

Charity Registration No: 1156222  
Company Registration No: 08702259 (England and Wales)

**The CH Foundation (UK)**  
**(a Charitable Company Limited by Guarantee)**

Trustees' Report and Financial Statements  
For the Year Ended 28 February 2023

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## Legal and Administrative Information

<b>Directors and Trustees</b>	Sir Christopher Hohn Mr Matthew King
<b>Charity Number</b>	1156222
<b>Company Number</b>	08702259
<b>Registered Office</b>	7 Clifford Street London W1S 2FT
<b>Banker</b>	HSBC Bank Plc 8 Canada Square London E14 5HQ
<b>Independent Auditors</b>	PricewaterhouseCoopers One Spencer Dock North Wall Quay Dublin 1 Ireland

## Trustees' Report

The Trustees present their report and audited financial statements for the year ended 28 February 2023.

The financial statements have been prepared in accordance with the accounting policies set out on pages 16 to 18 and comply with the current statutory requirements, the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

### Status

The CH Foundation (UK) (the "Foundation") was incorporated on 23 September 2013 as a charitable company limited by guarantee and registered as a charity on 17 March 2014, for exclusively charitable purposes pursuant to its Articles of Association dated 23 September 2013. The Articles of Association defines the objects and powers of the Foundation.

### Foundation Objectives and Mission

The Foundation's objectives, as stated in the Articles of Association, are the holding of income and property upon trust and to apply the income for the public benefit for exclusively charitable objects and purposes in any part of the world.

In setting the Foundation's objectives and planning its activities, the Trustees (who are also directors) have considered Section 17 of the Charities Act 2011. In doing so they are satisfied that they have complied with their duty to have regard to the Public Benefit guidance published by the Charity Commission. The Foundation's activities and achievements are outlined throughout this Trustees' Report and the Trustees believe they fully demonstrate that the Foundation is providing public benefit.

The main objectives of the Foundation, as agreed by the Trustees, are to:

- 1) provide assistance to those who are in need by reason of poverty, sickness or human suffering as a result of human trafficking or other serious or organised criminal behaviour;
- 2) advance education and to promote health; and
- 3) promote such other purposes being exclusively charitable as agreed by the Trustees.

### Organisation

The Board of Trustees meets to review and update the Foundation's strategy and areas of activity, including consideration of grant-making, a review of the reserves policy as well as the overall risk profile of the Foundation.

### Fundraising

The Foundation does not seek to raise funds from the public and has not engaged with any professional fund-raiser or commercial participator to raise funds.

### Appointment of Trustees

The Trustees who held office during the year were:

Sir Christopher Hohn  
Mr Matthew King

The Trustees are selected on the basis of their skills and expertise and the contribution, in particular in the areas of business management and development, which they can make to determine the strategy and policies of the Foundation and to monitor implementation.

The Trustees are responsible for finance, development and planning. There is no formal process for training Trustees, but training is provided to individual Trustees and to the Trustees as a whole as needs arise.

All Trustees give their time freely and no Trustee remuneration was paid in the year.

## **Trustees' Report** *(continued)*

### **Reserves Policy**

The Trustees are committed to applying the Foundation's resources in a responsible manner for the purposes of yielding maximum benefit.

The Trustees are aware reserves are needed to bridge the gap between the spending and receiving of income. The Trustees aim to maintain free reserves in unrestricted funds at a level that will provide sufficient funds to respond to applications for grants and ensure that support and governance costs are covered.

### *Restricted Funds*

Restricted Funds are generated when the donor stipulates how their donation may be spent. In most cases, there will be a time lag between when such funds are received and when they are expended. The Trustees ensure that these funds are expended in accordance with the terms under which they have been donated to the Foundation.

During the year no amounts were donated which had restrictions placed on them (2022: £nil).

### *Expendable Endowment*

Expendable Endowment Funds include all funds received which the Trustees are authorised to spend when and if they decide to spend these funds. The funds may be used to further the specific charitable purposes the Foundation was established to support. These costs can include both direct and support costs associated with activities undertaken by the Restricted Funds within the Foundation.

