

# Howden Foundation

England & Wales · Charity number 1156286

## Details

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Other names	HOWDEN GROUP FOUNDATION, R K H FOUNDATION, THE HYPERION FOUNDATION, HOWDEN FOUNDATION
Status	Registered
Legal form	CIO
Registered	2014-03-20
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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**Address** Howden Foundation  
One Creechurch Place  
London  
EC3A 5AF

**Phone** 02073984888

## Activities

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**Objects:** The Objects of the CIO are, for the public benefit, to advance any charitable purpose as defined from time to time by the laws of England and Wales, in particular but not exclusively by the provision of grants, items and services to one or more of individuals in need, charities and other organisations and for charitable purposes anywhere in the world.

**Activities:** THE CHARITIES PRINCIPLE ACTIVITIES AS SET OUT IN THE CONSTITUTION ARE AS FOLLOWS: ADVANCING ANY CHARITABLE PURPOSE AS DEFINED FROM TIME TO TIME BY THE LAWS OF ENGLAND AND WALES, IN PARTICULAR BUT NOT EXCLUSIVELY BY THE PROVISION OF GRANTS, ITEMS AND SERVICES TO ONE OR MORE OF INDIVIDUALS IN NEED, CHARITIES AND OTHER ORGANISATIONS AND FOR CHARITABLE PURPOSES ANYWHERE IN THE WORLD.

## Classification

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- **How:** Makes Grants To Organisations
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Environment/conservation/heritage, Economic/community Development/employment, Other Charitable Purposes
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, The General Public/mankind

## Geography

- Australia
- Germany
- Hong Kong
- India
- Indonesia
- Spain
- United States
- Throughout England And Wales

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-09-30	£87,491	£1,854,740	-	-
2023-09-30	£17,750	£608,562	-	-
2022-09-30	£7,138,746	£966,832	£14,654,885	0
2021-09-30	£283,819	£1,996,832	-	-
2020-09-30	£3,328,746	£1,864,409	£2,410,591	0

## Trustees

Name	Role	Appointed
<b>David Philip Howden</b>	Chair	2024-05-08
Dr Thomas Charles Mitchell		2026-03-18
Heather Goodhew		2021-12-16
Louise Fenella Cable-Alexander		2022-11-22
Lucy Emma Dormandy		2022-01-24
NICK STACE		2026-03-18
Rachel Louise Turner		2026-03-18
Rebecca Briony Scott		2021-07-15
Serge Thieriet		2025-09-23

**Howden Foundation**

England & Wales - Charity number 1156286

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# Accounts

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**Charity Number 1156286**

***HOWDEN FOUNDATION***

*Audited Annual Report and Accounts*

*For the year ended 30 September 2024*

# Howden Foundation – Charity Number 1156286

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## Financial Statements

For the year ended 30 September 2024

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## Trustees and Advisors

Trustees who served during the period and up to the date of this report were as follows:

L. Cable-Alexander  
C. Creasey  
L. Dormandy  
H. Goodhew  
D. Howden (appointed 8 May 2024 as Chair)  
M. Hudson  
A. Mandal  
J. Marron (resigned 30 April 2024)  
L. Munoz-Rojas Entrecanales (resigned 8 May 2024)  
R. Scott

Key management personnel:

Clare Ballantine (Head of Foundation)

Registered office and operational address:

One Creechurch Place  
London  
EC3A 5AF

Auditor:

Forvis Mazars LLP  
Two Chamberlain Square  
Birmingham  
B3 3AX

Bankers:

RBS London City Office  
PO Box 412  
62/63 Threadneedle Street  
London  
EC3R 8LA

Lawyers:

Russell Cooke Solicitors  
8 Bedford Row  
London  
WC1R 4BX

Charity registration number:

1156286

## Trustees' Report

The trustees present their report and the financial statements for the Howden Foundation (the Foundation), for the year ended 30 September 2024 (the year).

The financial statements comply with current statutory requirements, the charity's Constitution, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

## Structure, Governance and Management

### *Governing Document*

The Foundation is a Charitable Incorporated Organisation, incorporated with the Charity Commission for England and Wales on 20 March 2014. The Foundation's Constitution establishes the powers and objects of the charity, and this was last updated on the 30 July 2024.

The objects of the Foundation, which were updated on the 30 July 2024 are, for the public benefit, to advance any charitable purpose as defined from time to time by the laws of England and Wales, in particular but not exclusively by the provision of grants, items and services to one or more of individuals in need, charities and other organisations and for charitable purposes anywhere in the world.

### *Related parties and relationships with other organisations*

The Foundation is independent of any other body. However, it continues to be financially and operationally supported by Howden Group Holdings Limited ("Howden"), its subsidiary companies ("Howden Group Companies") and their employees ("Howden employees").

The Howden Foundation and Howden have a Relationship Agreement in place to formalise the arrangements between the two entities. This includes the services provided to the Foundation by Howden such as office space, professional support, and information systems. This year, Howden donated staff time and support services to the Foundation with an estimated value of £52,196.

The Foundation is a shareholder in Howden and maintains a revolving loan facility with a Howden Group Company to manage cash flow.

Please see the Financial Review on page 7 and note 12 for further Related Party transaction details.

### *Recruitment and Appointment of Trustees*

The Foundation is governed by the Board of trustees ("the Board"). The Constitution supports a minimum of three trustees and a maximum of 12 trustees. The trustees are normally appointed to serve for a period of three years and are eligible for reappointment for a further two consecutive terms up to a maximum term of nine years. A trustee may only be re-appointed beyond a maximum term of nine years if the other trustees consider the circumstances to be exceptional and the re-appointment is approved by a resolution of at least 75% of the other trustees.

In selecting individuals for appointment as trustees, the Board looks for the skills, knowledge and experience needed for the effective management of a charity. Currently, the Board includes three trustees not connected to Howden to ensure a wide range of backgrounds, experiences and skills and to provide an independent quorum where necessary.

On appointment, trustees are provided with external training on their role and responsibilities, a copy of the Constitution, the latest audited accounts and a trustee induction pack to assist them in their role.

## Trustees' Report (*continued*)

### ***Organisational Structure***

The trustees are responsible for the management of the Foundation and meet at least quarterly. In the event that there are no urgent matters to address at a formal meeting then they will communicate electronically as outlined and permitted in the Foundation's Constitution. Any decision may be taken either at a formal meeting of the trustees or by resolution in writing or electronic form agreed by a majority of trustees. All trustees give their time voluntarily and receive no benefits from the charity. No expenses were reclaimed by trustees from the charity over the year.

The Board operates a Finance Committee and an Investment Committee, both of which meet on a regular basis, to focus on work delegated by the Board, provide added expertise and scrutiny, and make recommendations to the Board.

The trustees have delegated authority to the Head of Foundation, Clare Ballantine, for the day-to-day management of the Foundation. Following an open recruitment campaign, a candidate for the newly created CEO role has been appointed and is due to take up post by July 2025. Clare Ballantine will assume the role of COO at that point.

All Foundation staff are employed by Howden Group Services Limited, the Group's central services subsidiary company, and seconded to the Foundation. The Foundation reimburses Howden Group Services Limited for the remuneration of the Foundation staff. The Foundation staff remuneration is reviewed annually and set with reference to UK foundation sector benchmarks. Pay and benefit changes are approved by the full Board.

### **Principal Risks and Uncertainties**

The trustees have a duty to identify, understand and analyse the risks to which the Foundation is exposed and to ensure appropriate and effective controls are in place. The trustees have conducted a review of the major risks to which the Foundation is exposed. Risks are assessed based on their likelihood and potential impact, and mitigation strategies are put in place to manage them in line with the board's risk appetite. They are recorded in a Risk Register which is regularly reviewed by the trustees and updated and approved annually. Where appropriate, systems or procedures have been established to manage the risks the charity faces. The Head of Foundation continually monitors changes in risk levels or emergence of new risks that may impact upon the organisation and escalates any concerns to the trustees.

The principal three risks identified during the year are:

- **Investment risk:** Reduction in value of Foundation's assets owing to portfolio concentration.  
The Finance Committee meets on a monthly basis to monitor financial performance and trustees receive up to date information on the Foundation's financial position on a quarterly basis including its level of liquid assets. In September 2023, an Investment committee was formed as part of the governance structure to ensure that income requirements, risk profile and market prospects remain fit for purpose.
- **Reputational risk:** Negative publicity for the Howden Foundation, Howden or one of the Foundation's grant partners leads to reputational damage and regulatory scrutiny.  
The Foundation closely monitors potential risks to its reputation and recognises that negative news or sentiment relating to itself, or any closely linked parties, could have a detrimental effect on the Foundation achieving its mission. The Foundation conducts thorough due diligence on all potential partners and regular ongoing monitoring of all existing partners to help mitigate this risk and includes a grant termination clause in its funding agreements should it be required.

## Trustees' Report (*continued*)

- **Organisational capacity:** Trustees and staff lack adequate time, relevant skills or experience resulting in poor decision making and/or lack of support.

The Foundation has grown significantly over the last four years. In line with the growth, the Board recognise the need to ensure the time, skills and experience are in place to deliver on the agreed strategy. The trustees have expanded the Foundation team with the recruitment of a CEO who will take up post by July 2025 and expect to make further appointments in the near future. In addition, trustees intend to recruit a grants advisory panel and conduct a Board skills audit to review and agree skills required at trustee level over the next year.

## Purposes and Aims

### *Purpose*

The Foundation's objects are, for the public benefit, to advance any charitable purpose as defined from time to time by the laws of England and Wales, in particular but not exclusively by the provision of grants, items and services to one or more of individuals in need, charities and other organisations and for charitable purposes anywhere in the world.

### *Public benefit*

The Foundation has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing its aims and objectives and in planning its future activities. In particular, the trustees consider how any future, planned activities will contribute to the aims and objectives they have set.

### *Strategic aims*

Since inception, the Foundation has endeavoured to improve peoples' lives through funding high impact charitable organisations around the world and, over the last few years, has positioned itself to address the urgent and critical need for increased investment in climate action. Driven by climate change, extreme weather is one of the biggest risks we face over the next decade, and this is particularly the case for those communities who have contributed least to the climate crisis. In recognition of this, the Foundation has significantly increased its expenditure on climate action this year and invested in learning and collaboration in order to deepen its understanding of how to deliver meaningful impact.

The Foundation reviews its aims, objectives and activities annually and, against a dynamic backdrop, continues to revisit and refine its climate strategy to ensure its work can bring maximum benefit to the public. Its work is informed and shaped by the communities it supports and where possible it seeks to build long-term partnerships to provide organisations with income security and reduce their time spent on fundraising, freeing up more of their time for programme delivery.

### *1. Climate Adaptation and Resilience*

The Howden Foundation has committed to empowering frontline communities who are facing the worst impacts of the climate crisis to take early action so that they can prepare for, adapt to and recover from its increasingly devastating effects.

- **Prepare:** Supporting communities to prepare for the impacts of climate change by building climate risk data and supporting tools such as early warnings systems which are in acute shortage in many countries.
- **Adapt:** Supporting communities to adapt to the impacts of climate change, including sustainable infrastructure and nature-based solutions.
- **Recover:** Supporting communities to recover from the impacts of climate change with anticipatory tools such as insurance and other forms of pre-arranged finance.

## Trustees' Report (*continued*)

### **2. People First Fund**

In addition to its Climate Adaptation and Resilience work, the Foundation's People First Fund supports the charitable giving of Howden employees and the variety of causes they care about around the world. Through this Fund, Howden employees can access matched funding for their personal fundraising or donations, as well as nominating charities to secure a donation through the annual Howden Foundation Charity Awards.

### **Activities and achievements**

Over the course of the year, the Foundation made grants and donations amounting to £1.5m (2023; £556k). This included £1.1m across its Climate Adaptation and Resilience portfolio and £400k for People First Fund activities. A selection of the Foundation's activities and achievements are outlined here.

#### **1. Climate Adaptation and Resilience partnerships**

- **Global Resilience Partnership (Climate Resilience for All) (£250,000)**  
Climate Resilience for All ("CRA") are raising awareness about extreme heat and creating the conditions under which informal female workers in India can suffer less from heat-related income loss, ill health and death.

Through CRA's fiscal sponsor, the Global Resilience Partnership, the Foundation funded the 'Women's Climate Shock Insurance and Livelihood Initiative' (WCS) which was co-created by CRA and the Self-Employed Women's Association (SEWA) in India. Under WCS, SEWA members can sign up to receive warnings about extreme heat events, and secure wage supplements which prevent them from having to work under unbearable conditions. These supplements are paid directly to WCS members when temperatures reach 40 degrees, whilst temperatures of 50 degrees trigger parametric insurance to cover daily wages until temperatures decrease. 50,000 women signed up to the first year of the programme - with almost \$600,000 paid out in insurance and cash supplements during extreme heat events.

- **Start Network (£201,000)**  
Start Network is made up of over 130 humanitarian agencies with a footprint across five continents. Its vision is for a world in which people receive high quality humanitarian aid when they experience disasters and where communities are prepared and resilient for when crises occur. This year, the trustees approved the second instalment of a two-year grant of £401k for Start Network's Start Ready programme. Start Ready is an innovative programme that supports NGOs to understand climate risks, develops risk models to forecast crises, and pre-positions funding to support communities before climate crises hit.

The Foundation also provided non-financial support to the Start Network in the form of office space for meetings during Start Network's Crisis Anticipation and Risk Financing Week, as well as technical support from Howden employees.

- **Environmental Change Institute (University of Oxford) (£196,000)**  
The Environmental Change Institute ("ECI") at the University of Oxford is working to democratise access to climate risk data, enabling vulnerable communities in the Global South to better plan and prepare for climate-related disasters.

The J-ADAPT Toolkit is the world's first fully open toolkit of its kind, which provides tailored, high-quality analytics on climate-related risks, whilst assessing the social and economic impacts of plans that aim to address them. The toolkit specifically focuses on ensuring that infrastructure is well adapted to a changing climate, as well as ensuring that adaptation plans developed by Governments and communities are as just and inclusive as they can be in order to bring the maximum benefit to the world's most vulnerable people.

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## Trustees' Report (*continued*)

- ***Sand Dams Worldwide (£165,000)***

Sand Dams Worldwide (“SDW”) is supporting smallholder farmers affected by extreme heat and drought in Malawi to gain access to year-round water supplies, whilst also enabling the uptake of conservation farming and reforestation.

SDW works with local partner, CARD, to construct concrete dams across four seasonal riverbeds in Malawi’s drylands, which can each store up to 40 million litres of water in the sand that accumulates above the dams. This provides year-round access to water supplies for local communities whilst enabling women - who would usually spend up to 12 hours a day fetching water - to spend more time tending to the land, including through enrolling in SDW’s climate resilient agriculture training programme. The programme aims to enhance food and water security for 8,000 people, whilst enabling the restoration of degraded riverbeds through the establishment of tree nurseries, which is made possible by the presence of more reliable groundwater supplies. In partnership with the local partner, SDW is also working with the Malawi government to advocate for more widespread construction of sand dams across the country.

- ***RedR UK (£123,000)***

RedR UK is equipping humanitarian workers and affected communities with the knowledge and resources to respond to climate-related challenges in drought-prone regions of Somalia and Afghanistan.

RedR UK partner with local NGOs and community-based organisations to train humanitarian responders to account for the impacts of climate change in their work. This ‘train the trainer’ model covers drought response, management, and resilience planning, with the aim of developing a skilled climate workforce in areas of high climate risk. Through this training, the programme aims to reduce reliance on external assistance, whilst empowering local actors to handle climate-related challenges independently. This includes equipping local actors with the skills to conduct risk assessments and take anticipatory or ‘preventative’ action, with a critical focus on gender-responsive approaches towards climate change.

## ***2. People First Fund***

The Foundation distributed £400k (2023: £182k) in matched funds for Howden employees' donations and personal fundraising initiatives throughout the year. In celebration of the Foundation's tenth anniversary, a special triple-match campaign was introduced from November 2023 to October 2024.

The Foundation deferred this year's funds for the Howden Foundation Charity Awards to next year in order to create a larger-than-usual awards pool, in honour of Howden's 30th anniversary.

All People First Fund donations were administered by Benevity Inc, in partnership with vetting partner TechSoup and a global network of non-profit foundations (American Online Giving Foundation / Australian Online Giving Foundation / Charitable Giving / UK Online Giving Foundation) who collect, process, and disburse donations on behalf of the Foundation, ensuring compliance with UK charity law.

## ***Other***

Over the year, the Board elected to support two emergency appeals including a donation of £4k to the International Federation of Red Cross and Red Crescent Societies for the Spanish floods and £10k for the UK Friends of the Mustique Charitable Trust in the wake of Hurricane Beryl.

## **Financial Review**

Income for the year was £88k (2023: £18k) including donated staff time and services from Howden. Net investment gains of £4.9m (2023: £2.6m) were also generated through the Foundation’s investments. Cashflow is complemented by access to a loan facility (from a Howden Group company) secured against the Foundation’s assets to ensure liquidity in the short term, as well as a modest income stream coming from UK-based Howden employees via payroll giving. All donations into the Foundation were unrestricted.

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## Trustees' Report (*continued*)

To support the financial sustainability of the Foundation, Howden employees can forego the right to take up share incentive awards and allow the Foundation to take up a certain part of their allocation directly in its own name. These incentive shares have a nominal value but, if they vest, would represent a material contribution to the Foundation's assets.

As at 30 September 2024, the Foundations' investments stood at £20.4m (2023: £17.3m). The Foundation does not undertake fundraising from the general public. However, it does receive donations from Howden employees.

Expenditure for the year totalled £1.85m (2023: £609k). This relates to Climate Adaptation and Resilience grants, People First Fund contributions and other donations that further the Foundation's charitable objects. It also includes support costs.

### **Investment policy**

The Foundation is a shareholder in Howden, and as at 30 September 2024, this investment was valued at £20.4m (2023: £17.3m). The Board continues to monitor the performance of its shares in Howden and regularly reviews the performance of the investment. There are no restrictions on the charity's power to invest.

