cohort of students at the College in September 2023, and as such an increase for the fees has been included in the charitable expenditure.

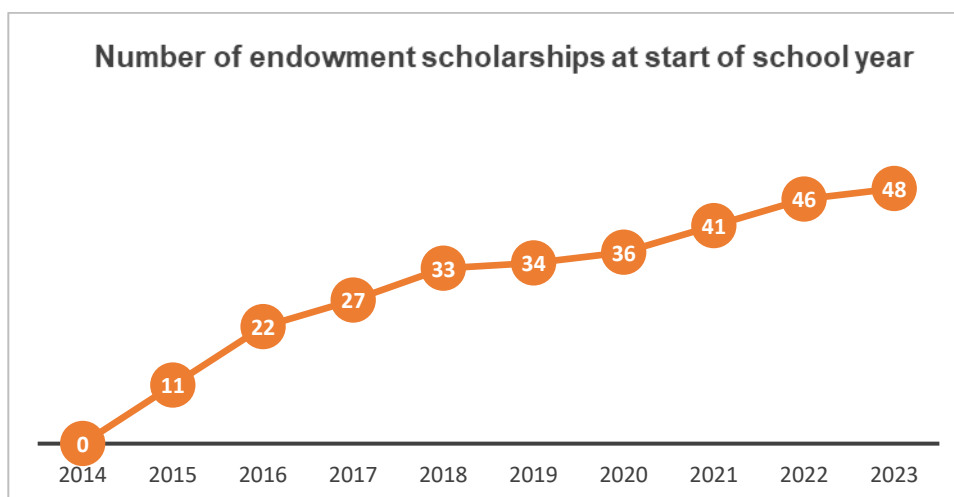
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## BRIDGE TO THE FUTURE

(Limited by Guarantee)

Trustees' report for the year ended 31 August 2023

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### Financial review

The Trustees have reviewed the amount raised in the year and reviewed the investment performance and are satisfied with the overall performance of the company. The Trustees have had a long-term commitment to raising the sum of €20m to secure the long-term viability of the charity. That goal has been achieved. However, the Trustees continue to focus on fundraising and capital growth to achieve an overall 50% scholarship provision to UWC Mostar from the endowment which would require a minimum of €30m in endowment funds.

#### a. Investment review

In 2022, the Board decided, upon the recommendation of the Investment Committee, to allocate some funds to a new fund manager Heronbridge. The existing fund manager allocations remained unchanged and include AKO, Morant Wright, Rothschild, Vanguard and Generation Investment Management. The remaining funds are held in cash, partly to manage the liquidity risk.

All investments increased in value during the year with investment returns ranging between 1%-33% in local currency. The Vanguard emerging markets allocation was the lowest with 1%, with several fund managers showing performance around 15% return, the highest was Morant Wright with 33%. Total net investment gain of €1,549,197 was generated (loss €550,874 in 2022).

The Trustees are content with the overall performance of the fund, with a 10% average performance on the invested funds. Nonetheless, with inflation and rates anticipated to be higher for the future, it will remain challenging to find investment opportunities that will generate a significant return in the short term.

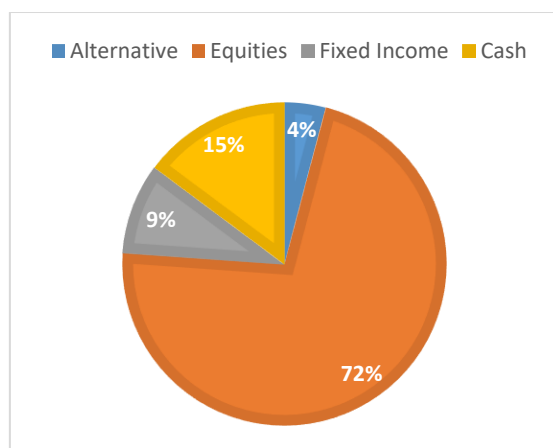
Another key risk is the uncertainty of monetary exchange rates, this is mitigated by holding funds in more than one currency.