### *Operational Reserves*

Cash flow projections for income and expenditure are regularly reviewed by the Trustees to ensure that the level of disposable net assets is adequate and that the Foundation is in a position to meet all its grant-making and working capital commitments for the foreseeable future. In the event that the Trustees find themselves unable to meet the Foundation's commitments from reserves of Unrestricted Funds at their disposal, they will, draw on the Expendable Endowment to meet those commitments as necessary.

The reserves policy is reviewed annually to reassess the risks and reflect any changes to the Foundation's income, capital, financial obligations and long term plans for charitable expenditure.

The Unrestricted Funds are expendable at the discretion of the Board of Trustees in furtherance of the objects of the Foundation.

### **Investment Policy**

Under the Articles of Association, the Foundation has the power to invest in any way the Trustees wish.

The Trustees, having regard to the liquidity requirements of the Foundation and to the reserves policy currently operate a policy of keeping available funds in an interest bearing deposit account.

### **Granting Policy**

The Trustees meet regularly to consider what grants they will make and to review any feedback they have received. The Trustees are committed to applying the Foundation's resources in a responsible manner for the purposes of yielding maximum benefit.

### **Risk Statement**

The Trustees are responsible for the management of the risks faced by the Foundation and have examined the major strategic, business and operational risks to which the Foundation is and may be exposed. They are satisfied that the systems and controls are in place to mitigate and manage exposure to such major risks identified by the Trustees. They continue to review current processes recognising that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

## **Trustees' Report (continued)**

### **Risk Statement (continued)**

The Foundation's principal risks can be broadly grouped as follows:

#### *Strategic risk*

Strategic risks are those that arise from the decisions taken concerning the Foundation's objectives and ability to meet those objectives. The Foundation has a clear vision, mission and strategic plan that have been agreed by the Trustees. The Trustees regularly review the progress of the Foundation in relation to its vision, mission, strategic objectives and annual targets.

#### *Operational risk*

Operational risk is the risk of loss resulting from inadequate or failed internal processes and systems, or from external events. The Foundation has appropriate policies and controls in place to manage its operational risk, including system failures, fraud and theft, and failure to comply with legal, regulatory and statutory requirements.

#### *Market risk*

The Foundation's exposure to market risk is limited to currency exchange risk and price risk. The currency exchange risk arises from the investments held in currencies other than the functional currency of the Foundation. The Foundation does not actively seek to hedge its exposure to foreign exchange risk. The price risk arises on the investments due to their exposure to fluctuations in market prices (other than currency exchange risk), whether those changes are caused by factors specific to the financial instrument or its issuers, or factors affecting all similar financial instruments traded in the market.

#### *Credit risk*

The Foundation's exposure to credit risk arises mainly through its cash and cash equivalents. The Foundation holds all cash with banks whom the Foundation has strong, well-established relationships and who typically have a minimum Moody's or S&P rating of investment grade. At the reporting date, the maximum exposure to credit risk is represented by the carrying amount in the Balance Sheet.

#### *Liquidity risk*

Liquidity risk is the risk that the Foundation will encounter difficulties in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Foundation expects to meet its financial obligations through operating cash flows. In the event that the operating cash flows would not cover all the financial obligations the Foundation has cash reserves and credit facilities available.

### **Financial Review**

The Trustees are satisfied with the results for the year and are of the view that the outlook of the Foundation remains positive. The Foundation's incoming resources and charitable grant expenditure increased during the year. All voluntary donations come from a select number of donors, each donor a related party of the Foundation. The Trustees are anticipating a continued increase in incoming donations and outgoing grants in future years.

Total incoming resources, made up of voluntary donations, gift aid, interest received and investment income, amounted to £78,515,289 (2022: £19,761,920).

During the year, the Foundation continued to fulfil its main objects by granting £69,701,230 (2022: £21,264,967).

The asset base of the Foundation at 28 February 2023 amounted to £24,455,044 (2022: £14,072,392) and is predominately made up of investments and cash at bank. The asset base will enable the Foundation to meet its ongoing objects.