In line with the growth of the Foundation, the trustees recognise the need to review the investment policy in accordance with Charity Commission guidance and have appointed a trustee sub-committee as part of their governance structure to ensure that income requirements, risk profile and market prospects are fit for purpose. The sub-committee is in the process of consulting external financial advisers and developing an updated policy for approval by the full Board.

### **Reserves policy**

The Board has examined the requirement for unrestricted accessible cash reserves sufficient to cover a source of income not being renewed and the need to fund short term deficits in cash flow. The Foundation had resolved to establish and maintain a level of cash reserves of up to £250k to provide sufficient funds for its support costs.

### **Plans for Future Periods**

**Grant-making:** The Board acknowledges the urgency of its mission and is committed to continuously evolving its strategy to meet emerging needs. Trustees intend to significantly increase the Foundation's overall grant-making budget to maximise its impact over the next year. To support this, and to uphold the Foundation's high standards in grant-making, the Board plans to establish a grants advisory panel, conduct a board skills audit, and expand the Foundation team alongside its increased giving.

**Collaboration:** The Foundation remains committed to working closely with other funders focused on climate adaptation and resilience, ensuring efforts are scaled and accelerated to meet urgent needs. Over the next year, the team will actively strengthen relationships with aligned partners to foster a more coordinated and impactful approach to climate action.

**Governance, finance and operations:** The Board remains focused on implementing a strengthened investment policy, working closely with an external investment advisor to ensure an appropriate balance of risk and return. Trustees plan to roll out this new policy over the next year. Additionally, the Foundation will enhance its impact measurement by adopting the Business for Societal Impact (B4SI) framework and invest in improving how it communicates its funding approach and partnerships.

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## Statement of the responsibility of the Trustees

The Trustees are required to prepare financial statements for each financial year, which give a true and fair view of the state of the Foundation's affairs and the surplus or deficit for the year.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Foundation will continue in operation.

The Trustees are responsible for:

- Keeping adequate accounting records, which disclose with reasonable accuracy at any time the financial position of the Foundation and;
- Safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the auditors are unaware and,
- That they have taken all the steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by the Board of Trustees on 8 May 2025 and signed on its behalf by:



David Howden (Chair) .....

## Independent auditor’s report to the members of the Howden Foundation

### **Opinion**

We have audited the financial statements of the Howden Foundation (the ‘charity’) for the year ended 30 September 2024 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 FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity’s affairs as at 30 September 2024 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### **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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor’s report thereon. The trustees are responsible for the other information. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If,

## Independent auditor's report to the members of the Howden Foundation (*continued*)

based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

### **Responsibilities of Trustees**

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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.

Based on our understanding of the charity and its activities, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: the Charities Act 2011, the Charities Statement of Recommended Practice and anti-money laundering regulation.

## Independent auditor's report to the members of the Howden Foundation (*continued*)

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the charity is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as the Charities Act 2011 and Charities Statement of Recommended Practice.

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to the valuation of investments, and income cut off at year end.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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 the audit report**

This report is made solely to the charity's members as a body in accordance with Part 4 of the Charities (Accounts and Report) Regulations 2008. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

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Independent auditor's report to the members of the Howden Foundation (*continued*)

Signed: FORVIS MAZARS LLP  
FORVIS MAZARS LLP (May 21, 2025 14:59 GMT+1)

05/21/2025

Forvis Mazars LLP  
Chartered Accountants and Statutory Auditor  
First Floor  
Two Chamberlain Square  
Birmingham B3 3AX

Forvis Mazar LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 121 of the Companies Act 2006.

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## Statement of Financial Activities (incorporating an income and expenditure account) For the year ended 30 September 2024

	Note	2024 £'000	2023 £'000
<b>Income from:</b>			
Donations	2	66	1
Charitable activities		-	1
Investments		22	16
<b>Total income</b>		<b>88</b>	<b>18</b>
<b>Expenditure on:</b>			
Charitable activities	3	1,805	515
Loan interest		49	94
<b>Total expenditure</b>		<b>1,854</b>	<b>609</b>
<b>Net expenditure before net gains on investments</b>		<b>(1,766)</b>	<b>(591)</b>
Net gains on investments		4,940	2,600
<b>Net income for the year</b>	5	<b>3,174</b>	<b>2,009</b>
<b>Reconciliation of funds:</b>			
Total funds brought forward		16,664	14,655
<b>Total funds carried forward</b>		<b>19,838</b>	<b>16,664</b>

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

All funds are unrestricted.

The notes on pages 17 to 22 form part of these accounts.

# Howden Foundation – Charity Number 1156286

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## Balance Sheet

As at 30 September 2024

	Note	£'000	2024 £'000	2023 £'000
<b>Fixed assets:</b>				
Investments	7		20,359	17,267
<b>Current assets:</b>				
Debtors	8	9		1
Cash at bank and in hand		969		696
		<u>978</u>		<u>697</u>
<b>Liabilities:</b>				
Creditors: amounts falling due within one year	9	(392)		(120)
		<u></u>		<u></u>
<b>Net current assets</b>			<b>586</b>	<b>577</b>
			<u></u>	<u></u>
<b>Total assets less current liabilities</b>			<b>20,945</b>	<b>17,844</b>
Creditors: amounts falling due after one year	10		(1,107)	(1,180)
			<u>(1,107)</u>	<u>(1,180)</u>
<b>Total net assets</b>			<b>19,838</b>	<b>16,664</b>
			<u><u>19,838</u></u>	<u><u>16,664</u></u>
<b>The funds of the charity:</b>				
Unrestricted income funds:				
General funds		19,838		16,664
		<u>19,838</u>		<u>16,664</u>
Total unrestricted funds			<b>19,838</b>	<b>16,664</b>
			<u>19,838</u>	<u>16,664</u>
<b>Total funds</b>			<b>19,838</b>	<b>16,664</b>
			<u><u>19,838</u></u>	<u><u>16,664</u></u>

These financial statements were approved and authorised for issue by the Trustees on 8 May 2025 and were signed on its behalf by:



.....  
David Howden (Chair)

The notes on pages 17 to 22 form part of these accounts.

# Howden Foundation – Charity Number 1156286

## Statement of Cash Flows

For the year ended 30 September 2024

	2024		2023	
	£'000	£'000	£'000	£'000
<b>Cash flows from operating activities</b>				
Net income for the reporting period (as per the statement of financial activities)	3,174		2,009	
Gains on investments	(4,940)		(2,600)	
Investment income recognised in the statement of financial activities	(22)		(16)	
(Increase)/decrease in debtors	(8)		2	
Increase/(decrease) in creditors	272		(606)	
<b>Net cash used in operating activities</b>		<b>(1,524)</b>		<b>(1,211)</b>
<b>Cash flows from investing activities:</b>				
Investment income recognised in the statement of financial activities	22		16	
Proceeds from sale of investments	1,848		1,845	
<b>Net cash provided by investing activities</b>		<b>1,870</b>		<b>1,861</b>
<b>Cash flows from financing activities:</b>				
Repayments of borrowing	(73)		(400)	
<b>Net cash used in financing activities</b>		<b>(73)</b>		<b>(400)</b>
<b>Change in cash and cash equivalents in the year</b>		<b>273</b>		<b>250</b>
Cash and cash equivalents at the beginning of the year		696		446
<b>Cash and cash equivalents at the end of the year</b>		<b>969</b>		<b>696</b>

### Analysis of cash and cash equivalents and of net debt

	At 1 Oct 2023	Cash flows	Other non- cash changes	At 30 Sept 2024
	£'000	£'000	£'000	£'000
Cash at bank and in hand	696	273	-	969
Loans falling due after more than one year	(1,180)	73	-	(1,107)
<b>Total</b>	<b>(484)</b>	<b>346</b>	<b>-</b>	<b>(138)</b>

# Howden Foundation – Charity Number 1156286

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## Notes to the Financial Statements For the year ended 30 September 2024

### **1 Accounting Policies**

#### **a) Statutory information**

Howden Foundation is a Charitable Incorporated Organisation registered with the Charity Commission for England and Wales.

The registered office address and principal place of business is One Creechurch Place, London, EC3A 5AF.

#### **b) Basis of preparation**

The accounts have been prepared in accordance with the Charities Act 2011, the Charities Statement of Recommended Practice (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and under the historical cost convention in accordance with applicable Accounting Standards as modified by the accounting policy for investments.

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

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. 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 nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

#### **c) Public benefit entity**

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

#### **d) Key sources of estimation uncertainty**

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

The carrying amount of unlisted investments on 30 September 2024 was £20.4m (last year: £17.3m).

The value of the investments is based on the adopted share price of Howden. The share price adopted is based on a report prepared for Howden by an external third party, which values the shares on the basis of precedent transactions, public company valuations, leverage buyout valuation and discounted cash flow. The adopted share price has also been used for a number of recent transactions, including the internal market run by Howden and shares issued in relation to acquisitions. Some of the shares held have a hurdle price, which needs to be achieved for the shares to have value, as set out in the legal documents governing those shares.

# Howden Foundation – Charity Number 1156286

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## Notes to the Financial Statements For the year ended 30 September 2024

### **1 Accounting Policies (continued)**

#### **e) Going concern**

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

#### **f) Income**

Income is recognised when the Foundation has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

#### **g) Donations of gifts, services and facilities**

Donated professional services and donated facilities are recognised as income when the Foundation has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the Foundation of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the Foundation which is the amount the Foundation would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

#### **h) Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Foundation; this is normally upon notification of the interest paid or payable by the bank.

#### **i) Fund accounting**

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes. All funds are unrestricted.

#### **j) Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities consists of expenditure/costs applied by the Foundation in meeting its charitable purposes, namely grants and donations.
- Support costs are those functions that assist the work of the Foundation but do not directly undertake charitable activities. Support costs include back-office costs, finance and governance costs which support the Foundation's activities.
- Governance costs are the costs associated with the governance arrangements of the Foundation. These costs are associated with constitutional and statutory requirements.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

# Howden Foundation – Charity Number 1156286

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## Notes to the Financial Statements For the year ended 30 September 2024

### 1 Accounting Policies (continued)

#### k) Grants payable

Grants payable are made to third parties in furtherance of the Foundation's charitable purposes. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the Foundation.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

#### l) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

#### m) Creditors and provisions

Creditors and provisions are recognised where the Foundation 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. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

### 2 Income from donations

	2024 £'000	2023 £'000
Individual donations	1	1
Corporate donations	13	-
Donated services and facilities	52	-
	<hr/>	<hr/>
	<b>66</b>	<b>1</b>
	<hr/> <hr/>	<hr/> <hr/>

All income from donations is unrestricted.

### 3a Analysis of expenditure (current year)

	Charitable activities £'000	Governance costs £'000	Support costs £'000	2024 Total £'000	2023 Total £'000
Grants and donations (note 4)	1,537	-	-	<b>1,537</b>	356
Overheads	62		186	<b>248</b>	139
Audit fee	-	20	-	<b>20</b>	20
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1,599	20	186	<b>1,805</b>	515

Overheads include salary costs for Foundation staff recharged by Howden Group Services Limited.

# Howden Foundation – Charity Number 1156286

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## Notes to the Financial Statements For the year ended 30 September 2024

### 3b Analysis of expenditure (prior year)

	Charitable activities £'000	Governance costs £'000	Support costs £'000	<b>2023 Total £'000</b>
Grants and donations (note 4)	356	-	-	<b>356</b>
Overheads	50	-	89	<b>139</b>
Audit fee	-	20	-	<b>20</b>
	406	20	89	<b>515</b>

### 4 Grants and donations

	<b>2024 £'000</b>	2023 £'000
Charitable Giving	<b>332</b>	156
Global Resilience Partnership (Climate Resilience for All)	<b>250</b>	-
Start Network	<b>201</b>	201
Environmental Change Institute (University of Oxford)	<b>196</b>	-
Sand Dams Worldwide	<b>165</b>	-
RedR UK	<b>123</b>	-
PELUM Zimbabwe	<b>107</b>	-
Seven Clean Seas	<b>50</b>	-
UK Online Giving Foundation	<b>31</b>	56
The Nature Conservancy	<b>30</b>	-
American Online Giving Foundation	<b>21</b>	5
Australian Online Giving Foundation	<b>17</b>	17
UK Friends of the Mustique Charitable Trust	<b>10</b>	-
International Federation of the Red Cross	<b>4</b>	-
Care Channels International	-	85
Disasters Emergency Committee	-	34
Alzheimer's Society	-	2
Danish Red Cross (see note)	-	(200)
	<b>1,537</b>	356

In March 2023, the Danish Red Cross asked to terminate the Ecosystem-based Adaptation (EbA) financing facility grant that had been approved and paid in FY22 while the project scope was reconsidered. In line with trustee duties to safeguard the Foundation's assets, the grant of US\$250k (£200k) was returned to the Foundation in May 2023.

# Howden Foundation – Charity Number 1156286

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## Notes to the Financial Statements For the year ended 30 September 2024

### 5 Net income for the year

This is stated after charging / (crediting):

	<b>2024</b>	2023
	<b>£'000</b>	£'000
Interest payable	<b>49</b>	<b>94</b>
Auditor's remuneration (excluding VAT) - Audit		
Current year	17	17
Prior year over accrual	<b>(1)</b>	-
Foreign exchange gains or losses	-	(1)

### 6 Taxation

As a charity, the Foundation is exempt from tax on income and gains falling within s505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No charges have arisen in the Foundation in the period.

### 7 Investments

All fixed asset investments at 1 October 2023 and at 30 September 2024 were unlisted share investments in Howden. These investments are held at fair value in accordance with the accounting policy as detailed in Note 1 on page 17 and their historic cost on acquisition was £10.m (2023: £8.6m).

	<b>2024</b>	2023
	<b>£'000</b>	£'000
Market value:		
At 1 October 2023	<b>17,267</b>	16,512
Additions at cost	-	359
Disposal proceeds	<b>(1,848)</b>	(1,845)
Net gain on change in fair value	<b>4,940</b>	2,241
	<hr/>	<hr/>
At 30 September 2024	<b>20,359</b>	17,267
	<hr/> <hr/>	<hr/> <hr/>

### 8 Debtors

	<b>2024</b>	2023
	<b>£'000</b>	£'000
Prepayments	<b>9</b>	-
Accrued income - donations	-	1
	<hr/>	<hr/>
	<b>9</b>	1
	<hr/> <hr/>	<hr/> <hr/>

# Howden Foundation – Charity Number 1156286

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## Notes to the Financial Statements For the year ended 30 September 2024

### 9 Creditors: amount falling due within one year

	<b>2024</b>	2023
	<b>£'000</b>	£'000
Trade creditors	6	-
Grants payable	272	-
Amounts due to Howden Group Services Limited (see note 12)	52	32
Accruals	62	88
	<hr/>	<hr/>
	<b>392</b>	120
	<hr/> <hr/>	<hr/> <hr/>

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

	<b>2024</b>	2023
	<b>£'000</b>	£'000
Loan due to HIG Finance 2 Limited	1,107	1,180
	<hr/>	<hr/>
	<b>1,107</b>	<b>1,180</b>
	<hr/> <hr/>	<hr/> <hr/>

The loan relates to a revolving loan facility agreed in July 2020 with HIG Finance 2 Limited, a Howden Group company. Although the extension of the loan agreement for another five years with updated terms was signed post year-end, an agreement in principle was signed before 30 September 2024. Accordingly, the trustees have chosen to reflect the substance of the loan at the balance sheet date and have treated the loan as falling due after one year. The total principal amount must not exceed £7.5m and must be repaid on or before the fifth-year anniversary of the date of the extension. Interest rate is equal to the weighted average cost of group debt plus a margin, to be reviewed at least annually. The loan is secured by a fixed charge on the shares held in Howden. As at 30 September 2024, the loan advance was £1.1m (2023: £1.15m) and accrued interest was £7.4k (2023: £30.3k). Interest incurred in the period amounted to £49.5k (2023: £93.6k).

### 11 Financial commitments, guarantees and contingent liabilities

Grants totalling £765k have been approved and will be paid in future years subject to rigorous review of the conditions attached to these grants by the staff and reporting to trustees. This amount has not been provided for in the financial statements. If the conditions of the grants are met the liabilities will be settled, in the local currency applicable, using the unrestricted funds of the Foundation.

Should the grants be awarded at the date of review, the £765k will be payable in the following years:

	<b>£'000</b>
30 September 2025	765
	<hr/> <hr/>

## Notes to the Financial Statements For the year ended 30 September 2024

### 12 Related party transactions

The Foundation is independent of any other body however it is primarily funded by Howden Group Companies and their employees. The Foundation had the following transactions with Howden Group Companies over the course of the year.

<b>Name of the trustee or related party</b>	<b>Description of the transaction</b>	<b>£'000</b>
HIG Finance 2 Limited	Loan drawdown	1,050
HIG Finance 2 Limited	Loan repayment	(1,100)
HIG Finance 2 Limited	Interest repayment	(72)
HIG Finance 2 Limited	Interest accrued	49
Howden Group Holdings Limited	Vested shares	3,313
Howden Group Services Limited	Administrative expenses	134

During the year, seven (7) trustees were affiliated with Howden Group Companies (2023: 6).

None of the trustees have been paid any remuneration or incurred any expenses in the year (2023: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties. The amount due to Howden Group Services as at 30 September 2024 was £52k (2023: £32k) – see note 9.

**Howden Foundation**

England & Wales - Charity number 1156286

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# Accounts

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**Charity Number 1156286**

***HOWDEN GROUP FOUNDATION***

*Audited Annual Report and Accounts*

*For the year ended 30 September 2023*

# Howden Group Foundation – Charity Number 1156286

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## Financial Statements

For the year ended 30 September 2023

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# Howden Group Foundation – Charity Number 1156286

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## Trustees and Advisors

Trustees who served during the period and up to the date of this report were as follows:

L. Muñoz-Rojas Entrecanales (Chair until 8 May 2024)  
L. Cable-Alexander (appointed 22 November 2022)  
C. Creasey  
L. Dormandy  
H. Goodhew  
D. Howden (appointed 8 May 2024 as Chair)  
M. Hudson  
A. Mandal  
J. Marron (resigned 30 April 2024)  
R. Scott

Key management personnel:

Clare Ballantine (Head of Foundation)

Registered office and operational address:

One Creechurch Place  
London  
EC3A 5AF

Auditor:

Forvis Mazars LLP  
Two Chamberlain Square  
Birmingham  
B3 2AX

Bankers:

RBS London City Office  
PO Box 412  
62/63 Threadneedle Street  
London  
EC3R 8LA

Lawyers:

Russell Cooke Solicitors  
8 Bedford Row  
London  
WC1R 4BX

Charity registration number:

1156286

# Howden Group Foundation – Charity Number 1156286

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## Trustees' Report

The trustees present their report and the financial statements for the Howden Group Foundation, also known by its working name of the Howden Foundation (the Foundation), for the year ended 30 September 2023 (the year).