## BRIDGE TO THE FUTURE

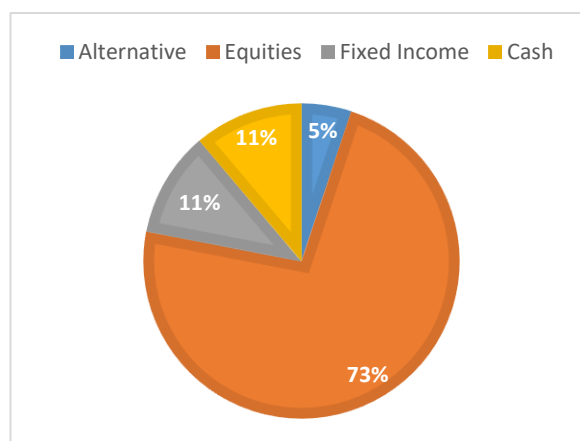
(Limited by Guarantee)

Trustees' report for the year ended 31 August 2023

*Asset allocation at 31 Aug 2023*



*Asset allocation at 31 Aug 2022*



### b. Reserves policy

The reserves of the charity totalled € 21,344,143 at 31 August 2023 (€19,578,044 in 2022). These funds will be held to provide grant funding to students at UWC Mostar. The amount available for distribution will be made available from a mixture of income and capital growth, whilst at the same time aiming to preserve the underlying value of the endowment. The Trustees keep sufficient funds available equivalent to the amounts payable in grants during the next 12 months in readily available form. The remaining funds are available for investment upon the discretion of the Investment Committee.

### c. Principal funding

The principal donors are disclosed in note 15 to the accounts. A variety of donors have given to the charity with more details on the donors on the Charity's website.

In June 2017, an UWC Mostar alumni fundraising campaign was started to encourage the relative young cohort of alumni of the College to donate a small amount, "the €1 campaign". The overall aim is to raise sufficient funds to provide a full endowment donated by UWC Mostar alumni. Two matching schemes exist to encourage the alumni to donate. As a result of 7 years of cumulative small donations into the UWC Mostar alumni endowment fund, the first partial scholarship was awarded to a student who started at UWC Mostar in August 2022.

Financial year	Recurring donors	Recurring donations in €	One-off donations in €	Total alumni fund in €
2017	68	2,581	20,307	22,888
2018	74	1,855	-	1,855
2019	89	3,549	779	4,328
2020	119	2,704	-	2,704
2021	155	5,099	1,134	6,233
2022	150	8,108	330	8,437
2023	188	8,049	915	8,964
				55,410
Matched funding bringing to a total of EUR				166,231



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## **BRIDGE TO THE FUTURE**

**(Limited by Guarantee)**

Trustees' report for the year ended 31 August 2023

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Following the implementation of the Charities (Protection and Social Investment) Act 2016, the charity has reviewed its fundraising activities and confirms that it complies with the regulation. The charity did not make use of any external fundraisers. No complaints were received in respect of its fundraising activities.

### **Going concern**

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. The Trustees considered the impact of the Coronavirus on the financial markets in their assessment.

### **Plans for the future**

#### **a. Future developments**

The Trustees will continue with their fundraising campaign.

### **Trustees' responsibilities statement**

The Trustees (who are also directors of Bridge to the Future for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustee are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- follow applicable Accounting Standards, subject to any material departures as disclosed and explained in the Financial Statements;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable him to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Disclosure of information to auditors**

The Trustees at the time when this Trustees' Report is approved have confirmed that:

- so far as each Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that each Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

### **Small Companies Provisions**

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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## **BRIDGE TO THE FUTURE**

**(Limited by Guarantee)**

Trustees' report for the year ended 31 August 2023

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### **Auditors**

The auditors, Haysmacintyre LLP, have indicated their willingness to continue in office. The Trustees will propose a motion re-appointing the auditors at a meeting of the Trustees.

This report was approved by the Trustees on **10<sup>th</sup> November 2023** and signed on their behalf by:

*Guglielmo Verdirame*

Lord Verdirame KC

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## BRIDGE TO THE FUTURE

(Limited by Guarantee)

Independent auditor's report for the year ended 31 August 2023

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### Independent auditor's report to the members of Bridge to the Future

#### Opinion

We have audited the financial statements of Bridge to the Future for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of the charitable company's net movement in funds, including the 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 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

#### Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

- the information given in the Trustees' Report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

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## BRIDGE TO THE FUTURE

(Limited by Guarantee)

Independent auditor's report for the year ended 31 August 2023

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the directors' report).