### **Achievements and Performance**

During the year, the Foundation granted £2,519,945 (2022: £941,608) to The Children's Investment Fund Foundation (UK) ("CIFF"), a charitable company registered in England and Wales. CIFF is the world's largest philanthropy that focuses specifically on improving children's lives. CIFF works with a wide range of partners, and areas of work include maternal and child health, adolescent sexual health, nutrition, education, deworming, tackling child slavery and exploitation, increasing opportunities for girls and young women, and supporting smart ways to slow down and stop climate change.

## Trustees' Report *(continued)*

### Achievements and Performance *(continued)*

The total amount granted by the Foundation to CIFF consisted of a number of grants for the following charitable purposes:

- 1) During the year ended 29 February 2020, the Foundation committed to a sub-grant of up to \$10,500,000 to CIFF to be used in conjunction with CIFF's grant to The END Fund ("END"), a charitable organisation registered in USA. Through 28 February 2023, the Foundation has granted \$5,443,933 of the \$10,500,000 commitment. \$3,054,125 (£2,357,553) was granted by the Foundation during the year ended 28 February 2023 (2022: \$1,000,000 (£723,000)). The purpose of the aggregate grant is to eliminate worm infections in Ethiopia, Kenya, Rwanda and Zimbabwe, through innovation and partnership. END's goal is to break transmission of intestinal worms and schistosomiasis through mass drug administration to an expanded population of children and at-risk adults, as well as through innovation and partnerships.
- 2) During the year ended 29 February 2020, the Foundation committed to a sub-grant of up to \$2,000,000 to CIFF to be used in conjunction with CIFF's grant to THORN, a charitable organisation registered in USA. Through 28 February 2023, \$2,000,000 has been granted in full. \$200,000 (£162,392) was granted by the Foundation during the year ended 28 February 2023 (2022: \$300,000 (£218,608)). The purpose of the aggregate grant is to dramatically reduce the amount of time to identify victims of online child sexual abuse as well as eliminate its existence from the open web. To arrive at these goals, THORN will build or rebuild and scale current and new technology products – including without limitation SOLIS and SAFER – to arm both law enforcement and industry with the tools they need, as well as connect global data, and address new and emerging threats to children online.

During the year, the Foundation granted \$36,500,000 (£29,158,081) (2022: \$21,000,000 (£15,522,696)) to MANA Nutritive Aid Products Incorporated ("MANA"), a charitable organisation registered in USA. MANA's mission is to end malnutrition and has developed and produced Ready-to-Use Therapeutic Food in the form of peanut butter paste. The purpose of the grants is to support MANA in expanding its production capacity.

During the year, the Foundation granted \$14,590,000 (£11,593,271) (2022: \$5,000,000 (£3,609,000)) to the Kailash Satyarthi Children's Foundation ("KSCF"), a charitable organisation registered in India. KSCF has, through concerted and sustained actions, demonstrated that the need for a child friendly society can be achieved through direct and continued grassroots level interaction. KSCF continues to fight against all kinds of child rights violation, including child labour, child trafficking and child sexual abuse. The purpose of the grants is to further KSCF's campaign against trafficking and child sexual abuse.

During the year, the Foundation granted \$1,000,000 (£756,006) to myAgro, a charitable organisation registered in USA. myAgro has pioneered the use of mobile layaway and quickly evolved into providing comprehensive support to smallholder farmers on every level. The purpose of the grant is to allow myAgro to get this solution into the hands of more farmers in West Africa and demonstrate the effectiveness of a savings-led approach that enables farmers to lift themselves out of the cycle of poverty.

During the year, the Foundation granted \$1,000,000 (£756,006) to Noora Health, a charitable organisation registered in USA. Noora Health's mission is to give proper recognition and support to family caregivers to improve health outcomes, reduce preventable complications, avoid readmissions and mortality. Across India and Bangladesh, Noora Health work in close collaboration with public health systems and local partners to implement the Care Companion Program ("CCP"). The purpose of the grant is to allow Noora Health to continue to scale their reach to 70 million family caregivers and roll-out CCP to more facilities and condition areas.