The financial statements comply with current statutory requirements, the charity's Constitution, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

## Structure, Governance and Management

### *Governance*

The Foundation is a Charitable Incorporated Organisation, incorporated with the Charity Commission for England and Wales on 20 March 2014. The Foundation's Constitution establishes the powers and objects of the organisation and was last updated on the 1 December 2023. The Foundation also registered the working name of the Howden Foundation on the 16 November 2023.

### *Related parties and relationships with other organisations*

The Foundation is independent of any other body, however, it continues to be financially and operationally supported by Howden Group Holdings Limited ("Howden"), its subsidiary companies ("Howden Group Companies") and their employees ("Howden employees").

In October 2023, the Howden Group Foundation and Howden signed a Relationship Agreement to formalise the arrangements between the two entities including the services provided to the Foundation by Howden including office space, professional support and information systems.

The Foundation operates its People First Fund which specifically supports the charitable interests of Howden employees, and this is highlighted in the trustees' report.

Please see the Financial Review on page 9 and note 13 for further Related Party transaction details.

### *Appointment and training of Trustees*

The Constitution supports a minimum of three trustees and a maximum of 12 trustees. The trustees are normally appointed to serve for a period of three years and are eligible for reappointment for a further two consecutive terms up to a maximum term of nine years. A trustee may only be re-appointed beyond a maximum term of nine years if the other trustees consider the circumstances to be exceptional and the re-appointment is approved by a resolution of at least 75% of the other trustees.

The Board of Trustees ("the Board") includes three trustees not connected to Howden to ensure a wide range of backgrounds, experiences and skills and to provide an independent quorum where necessary.

In selecting individuals for appointment as trustees, the Board looks for the skills, knowledge and experience needed for the effective management of a charity. The trustee membership is reviewed at least annually to ensure that core responsibilities are held to manage certain key areas of expertise. The last review was held in October 2022 and helped identify skill gaps in order that they could be managed. The review resulted in an action plan to develop the Foundation's expertise on safeguarding and impact measurement which have been actioned throughout the year.

On appointment, trustees are provided with external training on their role and responsibilities, a copy of the Constitution, the latest audited accounts and a trustee induction pack to assist them in their role.

# Howden Group Foundation – Charity Number 1156286

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## Trustees' Report (*continued*)

### ***Organisational structure and decision making***

The trustees meet at least quarterly. In the event that there are no urgent matters to address at a formal meeting then they will communicate electronically as outlined and permitted in the Foundation's Constitution. Any decision may be taken, either at a formal meeting of the trustees, or by resolution in writing or electronic form agreed by a majority of trustees.

All trustees give their time voluntarily and receive no benefits from the charity. No expenses were reclaimed by trustees from the charity in period.

### ***Key management and remuneration policy***

The trustees have delegated authority to the Head of Foundation, Clare Ballantine (appointed November 2021), for the day-to-day management of the Foundation. Clare is assisted by a Partnerships Manager, Hannah Torkington (appointed March 2024). Clare and Hannah are employed by Howden Group Services Limited, the Group's central services subsidiary company, and seconded to the Foundation. The Foundation reimburses Howden Group Services Limited for the remuneration of the Foundation staff. The Foundation staff remuneration is reviewed annually and set with reference to UK foundation sector benchmarks and, where possible, against similar posts in Howden Group Companies. Pay and benefit changes are approved by the full Board.

### **Principal Risks and Uncertainties**

The trustees have a duty to identify, understand and analyse the risks to which the Foundation is exposed and to ensure appropriate and effective controls are in place. The trustees have conducted a review of the major risks to which the Foundation is exposed. Risks are assessed based on their likelihood and potential impact, and mitigation strategies are put in place to manage them in line with the board's risk appetite. They are recorded in a Risk Register which is regularly reviewed by the trustees and updated and approved annually. Where appropriate, systems or procedures have been established to manage the risks the charity faces. The Head of Foundation continually monitors changes in risk levels or emergence of new risks that may impact upon the organisation and escalates any concerns to the trustees.

The trustees have identified ten risks which fall into five categories: Law / Regulatory Compliance, Governance, Financial, Operational and Environmental / External. The Trustees consider the following to be the key risks that the Foundation faces:

- Failure to comply with legislation and regulatory requirements results in penalties, sanction by regulator and negative publicity. Trustees and Foundation staff regularly monitor regulatory guidance, relevant updates and the Foundation's governing document to maintain compliance. Trustees are provided with training and resources to manage their legal and regulatory responsibilities. The Foundation has policies, systems and procedures in place to further mitigate this risk.
- Failure to maintain capital requirements and manage financial performance leads to inability to meet operational and grant making commitments. Trustees receive accurate and up to date information on the Foundation's financial position on a quarterly basis including its level of liquid assets. A robust Reserves policy ensures an adequate amount of funds remain available to meet operational commitments if recourse to reserves is required.
- Bad PR for the Foundation or one of its grant partners damages Howden Group Foundation and/or Howden by association, leading to funder disengagement. The Foundation conducts thorough due diligence on and ongoing monitoring of all potential and existing partners to mitigate this risk and

# Howden Group Foundation – Charity Number 1156286

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## Trustees' Report (*continued*)

includes a grant termination clause in its funding agreements should a grant partner bring the Foundation into disrepute.

- Failure to prevent or monitor Howden Group Foundation being used for financial crime purposes. The Foundation incorporates checks on all potential and existing grantees to mitigate this risk including regular monitoring that charitable funds are being used as intended. Funding agreements include a grant termination clause which can be exercised should financial irregularities occur. In March 2023, the Foundation approved a financial controls policy to further strengthen its external and internal controls.

## Purposes and Aims

### *Purpose*

The Foundation's objects are set out in its Constitution, originally defined upon registration in 2014 and remain in its most recent updated Constitution, dated 1 December 2023. Its objects are listed below:

- a) Relief of Sickness – The relief of sickness and the preservation of physical and mental health among people or anyone in the world by providing grants, items and services to individuals in need and/or charities, or other organisations working for the relief of sickness and the preservation of physical and mental health.
- b) Relief of Poverty – The prevention or relief of poverty anywhere in the world by providing grants, items and services to individuals in need and/or charities, or other organisations working to prevent or relieve poverty.
- c) Relief of Disasters – The relief of financial need and suffering among victims of war, natural or other kinds of disaster or catastrophe in form of money (or other means deemed suitable) for persons, bodies, organisations and/or countries affected including the provision of medical aid.
- d) Relief of Unemployment – The relief of unemployment for the benefit of the public in such ways as may be thought fit, including assistance to find employment and supporting entrepreneurship.
- e) Advancement of Education – To advance the education of the pupils by providing and assisting in the provision of facilities not required to be provided by the local education authority for education at the school.
- f) Environmental Sustainability – To promote for the benefit of the public the conservation, protection and improvement of the physical and natural environment with a focus on energy consumption, waste management and recycling.

### *Public benefit*

The Foundation has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing its aims and objectives and in planning its future activities. In particular, the trustees consider how any future, planned activities will contribute to the aims and objectives they have set.

### *Strategic aims*

Since inception, the Foundation has strived to improve peoples' lives through funding high impact charitable organisations around the world. The trustees have ultimate responsibility for all grant-making decisions in line with agreed priorities.

Trustees assess the suitability of each grant request against many factors including the projected impact of the grant, the location of the grant, the length of the grant and the amount of funding requested. Pre-grant due diligence is an important part of effective and responsible grant-making and is completed on all applicant organisations before considering awarding a grant. Grant amounts and payment terms are

# Howden Group Foundation – Charity Number 1156286

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## Trustees' Report (*continued*)

decided on a case by case-by-case basis based on the needs of the applying organisation and to best support the objectives of the Foundation. It is the policy of the trustees to monitor all grants. Before a grant is confirmed, conditions are placed on each grant recipient to monitor progress against agreed targets and milestones.

The Foundation reviews its aims, objectives and activities annually. This review looks at what it has achieved and the outcomes of its work in the period under review. It also looks at the success of each activity and the benefits that they have brought to those groups of people it is set up to help. In addition, the review helps the Board ensure its aims, objectives and activities remained focused on its stated purposes.

This year has been the first year of delivering the Foundation's new strategy, based on a strengthened operational and governance framework. As a result of the strategy development work, grant making has continued at a slower pace to allow for the necessary mapping and refinement of focus.

### ***Highlights:***

- Learning and adding value: Further clarification of the Foundation's mission to protect people against the social and economic shocks of climate change. Engaging closely with climate networks, bringing together a wealth of knowledge, to understand how the Foundation's impact can be maximised.
- Partnerships: New grant partnerships with the Start Network and Care Channels International.
- People First Fund:
  - Matched Funding
    - £182k distributed in matched funds to charities recognising donations and fundraising efforts of Howden employees.
    - Introduction of Triple Match Campaign for Foundation's ten-year anniversary.
  - Giving Back Celebration Campaign.
    - £51k donated to 21 global charities that were nominated and voted for by Howden employees as part of an annual campaign.

## **Foundation Strategy**

In September 2022, the trustees launched a new strategy building on the work that had been done previously, making its focus more relevant to the resources it can offer and further incorporating the interests of the Board. Work continued throughout the reporting period and beyond to further clarify the Foundation's funding priorities in line with the new strategy. This included a period of collaboration with Impatience Earth, a team of experienced climate and philanthropy experts who provide pro-bono advisory services to climate donors, and who assisted the Foundation Board and team in deepening their understanding of the systemic causes of the climate emergency and how the Foundation's funding can best be applied to deliver its strategy.

### ***Strategic Partnerships***

The mission of the Foundation is to protect people against the social and economic shocks of climate change. Specifically, it funds solutions that drive climate change adaptation and disaster risk reduction with the aim of increasing climate resilience for disproportionately affected communities around the world. It partners with global organisations providing investment both in the form of financial grants as well as non-financial support offered in partnership with Howden employees.

### ***People First Fund***

The Foundation also operates its People First Fund supporting the charitable endeavours of Howden employees. The Fund offers matched funding for donations and fundraising efforts up to £750 (or local currency equivalent) raised per employee, per year, when they donate or raise money for causes in line with the Foundation's charitable objects. The Fund also supports Howden's Giving Back Celebration

## Trustees' Report (*continued*)

campaign. Through this campaign, the Foundation awards larger donations to non-profits making a big difference, as voted for by Howden employees.

### **Activities and achievements**

Over the course of the year, the Foundation made donations amounting to £556k (last period; £381k). This included £201k for strategic partners aligned with the mission of supporting people most affected by the social and economic shocks of climate change and £88k for legacy partners working under the Foundation's earlier focus areas of education, entrepreneurship and the environment, ensuring adequate time for them to replace the Foundation's funding. It also included People First Fund activities which totalled £234k for the year.

#### ***Strategic Partnerships***

- ***Start Network***

The climate crisis is one of the defining problems of our time. It is exacerbating humanitarian need, creating new and challenging crisis situations, with increasing frequency. Extreme weather events such as floods, cyclones and droughts are affecting more communities each year.

Start Network is a network made up of over 90 humanitarian agencies with a footprint across five continents. Its vision is for a world in which people receive high quality humanitarian aid when they experience disasters and where communities are prepared and resilient for when crises occur. In 2023, the trustees approved a two-year grant of £401k for Start Network's Start Ready programme. Start Ready is an innovative programme that supports NGOs to understand climate risks, develops risk models to forecast crises, and pre-positions funding to support communities before the climate crises hit.

The impact is that countries are supported to anticipate those crises and carry out preventative action plans to protect communities. Evidence suggests that around 55% of humanitarian funding goes to crises like these but only 1% of this funding is organised in advance – despite this being a much more effective way of tackling these crises.

- ***The Nature Conservancy***

The Nature Conservancy works to create a world where people and nature can thrive. Our partnership supports The Nature Conservancy's work linking nature and insurance to reduce risk and build resilience to the impacts of climate change.

Specifically, the Foundation is supporting the parametric coral reef insurance policy in Hawaii, one of a growing number of insurance products designed to address the risk of climate impacts—in this case, damage to corals caused by high tropical storms and hurricanes of increasing intensity—and to build the resilience of the reefs and the communities that rely on them for flood risk reduction, livelihoods from tourism, recreation and fisheries, as well as sustenance and other community benefits.

Each year coral reefs support nearshore fisheries, while providing flood protection to people and helping to avoid direct flood damages to buildings and indirect damages to economic activity. The combined avoided damages are valued at approximately \$836m in Hawaii. 75% of the world's coral reefs are currently rated as threatened, a number projected to increase to almost 100% by 2050. The continued loss of these ecosystems will compound the impacts of climate change: it has been estimated that the loss of just one metre in the height of coral reefs worldwide would more than double the annual flood damages.

## Trustees' Report (*continued*)

- ***Danish Red Cross***

In March 2023, the Foundation and the Danish Red Cross mutually agreed to terminate the grant for its Ecosystem-based Adaptation (EbA) financing facility while the project scope was reconsidered following the departure of a key member of staff. In line with trustees' duties to safeguard charity funds, trustees requested the return of the US\$250k grant that had been approved and paid in the prior year whilst the pilot programme was reassessed. The funds were returned in May 2023.

### ***Legacy Partnerships***

- ***Care Channels International***

Care Channels International provides health, education and livelihood support to communities across Asia.

In 2023, the Foundation approved a one-year grant of SG\$145k (£86k) for the Care Channels Animal Dispersal programme in the Philippines, Thailand, Bangladesh and Pakistan. With the Foundation's support, Care Channels has empowered marginalised families to maintain a regular income through maintaining livestock such as pigs, cows, goats and chickens. This grant will also help complete the development and implementation of the Near Field Communication ("NFC") tracking system for CCI where each animal is tagged with a NFC chip which can be read using an Android phone enabling Care Channels to better manage the animals that have been dispersed.

- ***The Prince's Trust (UK and Australia)***

The Prince's Trust believes that every young person should have the chance to succeed, no matter what their background or the challenges they are facing.

The Foundation's four-year funding commitment of £2m with the Prince's Trust has been in place since 2020 and will run until 2024. In the UK, we have supported the Prince's Trust's "Enterprise" and "Achieve" programmes, empowering young entrepreneurs and young people underachieving in education or at risk of exclusion to thrive. In Australia, the Foundation's support for the work of the Prince's Trust has focused on supporting young people through an online version of the "Achieve" education programme and also veterans and family members to move towards self-employment through the enhanced "Enterprise for Veterans" programme.

- ***Seven Clean Seas***

Seven Clean Seas is on a mission to combat plastic pollution around the world. Our partnership continues to support the pilot of the HIPPO (High Impact Plastic Pollution remOval): an automatic, solar-powered, and scalable vessel designed to collect riverine plastic at scale. The HIPPO will be located in the Chao Phraya River, Thailand. Thailand is one of the countries contributing to half of the world's ocean plastic. Chao Phraya river ranks first in the country and 15th globally as the top plastic-emitting river. The river transports around four million kg of riverine plastic annually, including serious concerns about microplastic pollution in its surface and sediment.

This partnership has been extended until 2024 due to the impact of Covid19.

### ***People First Fund***

The Foundation paid £182k (last period; £157k) in matched funds for Howden employees' donations and personal fundraising efforts over the course of the year.

In addition, the Foundation supported Howden's Giving Back Celebration Campaign, recognising charities that have gone above and beyond to support communities, as nominated by Howden employees. The trustees of the Foundation approved a total figure of £51k for the Campaign which included a principal donation of £10k to Komunitná Nadácia Liptov, a Slovak community charitable foundation

# Howden Group Foundation – Charity Number 1156286

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## Trustees' Report (*continued*)

with a mission to enhance the quality of life for vulnerable individuals, and twenty runner-up donations of £2k each to other charities.

All People First Fund donations were administered by Benevity Inc, in partnership with vetting partner TechSoup and a global network of non-profit foundations (American Online Giving Foundation/ Australian Online Giving Foundation/ Canadian Online Giving Foundation/ Charitable Giving/ Haus des Stiftens/ Irish Online Giving Foundation/ Online Giving Foundation (India)/ UK Online Giving Foundation) who collect, process, and disburse donations on behalf of the Foundation.

### ***Other***

In March 2023, the Board elected to donate £34k to the Disasters Emergency Committee to support people affected by the Turkey-Syria Earthquakes that took place in February 2023. This series of earthquakes killed over 56,000 people and destroyed around 300,000 buildings in Turkey and Syria, in the worst earthquakes the region has seen in 20 years.

Funds were used to support DEC charities and their local partners reach over a million people across both countries in the first six months, providing emergency shelter, clean water, food, cash to meet urgent needs and livelihood support to help families rebuild their lives.

### **Financial Review**

Income for the year was £18k (last period; £7.1m). Following sizable donations last year, the Foundation did not receive donations from Howden in the current year. Gains of £2.6m (last period: £4.1m) were also generated through the Foundation's investments. Cashflow is complemented by access to a loan facility (from a Howden Group company) secured against the Foundations' assets to ensure liquidity in the short term and a modest income stream coming from UK-based Howden employees via payroll giving. All donations into the Foundation are unrestricted.

To support the financial sustainability of the Foundation, Howden employees can forego the right to take up incentive shares and allow the Foundation to take up a certain part of their allocation directly in its own name. These incentive shares have a nominal value but if they vest would represent a material contribution to the Foundation's assets.

As at 30 September 2023, the Foundations' investments stood at £17.3m (last period; £16.5m). Cash generated from the gains on investments was utilised to repay £400k of the loan facility. The Foundation does not undertake fundraising from the general public however it does receive donations from Howden employees.