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

- adequate accounting records have not been kept by the charitable company; or
- the charitable company 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.
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report

### Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 7, 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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

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

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

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the use of endowment funds and Charity Law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Charities Act 2011 and Charities SORP.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to recognition of income. Audit procedures performed by the engagement team included:

- Inspecting minutes of Trustees' meetings;
- Reviewing allocations and disclosures relating to endowment funds;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals;
- Reviewing valuations of investments; and
- Challenging assumptions and judgements made by management in their critical accounting estimates. There were no areas within the financial statements that required the Trustees to make significant judgements or estimates during the year.

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## BRIDGE TO THE FUTURE

(Limited by Guarantee)

Independent auditor's report for the year ended 31 August 2023

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Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

### Use of our report

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



Simon Wilks (Senior Statutory Auditor)

For and on behalf of Haysmacintyre LLP, Statutory Auditor

22 November 2023

10 Queen Street Place  
London  
EC4R 1AG

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**BRIDGE TO THE FUTURE****(Limited by Guarantee)**

Statement of Financial Activities

Income and Expenditure Account

for the year ended 31 August 2023

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	Note	Endowment Funds €	Unrestricted Funds €	Total Funds 2023 €	Total Funds 2022 €
<b>Income and endowments from:</b>					
Donations and legacies	2	951,027	-	951,027	1,036,218
Investment income		53,946	-	53,946	63,956
<b>Total income</b>		<u>1,004,973</u>	<u>-</u>	<u>1,004,973</u>	<u>1,100,174</u>
<b>Expenditure on:</b>					
Raising funds	3	76,101	-	76,101	89,374
Charitable activities	4	711,970	-	711,970	711,746
<b>Total expenditure</b>		<u>788,071</u>	<u>-</u>	<u>788,071</u>	<u>801,120</u>
<b>Net income / (expenditure) before other gains and losses</b>		216,902	-	216,902	299,054
<b>Gains and losses on investments</b>		1,597,096		1,597,096	(831,985)
<b>Other gains and losses</b>		<u>(47,899)</u>	<u>-</u>	<u>(47,899)</u>	<u>281,111</u>
<b>Net movement in funds</b>		1,766,099	-	1,766,099	(251,820)
<b>Reconciliation of funds</b>					
Funds brought forward		<u>19,578,044</u>	<u>-</u>	<u>19,578,044</u>	<u>19,829,864</u>
<b>Total funds carried forward</b>	12	<u><u>21,344,143</u></u>	<u><u>-</u></u>	<u><u>21,344,143</u></u>	<u><u>19,578,044</u></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 accompanying Notes to the Accounts form part of these financial statements.

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**BRIDGE TO THE FUTURE****(Limited by Guarantee)**

Company number: 08497337

Balance sheet

as at 31 August 2023

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	<u>Note</u>	<u>2023</u> €	<u>2022</u> €
<b>Fixed assets</b>			
Investments	8	20,944,296	18,224,202
<b>Current assets</b>			
Debtors	9	-	196,594
Cash at bank and in hand		1,419,195	2,099,588
<i><b>Total current assets</b></i>		1,419,195	2,296,182
<b>Creditors: amounts falling due within one year</b>	9	(688,348)	(634,340)
<i><b>Net current assets</b></i>		730,847	1,661,842
<b>Total assets less current liabilities</b>		21,675,143	19,886,044
<b>Creditors: Amounts falling due after more than one year</b>	10	(331,000)	(308,000)
<i><b>Net assets</b></i>	11	21,344,143	19,578,044
<b>The funds of the charity:</b>			
Endowment funds	15	21,344,143	19,578,044
<i><b>Total charity funds</b></i>	12	21,344,143	19,578,044

Approved and authorised by the trustees on **10th November 2023**

and signed on their behalf by

*Giuglielmo Verdirame*Lord Verdirame KC  
Director

The accompanying Notes to the Accounts form part of these financial statements.