During the year, the Foundation granted \$100,000 (£81,655) (2022: \$400,000 (£288,178)) to Hanover Charities ("Hanover"), a charitable organisation in Jamaica, for Hanover's scholarship programme. Education is a key focus for Hanover and there are several education-based schemes supported by the charity, including scholarships that have been awarded in the fields of medicine, law, education, social work, nursing, communications and agriculture.

During the year, the Foundation granted \$30,000,000 (£24,799,728) to Aurora Forealis Foundation ("Aurora Forealis"), a charitable organisation registered in Finland. Aurora Forealis focuses on carbon capture in forests and peatlands, and more broadly in assisting nature-based solutions to climate change.

During the year, the Foundation also made four further grants to charitable organisations totalling £36,538.

## **Trustees' Report** *(continued)*

### **Subsequent Events and Future Plans**

The Foundation is anticipating a continued increase in donations in the next financial year to allow it to increase its activities in the forthcoming years in order to meet the main objectives of the Foundation and to ensure that the application of any income for the public benefit is exclusively for charitable objects and purposes.

Following the year end, the Foundation entered into a real estate purchase agreement to acquire a property in the USA for a purchase price of \$43,644,057, plus associated transaction costs and taxes. The Foundation also entered into a donation agreement with MANA to grant the rights, title and interest in the property to MANA. The property will provide MANA with an additional industrial warehouse and manufacturing facility to manufacture Ready-to-Use Therapeutic Food.

There have been no other significant events which require further disclosure since the financial year end and the date these financial statements were authorised for issue.

### **Independent Auditors**

The auditors, PricewaterhouseCoopers, have expressed their willingness to remain in office for a further year.

On behalf of the Board



**Matthew King**

Trustee

Date: 29 November 2023



## Statement of Trustees' Responsibilities

### Trustees' responsibilities in relation to the financial statements

The Trustees (who are also directors of The CH Foundation (UK) (the "Foundation") for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the Foundation and of the incoming resources and application of resources, including the income and expenditure, of the Foundation for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Accounting and Reporting by Charities: Statement of Recommended Practice (1 January 2019);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Foundation will continue in business.

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

The Trustees are responsible for the maintenance and integrity of Foundation's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the Board of Trustees



**Matthew King (Chair)**

Trustee

Date: 29 November 2023



# ***Independent auditors' report to the members of The CH Foundation (UK)***

## **Report on the audit of the financial statements**

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### **Opinion**

In our opinion, The CH Foundation (UK)'s financial statements:

- give a true and fair view of the state of the company's affairs as at 28 February 2023 and of its net income and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Trustees' Report and Financial Statements, which comprise:

- the balance sheet as at 28 February 2023;
  - the statement of financial activities for the year then ended;
  - the statement of cash flows for the year then ended;
  - the notes to the financial statements, which include a description of the significant accounting policies.
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### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence**

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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### **Conclusions relating to going concern**

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

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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

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### **Reporting on other information**

The other information comprises all of the information in the Trustees' Report and Financial Statements other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Trustees' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

#### Trustees' Report

*In our opinion, based on the work undertaken in the course of the audit, the information given in the Trustees' Report for the year ended 28 February 2023 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.*

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Trustees' Report.

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### **Responsibilities for the financial statements and the audit**

#### *Responsibilities of the trustees for the financial statements*

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### *Auditors' responsibilities for the audit of the financial statements*

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

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

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 company and industry, we identified that the principal risks of non-compliance with laws and regulations related to compliance with Part 8 of the Charities Act 2011, 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 financial statements such as compliance with Part 8 of the Charities Act 2011. 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 use of income or assets of the charitable company for activities that do not support the objects of the charitable company. Audit procedures performed by the engagement team included:

- Discussions with management and company staff, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reading relevant minutes of meetings held during the year, including those of the Trustees;
- Designing audit procedures to incorporate unpredictability around the nature, timing and extent of our testing;
- Testing the appropriateness of journal entries identified based on our fraud risk criteria.