Expenditure for the year totalled £609k (last period; £967k). This relates to strategic partner and legacy grants, People First Fund contributions and other donations that further the Foundation's charitable objects. It also includes support costs and takes into account the return of the Danish Red Cross grant while the project scope is reconsidered.

### **Investment policy**

The Foundation is a shareholder in Howden, and as at 30 September 2023, this investment was valued at £17.3m (last period; £16.5m). The Board continues to monitor the performance of its shares in Howden and regularly reviews the performance of the investment. There are no restrictions on the charity's power to invest.

## Trustees' Report (*continued*)

In line with the growth of the Foundation, the trustees recognise the need to update the investment policy and, in September 2023, appointed a trustee sub-committee as part of their governance structure to lead on this review to ensure that income requirements, risk profile and market prospects are fit for purpose.

### **Reserves policy**

The Board has examined the requirement for unrestricted accessible cash reserves sufficient to cover a source of income not being renewed and the need to fund short term deficits in cash flow. The Foundation had resolved to establish and maintain a level of cash reserves of up to £250k to provide sufficient funds for its support costs.

### **Plans for Future Periods**

**Grant-making:** As an ambitious Foundation, we continue to reimagine the role we can have in delivering our mission to support people against the social and economic shocks of climate change. As the defining challenge of our time, the trustees recognise the need for urgent action whilst not losing sight of project quality. Over the next year, the Foundation plans to refine its focus further to increase its effectiveness, impact and contribution to long-term sustainable change.

**Non-financial support:** The Foundation continues to develop its package of support for strategic partners in collaboration with Howden. This includes leveraging the skills and expertise of Howden employees through volunteering, pro bono support and the provision of office space for our partners' meetings and workshops.

**Learning and collaboration:** We continue to invest in learning in order to deepen our understanding of how to deliver meaningful impact and remove barriers to progress. We believe that collaboration is key and seek to grow our climate networks to deliver on a common purpose and accelerate action.

**Governance, finance and operations:** The trustees are committed to the continual strengthening of the Foundation in line with Charity Commission guidance. Over the next year, the Board seeks to prioritise the review of its investment policy and succession planning ensuring we have the right skills, diversity, and experience on our board to deliver our strategy.

## Trustees' Report (*continued*)

### **Statement of the responsibility of the Trustees**

The Trustees are required to prepare financial statements for each financial year, which give a true and fair view of the state of the Foundation's affairs and the surplus or deficit for the year.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Foundation will continue in operation.


The Trustees are responsible for:

- Keeping adequate accounting records, which disclose with reasonable accuracy at any time the financial position of the Foundation and;
- Safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the auditors are unaware and,
- That they have taken all the steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by the Board of Trustees on 16<sup>th</sup> July 2024 and signed on its behalf



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David Howden (Chair)

# Howden Group Foundation – Charity Number 1156286

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## Independent auditor’s report to the members of the Howden Group Foundation

### **Opinion**

We have audited the financial statements of the Howden Group Foundation (the ‘charity’) for the year ended 30 September 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 FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity’s affairs as at 30 September 2023 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the 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 charity’s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor’s report thereon. The trustees are responsible for the other information. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material

# Howden Group Foundation – Charity Number 1156286

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## Independent auditor's report to the members of the Howden Group Foundation (continued)

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.

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

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

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

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

### **Responsibilities of Trustees**

As explained more fully in the trustees' responsibilities statement set out on page 11, 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

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

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

# Howden Group Foundation – Charity Number 1156286

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## Independent auditor's report to the members of the Howden Group Foundation (continued)

aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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.

Based on our understanding of the charity and its activities, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: the Charities Act 2011, the Charities Statement of Recommended Practice and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the charity is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as the Companies Act 2006.

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to the valuation of investments, and income cut off at year end.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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.

# Howden Group Foundation – Charity Number 1156286

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Independent auditor's report to the members of the Howden Group Foundation  
(continued)

## Use of the audit report

This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

Signed:

  
David Hoose (Jul 18, 2024 13:45 GMT+1)

David Hoose  
(Senior Statutory Auditor)  
for and on behalf of Forvis Mazars LLP  
Chartered Accountants and Statutory Auditor  
First Floor  
Two Chamberlain Square  
Birmingham B3 3AX

Jul 18, 2024

# Howden Group Foundation – Charity Number 1156286

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## Statement of Financial Activities For the year ended 30 September 2023

	<i>Note</i>	<b>Total Funds 2023 £'000</b>	<b>Total Funds 2022 £'000</b>
<b>Incoming resources</b>			
Donations and grants	<i>2</i>	1	7,048
Fundraising events	<i>3</i>	1	87
Interest and dividends		16	-
Foreign exchange gains		-	3
		<hr/>	<hr/>
<b>Total incoming resources</b>		18	7,138
		<hr/>	<hr/>
<b>Resources expended</b>			
Cost of generating funds	<i>4</i>	(100)	(47)
Donations and grants	<i>5</i>	(356)	(800)
Audit fee	<i>6</i>	(20)	(25)
Legal and professional fees		(39)	(43)
Interest on loan		(94)	(52)
		<hr/>	<hr/>
<b>Total resources expended</b>		(609)	(967)
		<hr/>	<hr/>
<b>Net (expense) / income before investment gains</b>		(591)	6,171
Gains on investment assets	<i>9</i>	2,600	4,136
		<hr/>	<hr/>
<b>Surplus for the year</b>		2,009	10,307
<b>Funds brought forward</b>		14,655	4,348
		<hr/>	<hr/>
<b>Total funds carried forward</b>		16,664	14,655
		<hr/>	<hr/>

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 19 to 25 form part of these accounts.

# Howden Group Foundation – Charity Number 1156286

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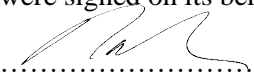
## Balance Sheet

As at 30 September 2023

	<i>Note</i>	<b>2023</b> <b>£'000</b>	<b>2022</b> <b>£'000</b>
<b>Fixed assets</b>			
Investments	<i>9</i>	17,267	16,512
		<hr/>	<hr/>
		17,267	16,512
<b>Current assets</b>			
Debtors	<i>10</i>	1	3
Cash at bank and in hand		696	446
		<hr/>	<hr/>
		697	449
<b>Creditors: amounts falling due within one year</b>	<i>11</i>	(120)	(680)
		<hr/>	<hr/>
<b>Net Current Assets/(Liabilities)</b>		577	(231)
<b>Creditors: amounts falling due after one year</b>	<i>12</i>	(1,180)	(1,626)
		<hr/>	<hr/>
<b>Net Assets</b>		16,664	14,655
		<hr/>	<hr/>
<b>Funds of the Charity</b>			
Unrestricted funds		16,664	14,655
		<hr/>	<hr/>
<b>Total funds</b>		16,664	14,655
		<hr/>	<hr/>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies' regime within Part 15 of the Companies Act 2006.

These financial statements were approved and authorised for issue by the Trustees on 16<sup>th</sup> July 2024 and were signed on its behalf by:

  
.....

David Howden (Chair)

The notes on pages 19 to 25 form part of these accounts.

# Howden Group Foundation – Charity Number 1156286

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## Statement of Cash Flows

As at 30 September 2023

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
<b>Reconciliation of net incoming resources to net cash flow from operating activities :</b>		
Net Movement in Funds	2,009	10,307
Decrease in Debtors	2	2
Decrease in Creditors	(606)	(473)
Gains on Investment Assets	(2,600)	(4,136)
<b>Cash Flows from Operating Activities</b>	<u>(1,195)</u>	<u>5,700</u>
Purchase of Investments	-	(6,820)
Proceeds on Disposal of Investments	1,845	-
(Repayment of)/Drawdown on Loan facility	(400)	1,050
<b>Cash Flows from Investing Activities</b>	<u>1,445</u>	<u>(5,770)</u>
Increase/(decrease) in Cash and Cash Equivalents in the Year	250	(70)
Cash and Cash Equivalents at the Beginning of the Year	446	516
<b>Cash and Cash Equivalents at the End of the Year</b>	<u>696</u>	<u>446</u>

# Howden Group Foundation – Charity Number 1156286

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## Notes to the Financial Statements

For the year ended 30 September 2023

### 1 Accounting policies

#### *General information*

Howden Group Foundation is a charity registered in England and Wales. Its correspondence address is detailed in the Annual Report. As a CIO, the Foundation meets the public benefit entity requirements of FRS102.

The principal activity of the Foundation is to benefit institutions with charitable objectives by way of grant making.

The financial statements are prepared in Pounds Sterling as this is the functional currency and currency of the primary economic environment in which the charity operates.

Monetary amounts in these financial statements are rounded to the nearest £'000.

#### *Basis of preparation*

The accounts have been prepared in accordance with the Companies Act 2006, the Charities Act 2011, the Charities Statement of Recommended Practice (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and under the historical cost convention in accordance with applicable Accounting Standards as modified by the accounting policy for investments.

#### *Going Concern*

These accounts have been prepared on the going concern basis as the trustees consider that there are sufficient reserves available to meet the Foundation's liabilities as they fall due.

#### *Fund accounting*

Unrestricted funds are available for use at the discretion of the trustees in the furtherance of the general objects of the charity. All the Foundation's funds are classified as unrestricted funds as there is no limitation on the purpose for which they can be used.

#### *Incoming resources*

All incoming resources are included in the statement of financial activities when the charity is entitled to the income, it is probable that the income will be received and the amount can be quantified with reasonable accuracy.

#### *Resources expended*

Expenditure is recognised on an accrual basis as a liability is incurred. Grants payable are only recognised in the accounts when a commitment has been approved by the Board and there are no conditions to be met relating to the grant which remain in the control of the charity.

Expenditure includes any VAT which cannot be fully recovered and is allocated according to the activity to which it relates.

# Howden Group Foundation – Charity Number 1156286

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## Notes to the Financial Statements

For the year ended 30 September 2023

### 1 Accounting policies continued

#### *Cash and Cash equivalents*

Cash and cash equivalents are 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.

#### *Judgements in applying accounting policies and key sources of estimation uncertainty*

In applying the charity's accounting policies, the trustees may be required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities.

#### *Key sources of estimation uncertainty*

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities with the next financial year are discussed below:

The carrying amount of unlisted investments on 30 September 2023 was £17,267k (2022: £16,512k).

The value of the investments is based on the adopted share price of Howden Group Holdings. The share price adopted is based on a report prepared for Howden Group Holdings by an external third party, which values the shares on the basis of precedent transactions, public company valuations, leverage buyout valuation and discounted cash flow. The adopted share price has also been used for a number of recent transactions, including the internal market run by Howden Group Holdings and shares issued in relation to acquisitions. Some of the shares held have a hurdle price, which needs to be achieved for the shares to have value, as set out in the legal documents governing those shares.

### 2 Incoming resources – Donations

	<b>Total 2023 £'000</b>	<b>Total 2022 £'000</b>
HIG Finance 2 Limited	-	3,100
HIG Finance Limited	-	3,720
Howden Group Services Limited	-	2
Individual donations	1	226
	<hr/>	<hr/>
	1	7,048
	<hr/>	<hr/>

All donations received are unrestricted.

# Howden Group Foundation – Charity Number 1156286

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## Notes to the Financial Statements

For the year ended 30 September 2023

### 3 Incoming resources – Fundraising events

	<b>2023</b>	<b>2022</b>
	<b>Total</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>
Alzheimer's Society Charity Ball	1	20
DUAL Charity Ball	-	37
Global Group Giving Week Quiz	-	15
A Plan Quiz	-	6
Static Triathlon	-	3
Other	-	6
	<hr/>	<hr/>
	1	87
	<hr/>	<hr/>

All income from fundraising events is unrestricted.

### 4 Resources expended – Cost of generating funds

	<b>Total</b>	<b>Total</b>
	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Management charges	99	45
Fees	-	1
Bank charges	1	1
	<hr/>	<hr/>
	100	47
	<hr/>	<hr/>

All costs of generating funds are unrestricted.

# Howden Group Foundation – Charity Number 1156286

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## Notes to the Financial Statements

For the year ended 30 September 2023

### 5 Resources expended – Donations and grants

	<b>2023</b>	<b>2022</b>
	<b>Total</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>
Start Network	201	-
Charitable Giving	156	119
The Nature Conservancy	-	68
Care Channels International	85	60
UK Online Giving Foundation	56	19
Disasters Emergency Committee	34	-
Australian Online Giving Foundation	17	13
American Online Giving Foundation	5	-
Alzheimer's Society	2	49
Danish Red Cross (see note)	(200)	226
My Name's Doddie Foundation	-	57
The Branch Trust	-	50
Legal Outreach	-	23
Bamberg UA E.v	-	13
Humanosh Foundation	-	13
British-Ukrainian Aid	-	13
Kleine Herzen	-	13
Other	-	64
	<hr/>	<hr/>
	356	800
	<hr/>	<hr/>

**Note:**

In March 2023, the Danish Red Cross asked to terminate the Ecosystem-based Adaptation (EbA) financing facility grant that had been approved and paid in FY22 while the project scope was reconsidered. In line with trustee duties to safeguard the Foundations' assets, the grant of US\$250k (£200k) was returned to the Foundation in May 2023.

Other donations and grants comprise multiple small amounts under £10,000 that have been made to various charities and causes to support them in their work.

All donations and grants are unrestricted.

# Howden Group Foundation – Charity Number 1156286

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## Notes to the Financial Statements

For the year ended 30 September 2023

### 6 Audit Fee

The Audit fee amounts to £19,920 (2022: £24,600).

Of the prior year fee £17,400 related to the audit of the 2022 financial statements, with additional fees of £7,200 incurred relating to 2021.

### 7 Trustee remuneration and expenditure

No trustee or connected person is entitled to any remuneration from the charity as set out in the charity's constitution nor received any reimbursement of expenses.

### 8 Taxation

As a charity, the Foundation is exempt from tax on income and gains falling within s505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No charges have arisen in the charity in the period.

### 9 Fixed assets – Investments

All fixed asset investments at 1 October 2022 and at 30 September 2023 were unlisted share investments in Howden Group Holdings. These investments are held at fair value in accordance with the accounting policy as detailed in Note 1 on page 17 and their historic cost on acquisition was £8,576k (last period: £8,852k).

	<b>Investments</b> <b>£'000</b>
Market Value:	
At 1 October 2022	16,512
Additions	359
Proceeds on disposal	(1,845)
Revaluations	2,241
	<hr/>
At 30 September 2023	17,267
	<hr/>

# Howden Group Foundation – Charity Number 1156286

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## Notes to the Financial Statements For the year ended 30 September 2023

### 10 Debtors

	2023 £'000	2022 £'000
Accrued income - Donations	1	3
	<hr/>	<hr/>
	1	3
	<hr/>	<hr/>

### 11 Creditors: Amounts falling due within one year

	2023 £'000	2022 £'000
Donations	64	650
Audit fees	20	17
Administration costs	33	7
Consultancy	1	2
Legal fees	-	4
Other	2	-
	<hr/>	<hr/>
	120	680
	<hr/>	<hr/>

### 12 Creditors: Amounts falling due after one year

	2023 £'000	2022 £'000
Loan	1,180	1,626
	<hr/>	<hr/>
	1,180	1,626
	<hr/>	<hr/>

The loan relates to a revolving loan facility made in July 2020 with HIG Finance 2 Limited, a Howden Group subsidiary. The total principal amount must not exceed £5,000,000 and must be repaid on or before the fifth year anniversary. Interest rate is equal to 5.75% per annum and the loan is secured by a fixed charge on the shares held in the Group. As at 30 September 2023, the loan advance was £1,180,000 and interest incurred in the period amounted to £93,615 (2022: £51,624).

# Howden Group Foundation – Charity Number 1156286

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## Notes to the Financial Statements

For the year ended 30 September 2023

### 13 Related party transactions

The Foundation is independent of any other body however it is primarily funded by Howden Group Companies and their employees. The Foundation had the following transactions with Howden Group Companies over the course of the year.

<b>Name of the trustee or related party</b>	<b>Description of the transaction</b>	<b>2023 £'000</b>
HIG Finance 2 Limited	Loan drawdown	500
HIG Finance 2 Limited	Loan repayment	(900)
HIG Finance 2 Limited	Interest repayment	(40)
HIG Finance 2 Limited	Interest accrued	94
Howden Group Holdings Limited	Vested shares	359
Howden Group Services Limited	Administrative expenses	100

During the year, six (6) trustees were connected to Howden Group Companies.

None of the trustees have been paid any remuneration or incurred any expenses in the period.

**Howden Foundation**

England & Wales - Charity number 1156286

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# Accounts

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**Charity Number 1156286**

***HOWDEN GROUP FOUNDATION***

*Audited Annual Report and Accounts*

*For the year ended 30 September 2022*

# Howden Group Foundation – Charity Number 1156286

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## Financial Statements

For the year ended 30 September 2022

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# Howden Group Foundation – Charity Number 1156286

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## Trustees and Advisors

### Trustees:

L. Muñoz-Rojas Entrecanales (Chair)  
A. Barrett (resigned 8 September 2022)  
L. Cable-Alexander (appointed 22 November 2022)  
C. Creasey (appointed 24 January 2022)  
L. Dormandy (appointed 24 January 2022)  
H. Goodhew (appointed 16 December 2021)  
M. Hudson  
A. Mandal (appointed 24 January 2022)  
J. Marron  
R. Scott  
M. Smale (resigned 3 February 2022)

### Key management personnel:

Clare Ballantine (Foundation Manager)

### Principal Office:

One Creechurch Place,  
London,  
EC3A 5AF

### Auditor:

Mazars LLP,  
Two Chamberlain Square,  
Birmingham  
B3 2AX

### Bankers:

RBS London City Office,  
PO Box 412,  
62/63 Threadneedle Street,  
London,  
EC3R 8LA

### Lawyers:

Russell Cooke Solicitors,  
8 Bedford Row  
London  
WC1R 4BX

### Charity registration number:

1156286

# Howden Group Foundation – Charity Number 1156286

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## Trustees' Report

The trustees present their report and the financial statements for the Howden Group Foundation (the Foundation) for the year ended 30 September 2022 (the year).