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**BRIDGE TO THE FUTURE****(Limited by Guarantee)**Statement of cash flows  
for the year ended 31 August 2023

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	<u>Note</u>	<u>2023</u> €	<u>2021</u> €
<b>Cash flows from operating activities</b>	A	436,558	195,912
<b>Cash flows from investing activities</b>			
Dividends and interest		53,946	63,956
Purchase of investments		(2,483,584)	(6,072,325)
Proceeds from sale of investments		1,360,586	3,554,400
<b>Net cash (used in)/generated from investing activities</b>		<b>(1,069,052)</b>	<b>(2,453,969)</b>
<b>Change in cash and cash equivalents in the year</b>			
Cash and cash equivalents at the beginning of the year		2,099,588	4,076,534
Change in cash and cash equivalents due to exchange rate movements		(47,899)	281,111
<b>Cash and cash equivalents at the end of the year</b>		<b>1,419,195</b>	<b>2,099,588</b>

**(A) Reconciliation of net income to net cash flow from operating activities:**

	<u>2023</u> €	<u>2022</u> €
<b>Net income</b>	<b>216,902</b>	<b>299,054</b>
Adjustments for:		
Dividends and interest from investments	(53,946)	(63,956)
Decrease in debtors	196,594	(196,594)
Increase in creditors	77,008	157,408
<b>Net cash provided by operating activities</b>	<b>436,558</b>	<b>195,912</b>

**Analysis of cash and cash equivalents**

	<u>2023</u> €	<u>2022</u> €
Cash at bank and in hand	1,419,195	2,099,588



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## BRIDGE TO THE FUTURE

(Limited by Guarantee)

Notes to the accounts  
for the year ended 31 August 2023

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### 1 Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the period.

#### (i) Preparation of financial statements

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 (FRS102), (Charities SORP FRS 102) and the Companies Act 2006.

#### **Basis of accounting**

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

#### **Public benefit entity**

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

#### **Going concern**

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

#### **Areas of judgement and uncertainty**

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

#### **Financial instruments**

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost, with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used at working capital. Financial liabilities held at amortised cost comprise all creditors.

Investments are recorded at fair value using quoted prices in an active market.

Asset management fees are charged in the period that they relate to, included under Fundraising Expenditure, investment management costs.

#### (ii) Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Endowment funds are intended to create a permanent fund, the income from which will be used to fund the Charities future activities.

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## BRIDGE TO THE FUTURE

(Limited by Guarantee)

Notes to the accounts

for the year ended 31 August 2023

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(iii) **Revenue recognition**

All income is included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and associated gift aid and is included in full when probable, measurable and entitled.
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Investment income is recognised on an accruals basis.

(iv) **Expenditure**

Expenditure is accounted for on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and service for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them including governance costs.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity, the audit fees and costs linked to the strategic management of the charitable company.
- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.
- Grants awarded are recognised in the year that the Board approves the selection of students to receive an endowment scholarship at UWC Mostar from the charity. The full two year endowment is recognised at the point of approval, but relates to the following two school years.

(v) **Financial investments**

Quoted investments are included in the financial statements at market value at the balance sheet date.

Investment income, representing dividends and interest income on investments, is recognised on an accruals basis. Gains and losses on investments are represented separately on the Statement of Financial Activities.

For investment funds where valuation dates are not coterminous with the charity's year end, the valuation as at the last available traded price is used, unless market conditions make that valuation inaccurate.

Cash held with investment managers is included within the total value of investments as at the year-end.

(vi) **Debtors**

Debtors are recognised at the settlement amount.

(vii) **Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

(viii) **Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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## BRIDGE TO THE FUTURE

(Limited by Guarantee)

Notes to the accounts  
for the year ended 31 August 2023

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(ix) **Foreign currency translation**

**Functional currency and presentation currency**

The financial statements of the charitable company are presented in Euros. The charitable company resides in the UK however expenditure arises mainly in Euros, the functional currency is also Euros.

Donations are received in Sterling, Euros and US Dollars.