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

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

### *Use of this report*

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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## **Other required reporting**

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### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

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Aisling Fitzgerald (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers  
Chartered Accountants and Statutory Auditors  
Dublin  
29 November 2023

## Statement of Financial Activities for the Year Ended 28 February 2023

		28 February 2023	28 February 2022
	Note	£	£
<b>Income</b>			
Donations and legacies		78,306,794	19,572,515
Investment income		208,495	189,405
<b>Total income</b>		<b>78,515,289</b>	<b>19,761,920</b>
<b>Expenditure</b>			
Expenditure on charitable activities	4	(69,726,842)	(21,286,949)
<b>Total expenditure</b>		<b>(69,726,842)</b>	<b>(21,286,949)</b>
<b>Net income / (expenditure)</b>	7	<b>8,788,447</b>	<b>(1,525,029)</b>
Gain on investments	8	1,385,643	219,920
Gain on foreign exchange		208,562	-
<b>Net movement in funds</b>		<b>10,382,652</b>	<b>(1,305,109)</b>
<b>Reconciliation of funds</b>			
Total funds brought forward	13	14,072,392	15,377,501
<b>Total funds carried forward</b>		<b>24,455,044</b>	<b>14,072,392</b>

The Statement of Financial Activities has been prepared on the basis that all activities are continuing.

There are no recognised gains and losses other than those included in the results above and therefore no separate statement of total recognised gains and losses has been presented.

The accounting policies and the notes on pages 16 to 21 form part of the Financial Statements.

## Balance Sheet as at 28 February 2023

	28 February 2023	28 February 2022
Note	£	£
<b>Fixed Assets</b>		
Investments	8 16,748,694	5,509,216
	<u>16,748,694</u>	<u>5,509,216</u>
<b>Current assets</b>		
Debtors	9 7,548,846	728,755
Cash at bank and in hand	286,139	7,879,942
<b>Total current assets</b>	<u>7,834,985</u>	<u>8,608,697</u>
<b>Liabilities</b>		
Creditors: amounts falling due within one year	10 (128,635)	(45,521)
<b>Net current assets</b>	<u>7,706,350</u>	<u>8,563,176</u>
<b>Total net assets</b>	<u>24,455,044</u>	<u>14,072,392</u>
<b>The funds of the Foundation:</b>		
Unrestricted Funds	13 24,455,044	14,072,392
<b>Total Foundation funds</b>	<u>24,455,044</u>	<u>14,072,392</u>

The accounting policies and the notes on pages 16 to 21 form part of the Financial Statements.

The Financial Statements were approved by the Trustees and authorised for issue on 29 November 2023 and signed on their behalf by:



**Matthew King**  
Trustee

## Statement of Cash Flows for the Year Ended 28 February 2023

	28 February 2023	28 February 2022
Note	£	£
Net cash generated by / (used in) operating activities	14 <u>2,260,032</u>	<u>(532,883)</u>
<b>Cash flow from investing activities</b>		
Purchase of investments	8 (24,634,587)	(1,097,047)
Disposal of investments	8 <u>14,780,752</u>	<u>-</u>
<b>Net cash used in investing activities</b>	<u>(9,853,835)</u>	<u>(1,097,047)</u>
<b>Net decrease in cash and cash equivalents</b>	(7,593,803)	(1,629,930)
Cash and cash equivalents at the beginning of the year	7,879,942	9,509,872
<b>Cash and cash equivalents at the end of the year</b>	<u>286,139</u>	<u>7,879,942</u>
<b>Cash and cash equivalents consists of:</b>		
Cash at bank and in hand	<u>286,139</u>	<u>7,879,942</u>

The Foundation has no net debt and accordingly no net debt note is presented.

The accounting policies and the notes on pages 16 to 21 form part of the Financial Statements.

## Notes to the Financial Statements

### 1 General information

The CH Foundation (UK) (the "Foundation") is a Charitable Company limited by guarantee, registered in England and Wales. The address of its registered office is 7 Clifford Street, London, W1S 2FT.