The financial statements comply with current statutory requirements, the charity's constitution and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

## Structure, Governance and Management

### *Governance*

The Foundation is a charitable incorporated organisation, incorporated on 20 March 2014. The Foundation's constitution establishes the powers and objectives of the organisation and was last updated on the 5 November 2020 when the Foundation changed its name to Howden Group Foundation.

The Foundation is an independent entity primarily funded through donations from Howden Group Holdings and its subsidiary companies ("Howden Group Companies") and their employees.

### *Appointment and training of Trustees*

The Constitution supports a minimum of three trustees and a maximum of 12 trustees. The trustees are normally appointed to serve for a period of three years and are eligible for reappointment for a further two consecutive terms up to a maximum term of nine years.

In selecting individuals for appointment as trustees, the Board looks for the skills, knowledge and experience needed for the effective management of a charity. The trustee membership is reviewed at least annually to ensure that core responsibilities are held to manage certain key areas of expertise.

On appointment, trustees are provided with external training on their role and responsibilities, a copy of the constitution document, the latest audited accounts and a trustee induction pack to assist them in their role.

### *Organisational structure and decision making*

The trustees who served during the period under review are listed below, together with date of appointment or resignation.

L. Muñoz-Rojas Entrecañales	(Chairman, appointed 17 October 2019)
A. Barrett	(resigned September 2022)
C. Creasey	(appointed 24 January 2022)
L. Dormandy	(appointed 24 January 2022)
H. Goodhew	(appointed 16 December 2021)
M. Hudson	(appointed 4 August 2017)
A. Mandal	(appointed 24 January 2022)
J. Marron	(appointed 9 December 2019)
R. Scott	(appointed 15 July 2021)
M. Smale	(resigned 3 February 2022)

In January 2022, to complement the existing trustee base which was formed of employees from Howden Group Companies, the Foundation elected three independent trustees to expand the range of backgrounds, experiences and skills of the Board. These independent trustees were recruited via an open application process and selected for their extensive experience across grant-making, charities, corporate foundations, governance and legal matters.

# Howden Group Foundation – Charity Number 1156286

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## Trustees' Report (*continued*)

One further trustee, an independent non-executive director of a Howden Group subsidiary, was appointed in December 2021. She brings with her substantial experience operating as a trustee on other charity boards.

Since 30 September 2022, the trustees conducted their first Board review considering the skills, experience and approach to supporting equality, diversity and inclusion that currently exist. The following appointments have since been made to expand the trustee membership and experience.

L. Cable-Alexander

(appointed 22 November 2022)

The trustees meet at least quarterly. In the event that there are no urgent matters to address at a formal meeting then they will communicate electronically as outlined and permitted in the Foundation's constitution. Any decision may be taken, either at a formal meeting of the trustees, or by resolution in writing or electronic form agreed by all of the trustees.

All trustees give their time voluntarily and receive no benefits from the charity.

### ***Key management and remuneration policy***

The trustees are supported in the day-to-day management by Foundation Manager, Clare Ballantine (appointed November 2021), who ensures the effective running of the Foundation. Clare is employed by Howden Group Services Limited, the Group's central services subsidiary company, and is seconded to the Foundation. The Foundation reimburses Howden Group Services Limited for the remuneration of the Foundation team. The Foundation Manager's pay and remuneration are reviewed annually and set with reference to sector benchmarks and, where possible, against similar posts in Howden Group Companies. Pay and benefit changes are approved by the full Board.

### ***Related parties and relationships with other organisations***

The Foundation is funded largely through donations from Howden Group Companies. The trustees recognise their charitable responsibilities and state formally that the charity's activities will always be consistent with achieving its objects. Any benefit which may accrue to Howden Group Companies, from the Foundation's activities will be incidental and outweighed by the contribution to the Foundation's charitable objects. Please see note 13 for further Related Party transaction details.

### **Principal Risks and Uncertainties**

The trustees have a duty to identify, understand and analyse the risks to which the Foundation is exposed and to ensure appropriate and effective controls are in place.

Currently the Foundation keeps the following risks under review as part of its risk management strategy;

- The ability of our grant partners to use funds for the purpose they have been granted. Key to the success of the Foundation is its ability to support organisations that are effective in delivering public benefit in line with its constitution. Due diligence and monitoring processes are incorporated into all Foundation partnerships to ensure impact and accountability.
- The Foundation is reliant on a small number of individuals at board and management level for its success and loss of these key individuals could have significant implications. Trustee membership has been expanded to include three independent trustees to provide guidance to the Foundation as it grows.

## Trustees' Report (*continued*)

- The financial sustainability of the Foundation given its reliance on Howden Group Holdings. The ability to meet current and future commitments is a key focus for the trustees who approve a budget annually and review financial performance quarterly.
- Charitable partners, Foundation representatives and/or volunteers acting outside regulations, policies and procedures. The Board regularly reviews whether its policies, including the Foundation's safeguarding arrangements, are fit for purpose and look to develop these in line with best practice. As part of the Foundation's application and monitoring process, all charities are asked to submit their safeguarding policies and procedures.

## **Purposes and Aims**

The Foundation's objects are set out in its constitution, originally defined upon registration in 2014 and remain in its most recent updated constitution, dated 5 June 2020. Its objects are listed below:

- a) Relief of Sickness – The relief of sickness and the preservation of physical and mental health among people or anyone in the world by providing grants, items and services to individuals in need and/or charities, or other organisations working for the relief of sickness and the preservation of physical and mental health.
- b) Relief of Poverty – The prevention or relief of poverty anywhere in the world by providing: grants, items and services to individuals in need and/or charities, or other organisations working to prevent or relieve poverty.
- c) Relief of Disasters – The relief of financial need and suffering among victims of war, natural or other kinds of disaster or catastrophe in form of money (or other means deemed suitable) for persons, bodies, organisations and/or countries affected including the provision of medical aid.
- d) Relief of Unemployment – The relief of unemployment for the benefit of the public in such ways as may be thought fit, including assistance to find employment and supporting entrepreneurship.
- e) Advancement of Education – To advance the education of the pupils by providing and assisting in the provision of facilities not required to be provided by the local education authority for education at the school.
- f) Environmental Sustainability – To promote for the benefit of the public the conservation, protection and improvement of the physical and natural environment with a focus on energy consumption, waste management and recycling.

Since inception, the Foundation has strived to improve peoples' lives through funding high impact charitable organisations around the world.

The Foundation reviews its aims, objectives and activities annually. This review looks at what it has achieved and the outcomes of its work in the period under review. It also looks at the success of each activity and the benefits that they have brought to those groups of people it is set up to help. In addition, the review helps the Board ensure its aims, objectives and activities remained focused on its stated purposes. The Foundation has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing its aims and objectives and in planning its future activities. In particular, the trustees consider how any future, planned activities will contribute to the aims and objectives they have set.

This year has been one of great progress as the Foundation developed and launched its new five year strategy, initiated a review of its operations and continued to strengthen its oversight and governance.

# Howden Group Foundation – Charity Number 1156286

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## Trustees' Report (*continued*)

### **Highlights:**

- A new strategy and renewed mission: Launch of new five year strategy focused on protecting people against the social and economic effects of climate change.
- Strategic partnerships: Grants made to The Nature Conservancy, Care Channels International, Legal Outreach and the Danish Red Cross to further their work.
- Matched Funding: £157,000 distributed in matched funds for donations and fundraising efforts of employees of Howden Group Companies.
- Investing in the Community Awards: £40,000 donated across eight global charities making a big difference in local communities.
- Ukraine conflict: £50,000 donated to charitable organisations providing critical support on the ground in Ukraine.

### **Foundation Strategy 2022-2027**

In September 2022, the trustees launched a new strategy building on the work that had been done previously, making its focus more relevant to the resources it can offer and further incorporating the interests of the Board. A collaborative process, bringing together trustees, team members, external consultants and its donor, allowed for the development of a strategy that re-focuses the Foundation's attention on climate change. Climate change is the defining challenge of our time – it is happening today with devastating effects around the world.

#### ***Strategic partnerships***

The mission of the Foundation is to protect people against the social and economic shocks of climate change. Specifically, it supports solutions that drive climate change adaptation and disaster risk reduction with the aim of increasing climate resilience for disproportionately affected communities around the world.

It partners with global organisations providing investment both in the form of financial grants as well as non-financial support such as pro bono risk expertise offered in partnership with colleagues at Howden Group Companies.

#### ***People First Fund***

The Foundation also operates its People First Fund supporting Howden Group Companies employees' charitable endeavours.

The Fund offers matched funding for Howden Group Companies employees' donations and fundraising efforts up to £750 (or local currency equivalent) raised per employee, per year, when an employee donates to or raises money for causes in line with the Foundation's charitable objects. The Fund also supports the annual Investing in the Community Awards recognising charitable organisations making a big difference in the communities in which Howden Group employees live and work.

### **Activities and achievements**

#### ***Strategic partnerships***

In line with the Foundation's previous grant making strategy, the Foundation continued to make grants to organisations focusing on education, entrepreneurship and the environment. It has a small number of strategic partners and, over the course of the year made grants amounting to £381k (£1.8m in last period) this included 226k to the Danish Red Cross, 68k to The Nature Conservancy, 60k to Care Channels International Limited, 23k to Legal Outreach and 4k to Fundacion ProEmpleo.

## Trustees' Report (*continued*)

- ***The Prince's Trust (UK and Australia)***

The Prince's Trust believes that every young person should have the chance to succeed, no matter what their background or the challenges they are facing.

The Foundation's four-year funding commitment of £2m with the Prince's Trust has been in place since 2020 and will run until 2024. In the UK, its partnership with the charity supports young entrepreneurs and young people underachieving in education or at risk of exclusion via the "Enterprise" and "Achieve" programmes. In addition, it has supported the launch of a new 'Get into' course; a Prince's Trust initiative that aims to help more than 3,000 young people get access to work experience and ideally secure jobs. With support from Howden Group and the London & International Insurance Brokers' Association, the Foundation helped to establish 'Get into Insurance' offering 16 young people (aged 16-30) the chance to further their careers.

In Australia, the Foundation's support for the work of the Prince's Trust has focused on supporting young people through an online version of the "Achieve" education programme and also veterans and family members to move towards self-employment through the enhanced "Enterprise for Veterans" programme.

- ***The Nature Conservancy***

The Nature Conservancy works to create a world where people and nature can thrive. The Foundation furthered its relationship with The Nature Conservancy in September 2022 (funds paid in November 2022) with an initial donation of US\$75,150 and a further US\$75,150 approved for payment in FY24 subject to satisfactory performance as determined by the Trustees. This grant will support the first U.S.-based coral reef insurance policy to preserve Hawai'i's valuable biodiversity and ecosystems.

Each year coral reefs support nearshore fisheries, while providing flood protection to people and helping to avoid direct flood damages to buildings and indirect damages to economic activity; the combined avoided damages are valued at approximately \$836m in Hawai'i. 75% of the world's coral reefs are currently rated as threatened, a number projected to increase to almost 100% by 2050. The continued loss of these ecosystems will compound the impacts of climate change: it has been estimated that the loss of just one metre in the height of coral reefs worldwide would more than double the annual flood damages.

The Foundation also supported The Nature Conservancy's African Forest Carbon Catalyst (a programme set up to reduce carbon emissions, restore and conserve forests, improve livelihoods, and create jobs in Africa) since 2020. This grant partnership came to an end in late 2022.

- ***Care Channels International***

Care Channels International provides health, education and livelihood support to communities across Asia.

Since 2021, the Foundation has supported the Care Channels Animal Dispersal programme in the Philippines, Bangladesh and Pakistan with a two year grant (ends 2023) totalling £120,000. This project empowers marginalised families to maintain a regular income through maintaining livestock. Pigs, cows and goats, depending on the culture of the area, are provided to families with training and regular visits to ensure the healthy growth of the animals provided by the Care Channels team.

## Trustees' Report (*continued*)

- **Legal Outreach**

Legal Outreach is a college preparatory, professional and leadership development non-profit whose mission is to change educational, career and life outcomes for high school urban youth from under-resourced communities in New York City. The organisation implements a coordinated series of educational and skill-building programs - during after-school hours, on Saturdays, and during each summer of the high school years - to prepare high school youth for success at the collegiate and professional levels.

In September 2022, the trustees approved a one year grant of US\$25,000 to support the core costs of Legal Outreach's Professional Exposure Program (PEP) and Professional Training Program (PTP), two important components within the College Bound Program.

- **Danish Red Cross**

Humanitarian impact from climate degradation is worsening in intensity and frequency worldwide. Ecosystems that protect communities from climate change and provide a wide range of ecosystem-services (i.e., livelihoods) are endangered by continuous degradation. Climate adaptation is needed now more than ever.

The Danish Red Cross is at the forefront of disaster relief and is finding new ways to tackle and finance humanitarian challenges around the world. In 2022, the trustees approved a one year donation of US\$250,000 as catalytic capital for a new Ecosystem-based Adaptation (EbA) financing facility that will enable capital markets to contribute to climate adaptation efforts.

The financing facility aims to cover multiple EbA nature-based solutions, such as mangrove forests, that protect communities from natural disasters, whilst at the same time contributing to the restoration of valuable and vulnerable ecosystems.

- **Seven Clean Seas**

Singapore based Seven Clean Seas was founded in 2018 and is on a mission to combat plastic pollution around the world. In 2020, the trustees provided a two year grant of £100,000 to Seven Clean Seas to help fund the pilot of their River Recovery System, now known as the HIPPO (High Impact Plastic Pollution remover). The HIPPO incorporates low-tech, low-cost, and scalable River Plastic Recovery technology, for automating the collection of river plastic waste and powered almost solely by renewable energy.

Due to the impact of Covid19, the grant period has been extended until 2024.

### ***People First Fund***

The Foundation paid £157,000 in matched funds for Howden Group Companies employees' donations and personal fundraising efforts over the course of the year.

Its matched funding programme is administered by Benevity Inc, in partnership with vetting partner TechSoup and a global network of non-profit foundations (American Online Giving Foundation/ Australian Online Giving Foundation/ Canadian Online Giving Foundation/ Charitable Giving/ Haus des Stiftens/ Irish Online Giving Foundation/ Online Giving Foundation (India)/ UK Online Giving Foundation). These foundations use donor-advised funds to collect, process, and disburse the Foundations' donations.

In addition, as part of its People First Fund activities, the Foundation hosted the annual 'Investing in the Community' Awards, where employees of Howden Group Companies nominated 36 global charities making a big difference in the communities in which they live and work. This year, the Board selected eight winners and granted an award of £5,000 to each winner.

# Howden Group Foundation – Charity Number 1156286

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## Trustees' Report (*continued*)

### ***Ukraine conflict***

The Board elected to provide £50,000 to support people suffering from the war and humanitarian crisis in Ukraine. Funding applications were put forward by Howden Group employees and, after careful review by the Board, four grants of £12,500 each were made to Kleine Herzen, Humanosh Foundation, Bamberg U.A e.V and British-Ukrainian Aid.

### ***Alzheimer's Society***

Since 2019, the Foundation has been supporting Alzheimer's Society through Howden Group employee donations and fundraising efforts. Due to Covid restrictions, Howden Group fundraising events were limited and, as a result, the partnership with Alzheimer's Society was extended until 31 December 2022. Over the year, £49,000 (£38,000 in last period) was donated to Alzheimer's Society helping them to fund Dementia Advisers (providing information and offer guidance to people affected by dementia), senior researchers and lab technicians.

### ***Other***

Additionally, over the year, the Foundation made donations to My Name's 5 Daddie Foundation, a charity committed to helping improve the lives of those affected by Motor Neuron Disease as well as the Branch Trust, a UK charity, which works to support individuals to reach their potential by removing the barriers that stop this from happening such as poor mental health, homelessness and low educational outcomes.

## **Financial Review**

Income for the year was £7.1m (£284k in last period). The increase was largely attributable to two donations made by Howden Group Companies, totalling £6.8m, to the Foundation.

The Foundation principally relies on donations from Howden Group Companies, although this funding source is complemented by access to a loan facility as well as Howden Group employee donations and fundraising efforts. Some UK-based employees of Howden Group Companies also contribute funds to the Foundation via payroll giving which is administered by Charities Trust. Through Charities Trust, Howden Group employees can donate funds to the Foundation. All donations into the Foundation are unrestricted.

This year, the Foundation chose to purchase further shares in Howden Group Holdings based on share performance to date. As at 30 September 2022, its investments stood at £16.5m. As the Foundation grows, the Board recognises the need to consider its investment policy to ensure the balance between risk and return remains appropriate for the charity.

Additional sources of funding included £1.1m from the loan facility and £313k from employee donations and fundraising events.

The Foundation does not undertake widespread fundraising and, this year, fundraising events were predominantly for Howden Group UK employees and the insurance broking community. £86k was raised through these events which was ring-fenced for Alzheimer's Society and My Name's 5 Daddie Foundation. The day to day management of fundraising events is delegated to Howden Group Holdings and its subsidiaries. The Foundation does not use professional fundraisers and no fundraising complaints have been received.

Expenditure for the year totalled £967k (FY21; £2m). This relates to strategic partner grants, People First Fund contributions and other donations that further the Foundation's charitable objects. It also includes support costs.

## Trustees' Report (*continued*)

### **Investment policy**

The Foundation is a shareholder in Howden Group Holdings, and as at 30 September 2022, this investment was valued at £16.5m (FY21; £5.6m). The Board continues to monitor the performance of its shares in Howden Group Holdings and regularly reviews the performance of the investment and the investment strategy. There are no restrictions on the charity's power to invest.

The Board will consider their investment policy in FY23, seeking external advice where appropriate, to ensure that income requirements, risk profile and market prospects are considered in line with the growth of the Foundation.

### **Reserves policy**

The Board has examined the requirement for unrestricted accessible cash reserves sufficient to cover a source of income not being renewed and the need to fund short term deficits in cash flow.

The Foundation had resolved to establish and maintain a level of cash reserves of up to £100,000 to provide sufficient funds for the People First Fund and support costs over three months. In November 2022, the Board elected to increase the level of cash reserves to £250,000 given the growth of the Foundation and its increased expenditure on support costs.