(x) **Transactions and balances**

In preparing the financial statements, transactions in currencies other than the functional currency (foreign currencies) are recognised at the spot rate at the dates of the transactions, or at an average rate where this rate approximates the actual rate at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in income and expenditure in the period in which they arise.

## BRIDGE TO THE FUTURE

(Limited by Guarantee)

Notes to the accounts

for the year ended 31 August 2023

2	Donations and legacies	Endowment	Unrestricted	Total	Total *
		Funds	Funds	2023	2022
		€	€	€	€
	Donations	951,027	-	951,027	839,624
	Gift Aid	-	-	-	196,594
	Total	951,027	-	951,027	1,036,218
3	Expenditure on raising funds	Endowment	Unrestricted	Total	Total *
		Funds	Funds	2023	2022
		€	€	€	€
	Fundraising	-	-	-	-
	Investment management costs	76,101	-	76,101	89,374
	Total	76,101	-	76,101	89,374
4	Expenditure on Charitable activities	Endowment	Unrestricted	Total	Total *
		Funds	Funds	2023	2022
		€	€	€	€
	Administration costs	-	-	-	-
	Grant awarded	687,000	-	687,000	689,298
	Governance Costs				
	Audit fee - current year	15,074	-	15,074	11,937
	Administration and Compliance	7,357	-	7,357	8,522
	Legal fees	2,539	-	2,539	1,989
	Total	711,970	-	711,970	711,746

Grants awarded represent the endowments for 23 students to attend UWC Mostar and 1 further student on partial scholarship. Grants awarded in 2023 are in respect of 2023/24 and 2024/25. Grants awarded in 2022 are in respect of 2022/23 and 2023/24.

In 2022 Bridge to the Future received €25,100 in restricted donations to support a specific scholarship in the 2022/23 - 2023/24 cohort. To facilitate this, €25,100 was transferred during 2021/22 to UWC Mostar in addition to the scholarships above. The amounts have not been separately disclosed as restricted funds because they are immaterial and have been fully spent during 2022.

All support costs are allocated in full to the single grant making charitable activity.

\* Totals for the comparative periods were also in respect of the Endowment fund.

5	Net income for the year	2023	2022
	This is stated after charging / (crediting):	€	€
	Auditors' remuneration (excluding VAT):	12,253	9,852

## 6 Staff costs and numbers

The charity did not employ any staff in this accounting period (2022: none), and therefore there were no staff costs during the year (2022: €nil). The trustees are the key management personnel of the charity and are not remunerated for their services.

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**BRIDGE TO THE FUTURE****(Limited by Guarantee)**

Notes to the accounts

for the year ended 31 August 2023

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**7 Trustee remuneration and expenses**

No trustees received any remuneration during the year. In the year €1,793.82 was refunded for travel to 1 trustee, Sir Michael Jackson, (2022: €nil were reimbursed to trustees).

**8 Investments**

	<b><u>2023</u></b>	<b><u>2022</u></b>
	<b>€</b>	<b>€</b>
Market value at 1st September 2022	18,224,202	16,538,262
Additions at cost	2,483,584	6,072,325
Disposal proceeds	(1,360,586)	(3,554,400)
Realised gain	301,782	115,025
Unrealised gain	1,295,314	(947,010)
Market value at 31st August 2023	<u>20,944,296</u>	<u>18,224,202</u>
Historical cost at 31st August 2023	<u>15,392,827</u>	<u>14,243,127</u>
The portfolio is made up as follows:	-	
Overseas/UK equities	17,722,359	14,696,304
Hedge funds	918,397	1,024,897
Fixed income	412,472	709,534
Cash	1,891,068	1,793,467
Others	<u>20,944,296</u>	<u>18,224,202</u>

**9 Debtors**

	<b><u>2023</u></b>	<b><u>2022</u></b>
	<b>€</b>	<b>€</b>
Accrued income:		
Gift aid debtor	-	196,594
Total	<u>-</u>	<u>196,594</u>

**9 Creditors: amounts falling due within one year**

	<b><u>2023</u></b>	<b><u>2022</u></b>
	<b>€</b>	<b>€</b>
Grant commitments	639,000	590,000
Trade Creditors	-	1,460
Accruals	49,348	42,880
Total	<u>688,348</u>	<u>634,340</u>