### 2 Statement of compliance

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") (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Foundation meets the definition of a public benefit entity under FRS 102. The assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

### 3 Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### (a) Legal status

The Foundation is a company limited by guarantee and in the event of it being wound up each member is liable to contribute a sum not exceeding £10. There are no shares of any class, either authorised or allocated.

#### (b) Going concern

The Foundation meets its day-to-day working capital requirements through its cash balances and investments. After reviewing the Foundation's forecasts and projections, the Trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. The Foundation therefore continues to adopt the going concern basis in preparing its financial statements.

#### (c) Income

Income is included in the respective line items of the Statement of Financial Activities when the Foundation is legally entitled to the income and the amount can be quantified with reasonable certainty. Income comprises of donations, recognised when received and banked, and Gift Aid, recognised when there is a valid declaration from the donor.

#### (d) Gifts in kind and donated services

Gifts in kind and donated services are valued and included, where material, in the financial statements. The contribution of volunteers has been excluded from the Statement of Financial Activities as the value of their contribution to the Foundation cannot be reasonably quantified in financial terms. Due to the immaterial nature of donated services and the difficulty in quantifying the financial impact of same in the current year, there were no amounts included in respect of same.

#### (e) Expenditure

Expenditure is accounted for on an accruals basis. Constructive obligations (including grants payable) are accounted for as liabilities where it is probable that there will be a transfer of economic benefits and the amount of the obligation can be reliably estimated and communicated to the recipient.

Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objects. These costs, where not wholly attributable, are apportioned between the categories of charitable expenditure in addition to the direct costs.

#### (f) Support and governance costs

Support costs are those costs which do not relate directly to a single activity. Governance costs are those costs incurred in the compliance with constitutional and statutory requirements including related professional fees, and are accounted for on an accruals basis. These costs are included under the heading charitable activities in the Statement of Financial Activities.

Support and governance costs have been apportioned between charitable activities on an expenditure basis, whereby the costs are allocated proportionate to the nature of the grant funded activity.



## Notes to the Financial Statements *(continued)*

### 3 Accounting Policies *(continued)*

#### **(g) Foreign currency translation**

Monetary assets and liabilities denominated in foreign currencies are translated into pound sterling at the rates of exchange ruling at the Balance Sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of transaction. All differences are taken to the Statement of Financial Activities.

#### **(h) Funds**

Unrestricted Funds comprise those funds which the Trustees are free to use in accordance with the charitable objectives of the Foundation.

Restricted Funds comprise those funds that can only be used for particular restricted purposes within the objectives of the Foundation. Restricted Funds arise when the funds are specified as such by the donor(s) or when funds are raised for particular restricted purposes.

Expendable Endowment Funds include all funds received which the Trustees are authorised to spend when and if they decide to spend these funds. The funds may be used to further the specific charitable purposes the Foundation was established to support. These costs can include both direct and support costs associated with activities undertaken by the restricted funds within the Foundation.

#### **(i) Investments**

Investments comprise non-controlling interests in investment funds which are measured at fair value. The fair value of the investments are determined by the net asset value of each fund as at the reporting period end date. Changes in fair value are recognised in the Statement of Financial Activities.

#### **(j) Cash and cash equivalents**

Cash and cash equivalents includes cash in hand and bank overdrafts. Bank overdrafts, where applicable, are shown within borrowings in current liabilities.

#### **(k) Financial instruments**

The Foundation has chosen to adopt Section 11 of FRS 102 in respect of financial instruments.

#### *(i) Financial assets and investments*

Basic financial assets, including receivables, and cash and cash equivalents, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Financial Activities.

Other financial assets, including investments, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

#### *(ii) Financial liabilities*

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

## Notes to the Financial Statements (continued)

### 3 Accounting Policies (continued)

#### (I) Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Foundation's accounting policies.

The fair value of the investments in the investment funds are determined by the proportionate interest of the net asset value of each investment fund as at the reporting period end date. The Trustees place reliance on the accuracy of the net asset value of the investment funds, determined by the boards of the investment funds and, if applicable, appointed external valuers. The key accounting judgements and estimates in determining the net asset value of the investment funds are the fair value measurements of the financial instruments held by the investment funds.