### **Plans for Future Periods**

Under its new strategy, the Foundation will focus on creating new partnerships with high impact charitable organisations that are building resilience to climate change. It will strengthen its impact measurement framework to learn from the grants made. The Foundation will also consider how it can further support grant partners through skills based volunteering offered in partnership with Howden Group colleagues.

The Foundation has experienced significant growth since becoming a shareholder in Howden Group Holdings and is also in the process of strengthening its operations and governance to ensure that it is well positioned to manage this increased responsibility. As part of this review, the trustees will consider its financial position seeking external advice, where appropriate, on its investment policy to ensure the balance between risk and return is suitable for the Foundation.

## Trustees' Report (*continued*)

### Statement of the responsibility of the Trustees

The Trustees are required to prepare financial statements for each financial year, which give a true and fair view of the state of the Foundation's affairs and the surplus or deficit for the year.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Foundation will continue in operation.

The Trustees are responsible for:

- Keeping adequate accounting records, which disclose with reasonable accuracy at any time the financial position of the Foundation and;
- Safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the auditors are unaware and,
- That they have taken all the steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by the Board of Trustees on 6 July 2023 and signed on its behalf

  
.....  
Luis Muñoz-Rojas Entrecanales

# Howden Group Foundation – Charity Number 1156286

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## Independent auditor’s report to the members of the Howden Group Foundation

### **Opinion**

We have audited the financial statements of the Howden Group Foundation (the ‘charity’) for the year ended 30 September 2022 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 FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity’s affairs as at 30 September 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the 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 charity’s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor’s report thereon. The trustees are responsible for the other information. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material

# Howden Group Foundation – Charity Number 1156286

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## Independent auditor's report to the members of the Howden Group Foundation (continued)

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.

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

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

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

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

### **Responsibilities of Trustees**

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

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

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

# Howden Group Foundation – Charity Number 1156286

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## Independent auditor's report to the members of the Howden Group Foundation (continued)

aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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.

Based on our understanding of the charity and its activities, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: the Charities Act 2011, the Charities Statement of Recommended Practice and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the charity is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as the Companies Act 2006.

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to the valuation of investments, and income cut off at year end.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

# Howden Group Foundation – Charity Number 1156286

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## Independent auditor's report to the members of the Howden Group Foundation (continued)

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 the audit report

This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

Signed:

  
[David Hoose \(Jul 18, 2023 17:23 GMT+1\)](#)

David Hoose  
(Senior Statutory Auditor)  
for and on behalf of Mazars LLP  
Chartered Accountants and Statutory Auditor  
First Floor  
Two Chamberlain Square  
Birmingham B3 3AX

Jul 18, 2023

# Howden Group Foundation – Charity Number 1156286

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## Statement of Financial Activities

For the year ended 30 September 2022

	<i>Note</i>	<b>Unrestricted Funds 2022 £'000</b>	<b>Total Funds 2022 £'000</b>	<b>Total Funds 2021 £'000</b>
<b>Incoming resources</b>				
Donations and grants	2	7,048	7,048	244
Fundraising events	3	87	87	34
Foreign exchange gains		3	3	6
		<hr/>	<hr/>	<hr/>
<b>Total incoming resources</b>		7,138	7,138	284
		<hr/>	<hr/>	<hr/>
<b>Resources expended</b>				
Cost of generating funds	4	(47)	(47)	(2)
Donations and grants	5	(800)	(800)	(1,958)
Audit fee	6	(25)	(25)	(13)
Legal and professional fees		(43)	(43)	-
Interest on loan		(52)	(52)	(24)
		<hr/>	<hr/>	<hr/>
<b>Total resources expended</b>		(967)	(967)	(1,997)
		<hr/>	<hr/>	<hr/>
<b>Net income / (expense) before investment gains</b>		6,171	6,171	(1,713)
		<hr/>	<hr/>	<hr/>
Gains on investment assets	9	4,136	4,136	3,650
		<hr/>	<hr/>	<hr/>
<b>Surplus for the year</b>		10,307	10,307	1,937
		<hr/>	<hr/>	<hr/>
<b>Funds brought forward</b>		4,348	4,348	2,411
		<hr/>	<hr/>	<hr/>
<b>Total funds carried forward</b>		14,655	14,655	4,348
		<hr/>	<hr/>	<hr/>

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 19 to 25 form part of these accounts.

# Howden Group Foundation – Charity Number 1156286

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## Balance Sheet

As at 30 September 2022

	<i>Note</i>	<b>2022</b> <b>£'000</b>	<b>2021</b> <b>£'000</b>
<b>Fixed assets</b>			
Investments	<i>9</i>	16,512	5,556
		<hr/>	<hr/>
		16,512	5,556
<b>Current assets</b>			
Debtors	<i>10</i>	3	5
Cash at bank and in hand		446	516
		<hr/>	<hr/>
		449	521
<b>Creditors: amounts falling due within one year</b>	<i>11</i>	(680)	(705)
		<hr/>	<hr/>
<b>Net Current (Liabilities) / Assets</b>		(231)	(184)
<b>Creditors: amounts falling due after one year</b>	<i>12</i>	(1,626)	(1,024)
		<hr/>	<hr/>
<b>Net Assets</b>		14,655	4,348
		<hr/>	<hr/>
<b>Funds of the Charity</b>			
Unrestricted funds	<i>13</i>	14,655	4,348
		<hr/>	<hr/>
<b>Total funds</b>		14,655	4,348
		<hr/>	<hr/>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies' regime within Part 15 of the Companies Act 2006.

These financial statements were approved and authorised for issue by the Trustees on 6 July 2023 and were signed on its behalf by:

  
.....  
Luis Muñoz-Rojas Entrecanales

The notes on pages 19 to 25 form part of these accounts.

# Howden Group Foundation – Charity Number 1156286

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## Statement of Cash Flows

As at 30 September 2022

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
<b>Reconciliation of net incoming resources to net cash flow from operating activities :</b>		
Net Movement in Funds	10,307	1,937
Decrease in Debtors	2	28
(Decrease) / Increase in Creditors	(473)	1,093
(Gains) on Investment Assets	(4,136)	(3,650)
<b>Cash Flows from Operating Activities</b>	<u>5,700</u>	<u>(592)</u>
Purchase of Investments	(6,820)	-
Proceeds on Disposal of Investments	-	351
Drawdown on Loan facility	1,050	500
<b>Cash Flows from Investing Activities</b>	<u>(5,770)</u>	<u>851</u>
Increase/(decrease) in Cash and Cash Equivalents in the Year	(70)	259
Cash and Cash Equivalents at the Beginning of the Year	516	257
<b>Cash and Cash Equivalents at the End of the Year</b>	<u>446</u>	<u>516</u>

# Howden Group Foundation – Charity Number 1156286

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## Notes to the Financial Statements

For the year ended 30 September 2022

### 1 Accounting policies

#### *General information*

Howden Group Foundation is a charity registered in England and Wales. Its correspondence address is detailed in the Annual Report. As a CIO, the Foundation meets the public benefit entity requirements of FRS102.

The principal activity of the Foundation is to benefit charity institutions with charitable objectives by way of grant making.

The financial statements are prepared in Pounds Sterling as this is the functional currency and currency of the primary economic environment in which the charity operates.

Monetary amounts in these financial statements are rounded to the nearest £'000.

#### *Basis of preparation*

The accounts have been prepared in accordance with the Companies Act 2006, the Charities Act 2011, the Charities Statement of Recommended Practice (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and under the historical cost convention in accordance with applicable Accounting Standards as modified by the accounting policy for investments.

#### *Going Concern*

These accounts have been prepared on the going concern basis as the trustees consider that there are sufficient reserves available to meet the Foundation's liabilities as they fall due.

#### *Fund accounting*

Unrestricted funds are available for use at the discretion of the trustees in the furtherance of the general objectives of the charity. All the Foundation's funds are classified as unrestricted funds as there is no limitation on the purpose for which they can be used.

#### *Incoming resources*

All incoming resources are included in the statement of financial activities when the charity is entitled to the income, it is probable that the income will be received and the amount can be quantified with reasonable accuracy.

#### *Resources expended*

Expenditure is recognised on an accrual basis as a liability is incurred. Grants payable are only recognised in the accounts when a commitment has been approved by the Board and there are no conditions to be met relating to the grant which remain in the control of the charity.

Expenditure includes any VAT which cannot be fully recovered, and is allocated according to the activity to which it relates.

# Howden Group Foundation – Charity Number 1156286

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## Notes to the Financial Statements

For the year ended 30 September 2022

### 1 Accounting policies continued

#### *Cash and Cash equivalents*

Cash and cash equivalents are 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.

#### *Judgements in applying accounting policies and key sources of estimation uncertainty*

In applying the charity's accounting policies, the trustees may be required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities.

#### *Key sources of estimation uncertainty*

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities with the next financial year are discussed below:

The carrying amount of unlisted investments on 30 September 2022 was £16,512k (2021: £5,556k).

The value of the investments is based on the adopted share price of Howden Group Holdings. The share price adopted is based on a report prepared for Howden Group Holdings by an external third party, which values the shares on the basis of precedent transactions, public company valuations, leverage buyout valuation and discounted cash flow. The adopted share price has also been used for a number of recent transactions, including the internal market run by Howden Group Holdings and shares issued in relation to acquisitions. Some of the shares held have a hurdle price, which needs to be achieved for the shares to have value, as set out in the legal documents governing those shares.

### 2 Incoming resources – Donations

	<b>Unrestricted</b>		
	<b>Funds</b>	<b>Total</b>	<b>Total</b>
	<b>2022</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
HIG Finance 2 Limited	3,100	3,100	-
HIG Finance Limited	3,720	3,720	-
Howden Group Services Limited	2	2	210
Individual donations	226	226	34
	<hr/>	<hr/>	<hr/>
	7,048	7,048	244
	<hr/>	<hr/>	<hr/>

# Howden Group Foundation – Charity Number 1156286

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## Notes to the Financial Statements

For the year ended 30 September 2022

### 3 Incoming resources – Fund raising events

	<b>Unrestricted Funds 2022 £'000</b>	<b>2022 Total £'000</b>	<b>2021 Total £'000</b>
DUAL Charity Ball	37	37	20
Alzheimer's Society Charity Ball	20	20	-
Global Group Giving Week Quiz	15	15	-
A Plan Quiz	6	6	-
Static Triathlon	3	3	-
Reaching India - Covid support	-	-	6
HIBL Countdown to Christmas	-	-	2
Other	6	6	6
	<hr/>	<hr/>	<hr/>
	87	87	34
	<hr/>	<hr/>	<hr/>

### 4 Resources expended – Cost of generating funds

	<b>Unrestricted Funds 2022 £'000</b>	<b>Total 2022 £'000</b>	<b>Total 2021 £'000</b>
Management charges	45	45	-
Fees	1	1	-
Bank charges	1	1	1
Insurance	-	-	1
	<hr/>	<hr/>	<hr/>
	47	47	2
	<hr/>	<hr/>	<hr/>

# Howden Group Foundation – Charity Number 1156286

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## Notes to the Financial Statements

For the year ended 30 September 2022

### 5 Resources expended – Donations and grants

	<b>Unrestricted</b>		
	<b>Funds</b>	<b>2022</b>	<b>2021</b>
	<b>2022</b>	<b>Total</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Danish Red Cross	226	226	-
Charitable Giving	119	119	42
The Nature Conservancy	68	68	173
Care Channels International	60	60	60
My Name's 5 Daddie Foundation	57	57	-
The Branch Trust	50	50	-
Alzheimer's Society	49	49	38
Legal Outreach	23	23	-
UK Online Giving Foundation	19	19	11
Australian Online Giving Foundation	13	13	-
Bamberg UA E.v	13	13	-
Humanosh Foundation	13	13	-
British-Ukrainian Aid	13	13	-
Kleine Herzen	13	13	-
The Prince's Trust	-	-	501
The Prince's Trust (due Apr-22)	-	-	500
The Prince's Trust (due Apr-23)	-	-	500
Seven Clean Seas	-	-	52
Other	64	64	81
	<hr/>	<hr/>	<hr/>
	800	800	1,958
	<hr/>	<hr/>	<hr/>

Other donations and grants comprise multiple small amounts under £10,000 that have been made to various charities and causes to support them in their work.

### 6 Audit Fee

The Audit fee amounts to £24,600 (2021: £12,480).

Of the current year fee £17,400 relates to the audit of the 2022 financial statements, with additional fees of £7,200 incurred relating to 2021.

# Howden Group Foundation – Charity Number 1156286

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## Notes to the Financial Statements

For the year ended 30 September 2022

### 7 Trustee remuneration and expenditure

No trustees or connected person is entitled to any remuneration from the charity as set out in the charity's constitution nor received any reimbursement of expenses.

### 8 Taxation

As a charity, the Foundation is exempt from tax on income and gains falling within s505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No charges have arisen in the charity in the period.

### 9 Fixed assets – Investments

All fixed asset investments at 1 October 2021 and at 30 September 2022 were unlisted share investments in Howden Group Holdings. These investments are held at fair value in accordance with the accounting policy as detailed in Note 1 on page 20 and their historic cost on acquisition was £8,852k.

	<b>Investments</b> <b>£'000</b>
Market Value:	
At 1 October 2021	5,556
Additions	6,820
Revaluations	4,136
	<hr/>
At 30 September 2022	16,512
	<hr/>

### 10 Debtors

	<b>2022</b> <b>£'000</b>	<b>2021</b> <b>£'000</b>
Accrued income - Donations	3	5
	<hr/>	<hr/>
	3	5
	<hr/>	<hr/>

# Howden Group Foundation – Charity Number 1156286

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## Notes to the Financial Statements

For the year ended 30 September 2022

### 11 Creditors: Amounts falling due within one year

	2022 £'000	2021 £'000
Donations	650	693
Audit fees	17	12
Admin costs	7	-
Legal fees	4	-
Consultancy	2	-
	<hr/> 680	<hr/> 705
	<hr/>	<hr/>

### 12 Creditors: Amounts falling due after one year

	2022 £'000	2021 £'000
Donations	-	500
Loan	1,626	524
	<hr/> 1,626	<hr/> 1,024
	<hr/>	<hr/>

The loan relates to a revolving loan facility made in July 2020 with HIG Finance 2 Limited, a Howden Group subsidiary. The total principal amount must not exceed £5,000,000 and must be repaid on or before the fifth year anniversary. Interest rate is equal to 5.75% per annum and the loan is secured by a fixed charge on the shares held in the Group. As at 30 September 2022, the loan advance was £1,550,000 and interest incurred in the period amounted to £51,624 (2021: £24,418).

# Howden Group Foundation – Charity Number 1156286

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## Notes to the Financial Statements

For the year ended 30 September 2022

### 13 Movement in funds

	<b>At 30 Sep-21 £'000</b>	<b>Incoming Resources £'000</b>	<b>Outgoing Resources £'000</b>	<b>Investment Gains £'000</b>	<b>At 30 Sep-22 £'000</b>
Unrestricted Funds					
General Funds	4,348	7,138	(967)	4,136	14,655
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Unrestricted Funds	4,348	7,138	(967)	4,136	14,655
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

### 14 Related party transactions

The Foundation is independent of any other body however it is primarily funded by Howden Group Companies and their employees. The Foundation had the following transactions with Howden Group Companies over the course of the year.

<b>Name of the trustee or related party</b>	<b>Description of the transaction</b>	<b>2022 £'000</b>
HIG Finance 2 Limited	Donation received	3,100
HIG Finance Limited	Donation received	3,720
HIG Finance 2 Limited	Loan drawdown	1,050
Howden Group Holdings Limited	Purchase of shares	6,820
Howden Group Services Limited	Administrative expenses	45

During the year, eight (8) trustees were affiliated with Howden Group Companies. L. Muñoz-Rojas Entrecanales is a Director of Howden Group Holdings Limited and R. Scott is a Director of Howden Group Services Limited.

None of the trustees have been paid any remuneration or incurred any expenses in the period.

### 15 Post balance sheet event

In March 2023, the Danish Red Cross asked to terminate the Ecosystem-based Adaptation (EbA) financing facility grant that had been approved and paid in FY22 while the project scope was reconsidered. In line with trustee duties to safeguard the Foundations' assets, the funds (US\$250k) were returned to the Foundation in May 2023.

**Howden Foundation**

England & Wales - Charity number 1156286

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# Accounts

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**Charity Number 1156286**

***HOWDEN GROUP FOUNDATION***

*Audited Annual Report and Accounts*

*For the year ended 30 September 2021*

# Howden Group Foundation – Charity Number 1156286

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## Financial Statements

For the year ended 30 September 2021

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# Howden Group Foundation – Charity Number 1156286

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## Trustees and Advisors

### Trustees:

L. Muñoz-Rojas Entrecanales (Chair)  
A. Barrett  
C. Creasey (Independent Trustee appointed 24 January 2022)  
L. Dormandy (Independent Trustee appointed 24 January 2022)  
H. Goodhew (appointed 16 December 2021)  
M. Hudson  
A. Mandal (Independent Trustee appointed 24 January 2022)  
J. Marron  
R. Scott  
M. Smale (resigned 3 February 2022)

### Principal Office:

One Creechurch Place,  
London,  
EC3A 5AF

### Auditor:

David Hoose  
Mazars LLP,  
Two Chamberlain Square,  
Birmingham,  
B3 2AX

### Banker:

RBS London City Office,  
PO Box 412,  
62/63 Threadneedle Street,  
London,  
EC3R 8LA

## Trustees' Report

The Trustees present their report and the financial statements for the Howden Group Foundation (the Foundation) for the year ended 30 September 2021.

The Foundation's constitution sets out its purposes and aims, its Trustees and the rules regulating its governance. These are provided in further detail in the sections that follow.