## BRIDGE TO THE FUTURE

(Limited by Guarantee)

Notes to the accounts  
for the year ended 31 August 2023

<b>10</b>	<b>Creditors: amounts falling due outside one year</b>			<b><u>2023</u></b>	<b><u>2022</u></b>
				€	€
	Grant commitments			331,000	308,000
	Total			<u>331,000</u>	<u>308,000</u>
<b>11</b>	<b>Analysis of net assets between funds</b>	<b>Endowment</b>	<b>Total</b>	<b>Endowment</b>	<b>Total</b>
		<b><u>Funds</u></b>	<b><u>Funds 2023</u></b>	<b><u>Funds</u></b>	<b><u>Funds 2022</u></b>
		€	€	€	€
	Fixed assets	20,944,296	20,944,296	18,224,202	18,224,202
	Current assets	1,419,195	1,419,195	2,296,182	2,296,182
	Current liabilities	(688,348)	(688,348)	(634,340)	(634,340)
	Long term liabilities	(331,000)	(331,000)	(308,000)	(308,000)
	Net assets at 31 August	<u>21,344,143</u>	<u>21,344,143</u>	<u>19,578,044</u>	<u>19,578,044</u>

The net assets of the charity are all held as endowment funds with no unrestricted funds.

<b>12</b>	<b>Movements in funds</b>	<b>At 1 September</b>			<b>Other gains</b>	<b>At 31 August</b>
		<b><u>2022</u></b>	<b><u>Income</u></b>	<b><u>Expenditure</u></b>	<b><u>and losses</u></b>	<b><u>2023</u></b>
		€	€	€	€	€
	<i>Endowment funds:</i>					
	Endowment Fund	19,578,044	1,004,973	(788,071)	1,549,197	21,344,143
	Total endowment funds	<u>19,578,044</u>	<u>1,004,973</u>	<u>(788,071)</u>	<u>1,549,197</u>	<u>21,344,143</u>
	<b>Total funds</b>	<u>19,578,044</u>	<u>1,004,973</u>	<u>(788,071)</u>	<u>1,549,197</u>	<u>21,344,143</u>
<b>13</b>	<b>Movements in funds</b>	<b>At 1 September</b>			<b>Other gains</b>	<b>At 31 August</b>
	<b>- comparative 2022</b>	<b><u>2021</u></b>	<b><u>Income</u></b>	<b><u>Expenditure</u></b>	<b><u>and losses</u></b>	<b><u>2022</u></b>
		€	€	€	€	€
	<i>Endowment funds:</i>					
	Endowment Fund	19,829,864	1,100,174	(801,120)	(550,874)	19,578,044
	Total endowment funds	<u>19,829,864</u>	<u>1,100,174</u>	<u>(801,120)</u>	<u>(550,874)</u>	<u>19,578,044</u>
	<b>Total funds</b>	<u>19,829,864</u>	<u>1,100,174</u>	<u>(801,120)</u>	<u>(550,874)</u>	<u>19,578,044</u>

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## **BRIDGE TO THE FUTURE**

**(Limited by Guarantee)**

Notes to the accounts  
for the year ended 31 August 2023

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### **14 Related Party Transactions**

Adriaan de Mol van Otterloo made a donation of €800,000 in the previous financial year - 31 August 2022.

Adriaan de Mol van Otterloo is the spouse of Fleur Meijs, a Trustee of the charity.

There were no related party transactions in the year ended 31 August 2023.

### **15 Endowment Fund**

A declaration of trust was approved by the Board on 9 August 2016 to hold the funds specifically to promote education by supporting the educational work of United World Colleges Mostar (UWC Mostar) and its students by means only of the award of scholarships for students at UWC Mostar or grants to UWC Mostar.

The charitable trust is administered as an expendable endowment and safeguards are implemented to protect the capital of the endowment in the long term.

### **16 Legal status of the charity**

The charity is a company limited by guarantee, incorporated in England and Wales (registration no.: 08497337) and has no share capital. The liability of each member in the event of winding up is limited to £1.