The valuation of unquoted investments is based on an independent valuation of the investments, based on the underlying asset values in the accounts of the unquoted investment entity. There is a level of estimation involved in these valuations. The Trustees review the individual valuations applied which includes subsequent performance of the investment and takes account of advice provided by external investment advisors.

### 4 Expenditure on charitable activities

	Grant funded activity £	Support & governance £	28 February 2023 £	28 February 2022 £
Humanitarian aid as a result of criminal behaviour	11,755,662	4,320	11,759,982	3,831,565
Advancement of education and promotion of health	57,945,568	21,292	57,966,860	17,455,384
	<u>69,701,230</u>	<u>25,612</u>	<u>69,726,842</u>	<u>21,286,949</u>

#### Analysis of support and governance costs

	General support £	Governance function £	28 February 2023 £	28 February 2022 £
Governance costs	-	15,763	15,763	16,092
Finance expenses	-	-	-	5,385
Office expenses	9,849	-	9,849	505
	<u>9,849</u>	<u>15,763</u>	<u>25,612</u>	<u>21,982</u>

Finance expenses includes losses on foreign exchange transactions.

### 5 Staff costs

The Foundation had no employees during the year (2022: nil).

The Foundation considers its key management personnel to comprise of the Trustees. The Trustees were not paid, nor received any benefits, from the Foundation during the year (2022: £nil). The Trustees were not reimbursed expenses during the year (2022: £nil). No Trustee received payment for professional or other services supplied to the Foundation (2022: £nil).

### 6 Taxation

The Foundation is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

### 7 Net income / (expenditure)

	28 February 2023 £	28 February 2022 £
Net income / (expenditure) is stated after charging:		
Fees payable to the Foundation's auditors for the audit of the financial statements	<u>15,750</u>	<u>15,000</u>

## Notes to the Financial Statements (continued)

### 8 Investments

	28 February 2023	28 February 2022
	£	£
Brought forward	5,509,216	4,192,249
Additions	24,634,587	1,097,047
Disposals	(14,780,752)	-
Gain on financial assets at fair value	1,385,643	219,920
Carried forward	16,748,694	5,509,216

Investments represent subscriptions in two (2022: one) unlisted investment funds and a non-controlling interest in a limited liability partnership incorporated in England and Wales (the "LLP"). The fair value of the investments are determined by the net asset value of the unlisted investment funds and the LLP as at the reporting period end date. Changes in fair value are recognised in the Statement of Financial Activities.

At the year end, the value of the investment in one of the unlisted investment funds was £4,699,719 (2022: £4,395,539). The unlisted investment fund provides debt financing to financial institutions and water and sanitation enterprises providing water supply and sanitation microloans, products, or services to families living in India, Indonesia, Cambodia, and the Philippines. The unlisted investment fund expects to reach 4.6 million people with safe water or sanitation over its seven year life.

During the year, the Foundation was donated shares in an unlisted investment fund of \$30,000,000 (£24,634,587). Upon receipt, the Foundation granted \$18,000,000 (£14,780,752) of the shares to a registered charity. At the year end, the value of the Foundation's investment in the unlisted investment fund was £10,879,305 (2022: £nil).

During the prior year, the Foundation acquired a non-controlling interest in the LLP at a cost of £1,097,047. At the year end, the value of the investment was £1,169,670 (2022: £1,113,677).

### 9 Debtors

	28 February 2023	28 February 2022
	£	£
Gift Aid receivable	7,134,079	403,750
Loan receivable	351,097	316,913
Other receivables	7,917	7,917
Prepayments	55,753	175
	7,548,846	728,755

### 10 Creditors: amounts falling due within one year

	28 February 2023	28 February 2022
	£	£
Amounts owed to related parties	57,285	30,500
Trade payables	55,600	21
Accruals	15,750	15,000
	128,635	45,521

The amounts owed to related parties are unsecured, interest free and repayable on demand.