### **Purposes and Aims**

The Foundation's principal activities are set out in its constitution, dated 5 June 2020, which were reaffirmed by the Trustees on 5 November 2020. Its objects are listed below:

- a) Relief of Sickness – The relief of sickness and the preservation of physical and mental health among people or anyone in the world by providing grants, items and services to individuals in need and/or charities, or other organisations working for the relief of sickness and the preservation of physical and mental health.
- b) Relief of Poverty – The prevention or relief of poverty anywhere in the world by providing: grants, items and services to individuals in need and/or charities, or other organisations working to prevent or relieve poverty.
- c) Relief of Disasters – The relief of financial need and suffering among victims of war, natural or other kinds of disaster or catastrophe in form of money (or other means deemed suitable) for persons, bodies, organisations and/or countries affected including the provision of medical aid.
- d) Relief of Unemployment – The relief of unemployment for the benefit of the public in such ways as may be thought fit, including assistance to find employment and supporting entrepreneurship.
- e) Advancement of Education – To advance the education of the pupils by providing and assisting in the provision of facilities not required to be provided by the local education authority for education at the school.
- f) Environmental Sustainability – To promote for the benefit of the public the conservation, protection and improvement of the physical and natural environment with a focus on energy consumption, waste management and recycling.

### **Ensuring our work delivers our aims**

We review our aims, objectives and activities annually. This review looks at what we have achieved and the outcomes of our work in the period under review. We also look at the success of each activity and the benefits that they have brought to those groups of people we are set up to help. In addition, the review helps us ensure our aims, objectives and activities remained focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees consider how any future, planned activities will contribute to the aims and objectives they have set.

### **How our activities deliver public benefit**

Our main objectives and who we try to help have been set out above. During the period under review we have undertaken a number of activities to raise funds to support causes which we believe align with our stated aims and objectives.

## Trustees' Report (*continued*)

*Who used and benefitted from our services?*

### **Grant making policy and Group's employees fundraising activities**

In 2021, the Foundation continued its commitment to support strategic partnerships which align with Howden Group Holdings Limited's (Howden Group or the Group) Corporate Social Responsibility (CSR) strategy focusing on education, entrepreneurship and the environment. Current partners include the Prince's Trust UK & Australia, Fundacion Pro Empleo, The Nature Conservancy, Care Channels International, Seven Clean Seas and the Danish Red Cross through Replexus.

The Groups' UK employees selected their charity partnership through employee vote at the end of 2019, where Alzheimer's Society was selected as our two year partner. Due to Covid restrictions, employee fundraising events were limited and, as a result, we have extended our partnership with Alzheimer's Society until 30 September 2022.

Additionally, in this period, the Foundation continued to provide assistance to a number of other legacy causes. It continued to be a member of the Lloyd's of London Community Programme and through the programme our volunteers take part in a weekly reading/writing scheme at Harry Gosling Primary, a monthly mentoring programme at Morpeth Sixth Form as well as career insight workshops with various schools in East London. The Foundation also supported volunteers taking part in one off financial literacy workshops across primary schools in East London. In 2021, the Foundation recommenced its support of The Hague Schools' Year 4 activity day, which was put on hold in 2020 due to Covid.

In 2021 our 'Investing in the Community' Awards took place, where Group employees nominate charities they support outside of work.. This year, we granted awards to seven charities.

The Foundation continues to operate its People First Fund providing Group employees with matched giving and prize awards (e.g. Christmas card competition) which assists selected charities with their work.

Incoming resources from the fundraising activities of the Group's employees are directed through the Foundation but these have reduced this year due to the introduction of the new CSR platform 'Group Giving' powered by Benevity Inc. Group employees are encouraged to direct fundraising activities through the platform which goes directly to the chosen charity.

## Trustees' Report (*continued*)

### **Financial Review**

#### *Principal funding sources*

The Foundation principally relies on charitable donations from the Howden Group as part of the Group's commitment to being a responsible business. The Foundation therefore has a close working relationship with the Group and aligns with its CSR strategy which focuses on education, entrepreneurship and the environment whilst maintaining its independence as a grant making charity.

Historically donations to the Foundation have been made by Howden Group Services Limited, the Group's central services subsidiary company, and this continued in 2021 where funds were donated to support the charitable objectives of the Foundation.

In July 2020, to complement this traditional route of funding, the Foundation was gifted funds by the Group with which it chose to take the opportunity to purchase shares in the Group. The Foundation purchased further shares in the Group in November 2021. The Group has grown from strength to strength and, as a shareholder, the Foundation has and is expected to benefit directly from the Group's ongoing success. As the Group continues to grow, so will the charitable work of the Foundation.

To ensure liquidity, the Foundation has a revolving loan facility with the Group. The loan is secured against the value of the shares the Foundation holds in the Group.

Additionally the Foundation receives donations from UK employees as part of the UK charity of the year campaign, the general public and members of the insurance broking community. We continue to see less Group employee fundraising come through the Foundation as we transfer them onto the Benevity platform. This platform enables Group employees to donate directly to their chosen charity partners.

Some UK-based employees of the Group contribute funds to the Foundation via payroll giving which is administered by Charities Trust. Through Charities Trust, Group employees can donate funds to Howden Group Foundation or select a personal charity but this is not a condition of employment.

All donations into the Foundation are unrestricted.

### **Reserves policy**

All funds are unrestricted and the Trustees aim to utilise the reserves on a timely basis.

The Foundation has resolved to establish and maintain a level of cash reserves of up to £100,000 to be available to administer basic grant giving to elected charitable causes during the financial period without immediate recourse to Group.

### **Investment policy**

The Foundation has invested funds donated by the Group in the purchase of shares in the Howden Group and is expected to benefit directly from the Group's success. Additionally the Trustees feel it is appropriate to retain an appropriate level of cash reserves in a current bank account.

## Trustees' Report (*continued*)

### **Principal Risks and Uncertainties**

The Trustees have a duty to identify, understand and analyse the risks to which the Foundation is exposed and to ensure appropriate and effective controls are in place to provide its Trustees with appropriate information of risks and emerging risks that could impact on the core strategy of the Foundation and its objectives.

Currently the Foundation keeps the following risks under review as part of the quarterly risk register review:

- The damage to reputation of the Foundation and the wider Group, which could have an adverse impact on its ability to meet its aims and objectives. The Foundation has a strong governance structure in place to mitigate such risks as far as possible.
- The Foundation is reliant on a small number of individuals at board and management level for its success and loss of these key individuals could have significant implications. Recently the Trustee membership has been expanded to include three independent Trustees to provide guidance to the Foundation as it grows.
- The financial sustainability of the Foundation is reviewed regularly given its reliance on the Group. The ability to meet current and future commitments is a key focus for the Trustees who approve a three year rolling budget annually and review the performance against the budget quarterly.
- Key to the success of the Foundation is its ability to support charities that are effective in delivering public benefit in line with its constitution. Due diligence and monitoring processes are incorporated into all Foundation partnerships to ensure impact and accountability.
- Staff or volunteers acting outside regulations, policies and procedures. We regularly review whether our policies, including safeguarding arrangements, are fit for purpose and look to develop these in line with best practice. As part of our application and monitoring process, all charities are asked to submit their safeguarding policies and procedures.

### **Plans for Future Periods**

The Foundation plans to refocus its efforts in the forthcoming period with specific emphasis on:

- Exploration of further disaster relief projects following the partnership with the Danish Red Cross through Replexus
- Global partnerships that reflect the regions in which the Group has a presence
- Review of grant-making and operations strategy
- The board has a clear, agreed and effective approach to supporting equality, diversity and inclusion

## Trustees' Report (*continued*)

### **Structure, Governance and Management**

#### *Governing document*

The Foundation is a charitable incorporated organisation, incorporated on 20 March 2014. The Foundation's constitution establishes the powers and objectives of the organisation and was last updated on the 5 November 2020 when the Foundation changed its name to Howden Group Foundation.

#### *Recruitment and appointment of Trustees*

In selecting individuals for appointment as Trustees, the Foundation Trustees must have regard to the skills, knowledge and experience of potential Trustees for the effective management and administration of the organisation. In order to act as a Trustee of the Foundation the potential Trustee must be a natural person over the age of 16. On, or before their first appointment as a Trustee, existing Foundation Trustees are to make a copy of the constitution document and the Foundation's Annual Report and statement of accounts available to new Trustees.

The Trustee membership is reviewed at least annually to ensure that core responsibilities are held to manage certain key areas of expertise: legal, finance and risk management.

In January 2022, to complement the Trustee base who are volunteer employees of the Group, the Foundation elected three Independent Trustees to expand the range of backgrounds, experiences and skills of the Trustee Board.

The Foundation has also created a committee consisting of employees from each of the Group's regions worldwide in order to ensure global reach and charities that align with the Group's CSR strategy, as well as employee engagement.

#### *Foundation Trustees*

The Foundation Trustees, named in the Foundation's constitution, which served during the period under review are listed below, together with date of appointment\*.

L. Muñoz-Rojas Entrecanales	(Chairman, appointed 17 October 2019)
A. Barrett	(Deputy Chairman, reappointed 14 September 2016)
M. Hudson	(appointed 4 August 2017)
J. Marron	(appointed 9 December 2019)
R. Scott	(appointed 15 July 2021)
M. Smale	(resigned 3 February 2022)

\* Chair and Trustee tenure is three years, with the possibility for re-appointment for a maximum of nine years.

The Trustees are considered to be the key management personnel of the charity alongside support from the secretariats of the Foundation, C. Ballantine (appointed Nov 2021), S. Arup and H. Clare.

Since 30 September 2021, the following appointments were made to expand the Trustee membership.

C. Creasey	(Independent Trustee appointed 24 January 2022)
L. Dormandy	(Independent Trustee appointed 24 January 2022)
H. Goodhew	(appointed 16 December 2021)
A. Mandal	(Independent Trustee appointed 24 January 2022)

## Trustees' Report (*continued*)

### *Training*

Upon appointment a Trustee is provided with a guidance document that outlines their role and responsibility as a Trustee of the Foundation. As outlined in the Foundation's constitution, extant Trustees will make a copy of the constitution and a copy of the latest Trustees' Annual Report and statement of accounts available to each new Trustee.

### *Organisational structure*

The Foundation's Trustees meet at least quarterly. In the event that there are no urgent matters to address at a formal meeting then the Trustees will communicate electronically as outlined and permitted in the Foundation's constitution. Any decision may be taken, either at a formal meeting of the Foundation Trustees, or by resolution in writing or electronic form agreed by all of the Foundation Trustees.

The Trustees have appointed a committee of the Foundation to which it delegates certain day to day activities and responsibilities. Formed from a broad membership of employees across the Group, the Foundation Committee meets quarterly ahead of the trustee meeting and minutes are shared with the Foundation accordingly.

## **Statement of the responsibility of the Trustees**

The Trustees are required to prepare financial statements for each financial year, which give a true and fair view of the state of the Foundation's affairs and the surplus or deficit for the year.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Foundation will continue in operation.

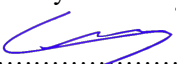
The Trustees are responsible for:

- Keeping adequate accounting records, which disclose with reasonable accuracy at any time the financial position of the Foundation and;
- Safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the auditors are unaware and,
- That they have taken all the steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by the Board of Trustees on 20 July 2022 and signed on its behalf

  
.....  
Luis Muñoz-Rojas Entrecanales

# Howden Group Foundation – Charity Number 1156286

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## Independent auditor’s report to the members of the Howden Group Foundation

### **Opinion**

We have audited the financial statements of the Howden Group Foundation (the ‘charity’) for the year ended 30 September 2021 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 FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity’s affairs as at 30 September 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the 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 charity’s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor’s report thereon. The trustees are responsible for the other information. 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.

## Independent auditor's report to the members of the Howden Group Foundation (continued)

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements 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.

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

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

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

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

### **Responsibilities of Trustees**

As explained more fully in the trustees' responsibilities statement set out on page 8, 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

## Independent auditor's report to the members of the Howden Group Foundation (continued)

### **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 the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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.

Based on our understanding of the charity and its activities, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: the Charities Act 2011, the Charities Statement of Recommended Practice and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the charity is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as the Companies Act 2006.

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to the valuation of investments, and income cut off at year end.

# Howden Group Foundation – Charity Number 1156286

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## Independent auditor's report to the members of the Howden Group Foundation (continued)

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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 the audit report

This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

Signed:

  
[David Hoose \(Jul 22, 2022 07:43 GMT+1\)](#)

David Hoose  
(Senior Statutory Auditor)  
for and on behalf of Mazars LLP  
Chartered Accountants and Statutory Auditor  
First Floor  
Two Chamberlain Square  
Birmingham B3 3AX

Jul 22, 2022

# Howden Group Foundation – Charity Number 1156286

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## Statement of Financial Activities For the year ended 30 September 2021

	<i>Note</i>	<b>Unrestricted Funds 2021 £'000</b>	<b>Total Funds 2021 £'000</b>	<b>Total Funds 2020 £'000</b>
<b>Incoming resources</b>				
Donations and grants	2	244	244	3,257
Fundraising events	3	34	34	70
Foreign exchange gains		6	6	-
Interest and dividends		-	-	2
		<hr/>	<hr/>	<hr/>
<b>Total incoming resources</b>		284	284	3,329
		<hr/>	<hr/>	<hr/>
<b>Resources expended</b>				
Cost of generating funds		(2)	(2)	(2)
Donations and grants	4	(1,958)	(1,958)	(1,850)
Audit fee	5	(13)	(13)	(12)
Interest on loan		(24)	(24)	
		<hr/>	<hr/>	<hr/>
<b>Total resources expended</b>		(1,997)	(1,997)	(1,864)
		<hr/>	<hr/>	<hr/>
<b>Net (expense) / income before investment gains</b>		(1,713)	(1,713)	1,465
		<hr/>	<hr/>	<hr/>
Gains on investment assets		3,650	3,650	-
		<hr/>	<hr/>	<hr/>
<b>Surplus for the year</b>		1,937	1,937	1,465
		<hr/>	<hr/>	<hr/>
<b>Funds brought forward</b>		2,411	2,411	946
		<hr/>	<hr/>	<hr/>
<b>Total funds carried forward</b>		4,348	4,348	2,411
		<hr/>	<hr/>	<hr/>

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 16 to 21 form part of these accounts.

# Howden Group Foundation – Charity Number 1156286

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## Balance Sheet

As at 30 September 2021

	<i>Note</i>	<b>2021</b> <b>£'000</b>	<b>2020</b> <b>£'000</b>
<b>Fixed assets</b>			
Investments	<b>8</b>	5,556	2,258
		<hr/>	<hr/>
		5,556	2,258
<b>Current assets</b>			
Debtors	<b>9</b>	5	33
Cash at bank and in hand		516	257
		<hr/>	<hr/>
		521	290
<b>Creditors:</b> amounts falling due within one year	<b>10</b>	(705)	(137)
		<hr/>	<hr/>
<b>Net Current (Liabilities) / Assets</b>		(184)	153
		<hr/>	<hr/>
<b>Creditors:</b> amounts falling due after one year	<b>11</b>	(1,024)	-
		<hr/>	<hr/>
		<hr/>	<hr/>
<b>Net Assets</b>		4,348	2,411
		<hr/>	<hr/>
<b>Funds of the Charity</b>			
Unrestricted funds	<b>12</b>	4,348	2,411
		<hr/>	<hr/>
<b>Total funds</b>		4,348	2,411
		<hr/>	<hr/>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements were approved and authorised for issue by the Trustees on 20 July 2022 and were signed on its behalf by:

  
.....  
Luis Muñoz-Rojas Entrecanales

The notes on pages 16 to 21 form part of these accounts.

# Howden Group Foundation – Charity Number 1156286

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## Statement of Cash Flows

As at 30 September 2021

	2021 £'000	2020 £'000
<b>Reconciliation of net incoming resources to net cash flow from operating activities :</b>		
Net Movement in Funds	1,937	1,462
Decrease in Debtors	28	3
Increase in Creditors	1,068	136
(Gains) on Investment Assets	(3,650)	-
Investment Income	-	2
<b>Cash Flows from Operating Activities</b>	<u>(617)</u>	<u>1,603</u>
Purchase of Investments	-	(2,258)
Proceeds on Disposal of Investments	351	-
Drawdown on Loan facility	525	-
<b>Cash Flows from Investing Activities</b>	<u>876</u>	<u>(2,258)</u>
Increase/(decrease) in Cash and Cash Equivalents in the Year	259	(655)
Cash and Cash Equivalents at the Beginning of the Year	257	912
<b>Cash and Cash Equivalents at the End of the Year</b>	<u>516</u>	<u>257</u>

## Notes to the Financial Statements For the year ended 30 September 2021

### **1 Accounting policies**

#### ***General information***

Howden Group Foundation is a charity registered in England and Wales. Its correspondence address is detailed in the Annual Report. As a CIO, the Foundation meets the public benefit entity requirements of FRS102.

The principal activity of the Foundation is to benefit charity institutions with charitable objectives by way of grant making.

The financial statements are prepared in Pounds Sterling as this is the functional currency and currency of the primary economic environment in which the charity operates.

Monetary amounts in these financial statements are rounded to the nearest £'000.

#### ***Basis of preparation***

The accounts have been prepared in accordance with the Companies Act 2006, the Charities Act 2011, the Charities Statement of Recommended Practice (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and under the historical cost convention in accordance with applicable Accounting Standards as modified by the accounting policy for investments quoted on a recognised stock exchange.

#### ***Going Concern***

These accounts have been prepared on the going concern basis as the Trustees consider that there are sufficient reserves available to meet the Foundation's liabilities as they fall due.

#### ***Fund accounting***

Unrestricted funds are available for use at the discretion of the Trustees in the furtherance of the general objectives of the charity. All the Foundation's funds are classified as unrestricted funds as there is no limitation on the purpose for which they can be used.

#### ***Incoming resources***

All incoming resources are included in the statement of financial activities when the charity is entitled to, and it is probable that the income will be received and the amount can be quantified with reasonable accuracy.

#### ***Resources expended***

Expenditure is recognised on an accrual basis as a liability is incurred. Grants payable are only recognised in the accounts when a commitment has been approved by the Board and there are no conditions to be met relating to the grant which remain in the control of the charity.

Expenditure includes any VAT which cannot be fully recovered, and is allocated according to the activity to which it relates.

# Howden Group Foundation – Charity Number 1156286

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## Notes to the Financial Statements For the year ended 30 September 2021

### 1 Accounting policies continued

#### *Cash and Cash equivalents*

Cash and cash equivalents are 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.

#### *Judgements in applying accounting policies and key sources of estimation uncertainty*

In applying the charity's accounting policies, the Trustees may be required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities.