## Notes to the Financial Statements (continued)

### 11 Financial instruments

	28 February 2023	28 February 2022
	£	£
Financial assets at fair value	16,748,694	5,509,216
Financial assets that are debt instruments, measured at amortised cost:		
Loans receivable	351,097	316,913
Other receivables	7,917	7,917
	359,014	324,830
Financial liabilities measured at amortised cost:		
Trade payables	55,600	21

### 12 Financial risk management

The Foundation's financial activities may expose it to a variety of financial risks, broadly grouped as market risk, credit risk and liquidity risk.

#### Market risk

The Foundation's exposure to market risk is limited to currency exchange risk and price risk. The currency exchange risk arises from the investments held in currencies other than the functional currency of the Foundation. The Foundation does not actively seek to hedge its exposure to foreign exchange risk. The price risk arises on the investments due to their exposure to fluctuations in market prices (other than currency exchange risk), whether those changes are caused by factors specific to the financial instrument or its issuers, or factors affecting all similar financial instruments traded in the market.

#### Credit risk

The Foundation's exposure to credit risk arises mainly through its cash balances and loan receivable. The Foundation will hold all cash with banks whom the Foundation has strong, well-established relationships and who typically have a minimum Moody's or S&P rating of investment grade. The Foundation monitors the borrower's financial performance on a quarterly basis. At the reporting date, the maximum exposure to credit risk is represented by the carrying amount in the Balance Sheet.

#### Liquidity risk

Liquidity risk is the risk that the Foundation will encounter difficulties in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Foundation expects to meet its financial obligations through operating cash flows. In the event that the operating cash flows would not cover all the financial obligations the Foundation has cash reserves and credit facilities available.

### 13 Unrestricted funds

	1 March 2022	Incoming Resources	Resources Expended	28 February 2023
	£	£	£	£
Unrestricted	14,072,392	80,109,494	(69,726,842)	24,455,044
	14,072,392	80,109,494	(69,726,842)	24,455,044

### 14 Notes to the Statement of Cash Flows

	28 February 2023	28 February 2022
	£	£
Net income / (expenditure) for the financial year	10,382,652	(1,305,109)
Adjustments for:		
Gain on financial assets at fair value	(1,385,643)	(219,920)
(Increase) / decrease in debtors	(6,820,091)	955,634
Increase in creditors	83,114	36,512
Net cash generated by / (used in) operating activities	2,260,032	(532,883)

## Notes to the Financial Statements *(continued)*

### 15 Contingent liabilities and financial commitments

The Foundation had commitments at the year end of £24,631,403 (2022: £21,706,853). The Foundation has entered into grant agreements with charitable organisations and made grants available as drawdown facilities over the grant terms. The commitments at the year end represent the remainder of the total committed grants that the charitable organisations have not drawdown. The Foundation will fund the commitments through existing cash balances and future donations received.

The Foundation had no contingent liabilities at 28 February 2023 (2022: £nil).

### 16 Related party transactions

During the year, the Foundation received donations without conditions of £71,124,699 (2022: £19,163,562) from related parties.

During the year, the Foundation made charitable grants to The Children's Investment Fund Foundation (UK) ("CIFF") of £2,519,945 (2022: £941,608). CIFF is related due to C. Hohn being a trustee of CIFF.

During the year, the Foundation received profit distribution advances of £57,285 (2022: £30,500) from the LLP. The amount is recognised as a liability until the LLP allocates the profits. The LLP is related through C. Hohn being a trustee of the LLP's controlling party.

### 17 Controlling party

The controlling party are the Trustees acting in the General Meeting.

### 18 Subsequent events

Following the year end, the Foundation entered into a real estate purchase agreement to acquire a property in the USA for a purchase price of \$43,644,057, plus associated transaction costs and taxes. The Foundation also entered into a donation agreement with MANA Nutritive Aid Products Incorporated ("MANA"), a charitable organisation registered in USA, to grant the rights, title and interest in the property to MANA. The property will provide MANA with an additional industrial warehouse and manufacturing facility to manufacture Ready-to-Use Therapeutic Food.

There have been no other significant events which require further disclosure since the financial year end and the date these financial statements were authorised for issue.