#### *Key sources of estimation uncertainty*

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities with the next financial year are discussed below:

The carrying amount of unlisted investments on 30 September 2021 was £5,556k (2020: £2,258k).

The value of the investments is based on the adopted share price of Howden Group Holdings Limited ("Howden Group"). The share price adopted is based on a report prepared for Howden Group by an external third party, which values the Howden Group on the basis of precedent transactions, public company valuations, leverage buyout valuation and discounted cash flow. The adopted share price has also been used for a number of recent transactions, including the internal market run by Howden Group and shares issued in relation to acquisitions. Some of the shares held have a hurdle price, which needs to be achieved for the shares to have value, as set out in the legal documents governing those shares.

### 2 Incoming resources – Donations

	<b>Unrestricted</b>		
	<b>Funds</b>	<b>Total</b>	<b>Total</b>
	<b>2021</b>	<b>2021</b>	<b>2020</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Howden Group Holdings Limited	-	-	2,267
Howden Group Services Limited	210	210	861
Individual donations	34	34	99
RKH Specialty Limited	-	-	12
Howden Insurance Brokers Limited	-	-	11
DUAL International Limited	-	-	6
HX Group Limited	-	-	1
	<hr/>	<hr/>	<hr/>
	244	244	3,257
	<hr/>	<hr/>	<hr/>

# Howden Group Foundation – Charity Number 1156286

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Notes to the Financial Statements  
For the year ended 30 September 2021

## 3 Incoming resources – Fund raising events

	<b>Unrestricted</b>		
	<b>Funds</b>	<b>2021</b>	<b>2020</b>
	<b>2021</b>	<b>Total</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
DUAL Charity Ball	20	20	-
Reaching India - Covid support	6	6	-
HIBL Countdown to Christmas	2	2	-
Other	6	6	7
Masquerade Ball	-	-	42
London to Brighton cycle ride	-	-	10
Hyperion KM Challenge	-	-	3
Christmas Jumper Day	-	-	3
Quiz night Cancer Research	-	-	2
M4M - Other	-	-	3
	<hr/>	<hr/>	<hr/>
	34	34	70
	<hr/>	<hr/>	<hr/>

# Howden Group Foundation – Charity Number 1156286

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Notes to the Financial Statements  
For the year ended 30 September 2021

## 4 Resources expended – Donations and grants

	<b>Unrestricted</b>		
	<b>Funds</b>	<b>2021</b>	<b>2020</b>
	<b>2021</b>	<b>Total</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
The Prince's Trust	501	501	505
The Prince's Trust (due Apr-22)	500	500	-
The Prince's Trust (due Apr-23)	500	500	-
The Nature Conservancy	173	173	180
Care Channels International	60	60	-
Seven Clean Seas	52	52	-
Charitable Giving	42	42	-
Alzheimer's Society	38	38	47
The UK Online Giving Foundation	11	11	-
Cancer Research	-	-	222
Plastic Oceans	-	-	199
Blackdog	-	-	181
Danish Red Cross	-	-	125
NHS Charities Together	-	-	36
TMEA office	-	-	35
Harmonia Correctora	-	-	15
Other	81	81	72
	<hr/>	<hr/>	<hr/>
	1,958	1,958	1,850
	<hr/>	<hr/>	<hr/>

Other donations and grants comprise multiple small amounts under £10,000 that have been made to a number of various charities and causes to support them in their work.

## 5 Audit Fee

The Audit fee amounts to £12,480 (2020: £12,000).

## 6 Trustee remuneration and expenditure

No Trustees or connected person is entitled to any remuneration from the charity as set out in the charity's constitution nor received any reimbursement of expenses.

# Howden Group Foundation – Charity Number 1156286

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Notes to the Financial Statements  
For the year ended 30 September 2021

## 7 Taxation

As a charity The Howden Foundation is exempt from tax on income and gains falling within s505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No charges have arisen in the charity in the period.

## 8 Fixed assets - Investments

	<b>Investments</b> <b>£'000</b>
Market Value:	
At 1 October 2020	2,258
Additions	-
Revaluations	3,524
Disposals	(226)
	<hr/>
At 30 September 2021	5,556
	<hr/>

## 9 Debtors

	<b>2021</b> <b>£'000</b>	<b>2020</b> <b>£'000</b>
Accrued income - Donations	5	33
	<hr/>	<hr/>
	5	33
	<hr/>	<hr/>

## 10 Creditors: Amounts falling due within one year

	<b>2021</b> <b>£'000</b>	<b>2020</b> <b>£'000</b>
Accruals - Donations	693	125
Accruals – Audit fee	12	12
	<hr/>	<hr/>
	705	137
	<hr/>	<hr/>

# Howden Group Foundation – Charity Number 1156286

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Notes to the Financial Statements  
For the year ended 30 September 2021

## 11 Creditors: Amounts falling due after one year

	2021 £'000	2020 £'000
Accruals - Donations	500	-
Loan	524	-
	<hr/>	<hr/>
	1,024	-
	<hr/>	<hr/>

The loan relates to a revolving loan facility made in July 2020 with HIG Finance 2 Limited a Group company. The total principal amount must not exceed £5,000,000 and must be repaid on or before the fifth year anniversary. Interest rate is equal to 5.75% per annum and the loan is secured by a fixed charge on the shares held in the Group. As at 30 September 2020, the loan advance was £500,000 and interest incurred in the period amounted to £24,418.

## 12 Movement in funds

	At 30 Sep-20 £'000	Incoming Resources £'000	Outgoing Resources £'000	Investment Gains £'000	At 30 Sep-21 £'000
Unrestricted Funds					
General Funds	2,411	284	(1,997)	3,650	4,348
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Unrestricted Funds	2,411	284	(1,997)	3,650	4,348
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

## 13 Related party transactions

A trustee donated his board fee for Howden Group Holdings Limited totalling £12,500 (2020: £37,500).

None of the trustees have been paid any remuneration or incurred any expenses in the period.

**Howden Foundation**

England & Wales - Charity number 1156286

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# Accounts

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**Charity Number 1156286**

***HOWDEN GROUP FOUNDATION***

*Audited Annual Report and Accounts*

*For the year ended 30 September 2020*

# Howden Group Foundation – Charity Number 1156286

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## Financial Statements

For the year ended 30 September 2020

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# Howden Group Foundation – Charity Number 1156286

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## Trustees and Advisors

### Trustees:

L. Muñoz-Rojas Entrecanales (Chair)  
A. Barrett  
M. Hudson  
J. Marron  
R. Scott  
M. Smale

### Principal Office:

One Creechurch Place,  
London,  
EC3A 5AF

### Auditor:

Vincent Marke  
Mazars LLP,  
The Pinnacle,  
160 Midsummer Boulevard,  
Milton Keynes,  
MK9 1FF

### Banker:

RBS London City Office,  
PO Box 412,  
62/63 Threadneedle Street,  
London,  
EC3R 8LA

# Howden Group Foundation – Charity Number 1156286

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## Trustees' Report

The Trustees present their report and the financial statements for the Howden Group Foundation (the Foundation) for the year ended 30 September 2020.

The Foundation's constitution sets out its purposes and aims, its Trustees and the rules regulating its governance. These are provided in further detail in the sections that follow.

### **Purposes and Aims**

The Foundation's principal activities are set out in its constitution, dated 10 August 2018, which were reaffirmed by the Trustees on 25 November 2019. Its objects are listed below:

- a) Relief of Sickness – The relief of sickness and the preservation of physical and mental health among people or anyone in the world by providing grants, items and services to individuals in need and/or charities, or other organisations working for the relief of sickness and the preservation of physical and mental health.
- b) Relief of Poverty – The prevention or relief of poverty anywhere in the world by providing: grants, items and services to individuals in need and/or charities, or other organisations working to prevent or relieve poverty.
- c) Relief of Disasters – The relief of financial need and suffering among victims of war, natural or other kinds of disaster or catastrophe in form of money (or other means deemed suitable) for persons, bodies, organisations and/or countries affected including the provision of medical aid.
- d) Relief of Unemployment – The relief of unemployment for the benefit of the public in such ways as may be thought fit, including assistance to find employment and supporting entrepreneurship.
- e) Advancement of Education – To advance the education of the pupils by providing and assisting in the provision of facilities not required to be provided by the local education authority for education at the school.
- f) Environmental Sustainability – The prevention or reduction of negative impacts to the environment, with a focus on energy consumption, waste management and recycling.

### **Ensuring our work delivers our aims**

We review our aims, objectives and activities annually. This review looks at what we have achieved and the outcomes of our work in the period under review. We also look at the success of each activity and the benefits that they have brought to those groups of people we are set up to help. In addition, the review helps us ensure our aims, objectives and activities remained focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees consider how any future, planned activities will contribute to the aims and objectives they have set.

### **How our activities deliver public benefit**

Our main objectives and who we try to help have been set out above. During the period under review we have undertaken a number of activities to raise funds to support causes which we believe align with our stated aims and objectives.

## Trustees' Report (*continued*)

*Who used and benefitted from our services?*

### **Grant making policy and fundraising activities**

Throughout the 'Million for a Million' campaign 2018-2019 Howden Group Holdings Limited (the Group) employees from around the world helped organise fundraising events to support these four charities, including bake sales, bike rides, an Atlantic Row, static triathlon, concerts and much more. Donations to the 'Million for a Million' charity partners were made in January 2020.

In 2020, the Foundation also committed to several new strategic partnerships which align with the Howden Group's Corporate Social Responsibility (CSR) strategy education, entrepreneurship and the environment. These included: The Prince's Trust UK & Australia, Fundacion Pro Empleo, The Nature Conservancy, as well as a commitment to Danish Red Cross through Replexus in August 2020 which was paid in February 2021.

Furthermore, UK employees selected their charity partnership through employee vote at the end of 2019, where Alzheimer's Society was selected as our two year partner. And in 2020 all employee fundraising for Alzheimer's Society went through the Foundation and then on to Alzheimer's Society.

Additionally in this period the Foundation continued to provide assistance to a number of other London based legacy causes. It continued to be a member of the Lloyds Community Programme, through the programme our volunteers take part in a weekly reading/writing scheme at Harry Gosling Primary and a monthly mentoring programme at Morpeth Sixth Form alongside career insight workshops with various schools in East London. The Foundation also supported volunteers taking part in one off financial literacy workshops across primary schools in East London. As a result of the COVID-19 pandemic, the Foundation was not requested to support The Hague Schools' Year 4 residential week this year, however this donation will be continued in 2021.

Smaller one-off donations have been made during the course of the period through the Foundation's employee matched giving programme and prize awards (e.g. Christmas card competition) which assists personally selected charities with their work. For example, donations have been made to Black Dog Institute and Body and Soul.

In 2020 our 'Investing in the Community' Awards, where employees nominate charities they support outside of work, was reinstated. As this was during the height of the COVID-19 pandemic a focus was put on nominations supporting relief organisations within communities where our employees live. This year, we granted seven awards to charities offering relief from the impacts of COVID-19. We distributed the awards across the regions we work in, asking our people around the world to nominate charities in their local area. The winning charities worked with families, communities, and hospitals hit hardest by the pandemic, and we are proud to support their vital work.

Finally, the Foundation also created a 'People First – hardship fund' to support some of the Group's employees who were worst affected during the pandemic, this fund remains open and available should any further requests come forward. In 2020, our two of our offices in TMEA and LATAM drew down on this fund to support some of their colleagues in need.

# Howden Group Foundation – Charity Number 1156286

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## Trustees' Report (*continued*)

### **Financial Review**

#### *Principal funding sources*

The Foundation principally relies on charitable donations from the Group as part of the Group's commitment to being a responsible business its global CSR strategy. The Foundation therefore has a close working relationship with the Group's CSR team and aligns with the Group's CSR strategy which focuses on education, entrepreneurship and the environment.

Historically donations to the Foundation have been made by Howden Group Services Limited, the Group's central services subsidiary company, and this continued in 2020 where funds were donated to support employee matched funding requests, Investing the Community Awards, The Prince's Trust and NHS Charities Together fund.

In 2020, to complement this traditional route of funding, the Foundation was gifted shares in the Group. The Group has grown from strength to strength, and as a shareholder, the Foundation has and is expected to directly benefit from its ongoing success. As the Group continues to grow, so will our charitable work.

Additionally the Foundation receives donations from UK employees as part of the UK charity of the year campaign, the general public and members of the insurance broking community. All money raised by UK employees is ring-fenced for the Group's UK charity partner, Alzheimer's Society. Going forward we expect to see less UK employee fundraising come through the Foundation as we transfer employees onto our new CSR platform 'Group Giving' powered by Benevity Inc, this platform will enable employees to donate directly to our chosen charity partners.

Some UK-based employees of the Group contribute funds to the Foundation via the Give As You Earn (GAYE) scheme. The amount received has significantly reduced over the past year due to a change in provider from Charitable Giving to Charities Trust making it easier for individuals to select a personal charity rather donating to the Foundation. Employees are notified of the GAYE scheme when joining but this is not a condition of employment.

### **Reserves policy**

All funds are unrestricted and the Trustees aim to utilise the reserves on a timely basis.

At the end of September 2019, the Foundation was not in a position to make immediate donations to its four Million for a Million charity partners due to pending donations and Howden Group Foundation Trustee changes. These donations were made in early 2020.

In November 2019 the Foundation resolved to establish and maintain a level of cash reserves of up to £100,000 to be available to administer basic grant giving to elected charitable causes during the financial period without immediate recourse to Group.

### **Investment policy**

Due to the nature of the Foundation the Trustees feel it is appropriate to retain reserves in a current bank account.

## Trustees' Report (*continued*)

### **Principal Risks and Uncertainties**

The Trustees have a duty to identify, understand and analyse the risks to which the Foundation is exposed and to ensure appropriate and effective controls are in place to provide the Board with appropriate information of risks and emerging risks that could impact on the core strategy of the Foundation and its objectives. .

Currently the Foundation keeps the following risks under review as part of the quarterly risk register review:

- The damage to reputation of the Foundation and the wider Group, which could have an adverse impact on the numbers of people willing to work with the Foundation. Therefore, steps are in place to reduce any such risks.
- As the Foundation is heavily reliant on a small group of employees of the Group loss of these key individuals could have significant implications. Therefore, future succession planning will be put in place to mitigate these risks.

### **Plans for Future Periods**

The Foundation plans to refocus its efforts in the forthcoming periods with specific emphasis on:

- Seven Clean Seas and Care Channels International were selected as strategic partners and donations were made in late 2020 and early 2021.
- The Foundation committee has agreed that no further long term strategic partnerships are planned for 2021, whilst the current partnerships are matured. However, the Foundation will continue to make ad hoc donations.
- As employees worldwide are transferred to the new Group Giving platform, we expect to see a reduction of income through employee fundraising and reduced matched funding requests, as these will be managed directly through the Benevity platform. All matched funding request managed through the Group Giving platform will then be invoiced to the Foundation on a monthly basis.

## Trustees' Report (*continued*)

### Structure, Governance and Management

#### *Governing document*

The Foundation is a charitable incorporated organisation, incorporated on 20 March 2014 as the RKH Foundation and registered as a Charity on the same date. The Foundation's constitution was set up on the 20 March 2014 and was amended 14 September 2015 to reflect the change of name to The Hyperion Foundation upon the consolidation of the RKH Foundation and the Hyperion Charity Committee. The Foundation's constitution establishes the powers and objectives of the organisation and was last updated on the 5 June 2020. On 5 November 2020, the Foundation changed its name to Howden Group Foundation.

#### *Recruitment and appointment of Trustees*

In selecting individuals for appointment as Trustees, the Foundation Trustees must have regard to the skills, knowledge and experience of potential Trustees for the effective management and administration of the organisation. All Trustees are volunteers from the employees of Howden Group Services Limited. In order to act as a Trustee of the Foundation the potential Trustee must be a natural person over the age of 16. On, or before their first appointment as a Trustee, existing Foundation Trustees are to make a copy of the constitution document and the Foundation's Annual Report and statement of accounts available to new Trustees.

In 2019 trustee membership was reviewed to ensure each trustee held a core responsibility to cover one of the key areas of expertise: legal, finance and risk management. The Foundation also created a committee in September 2019 made up of employees from each of our regions worldwide in order to ensure global reach and charities that align with the Group's CSR strategy, as well as employee engagement.

#### *Foundation Trustees*

The Foundation Trustees, named in the Foundation's constitution, which served during the period under review are listed below, together with date of appointment\*.

L. Muñoz-Rojas Entrecanales	(Chairman, appointed 17 October 2019)
A. Barrett	(Deputy Chairman, reappointed 14 September 2016)
M. Hudson	(appointed 4 August 2017)
M. Smale	(appointed 4 August 2017)
J. Marron	(appointed 9 December 2019)
R. Scott	(appointed 15 July 2021)

\* Chair and Trustee tenure is three years, with the possibility for re-appointment for a maximum of nine years.

The Trustees are considered to be the key management personnel of the charity alongside support from the secretariats of the Foundation, S. Arup and H. Appleton.

# Howden Group Foundation – Charity Number 1156286

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## Trustees' Report (*continued*)

### *Training*

Upon appointment a Trustee is provided with a guidance document that outlines their role and responsibility as a Trustee of the Foundation. As outlined in the Foundation's constitution, extant Trustees will make a copy of the constitution and a copy of the latest Trustees' Annual Report and statement of accounts available to each new Trustee.

Formal training for all new and existing trustees was undertaken in the first quarter of 2020.

### *Organisational structure*

The Foundation's Trustees meet at least quarterly. In the event that there are no urgent matters to address at a formal meeting then the Trustees will communicate electronically as outlined and permitted in the Foundation's constitution. Any decision may be taken, either at a formal meeting of the Foundation Trustees, or by resolution in writing or electronic form agreed by all of the Foundation Trustees.

In 2020, the Trustees appointed a committee of the Foundation to which it delegates certain day to day activities and responsibilities. Formed from a broad membership of employees across the Group, The Foundation Committee meets every two months and minutes are shared with the Foundation trustees quarterly.

### **Statement of the responsibility of the Trustees**

The Trustees are required to prepare financial statements for each financial year, which give a true and fair view of the state of the Foundation's affairs and the surplus or deficit for the year.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Foundation will continue in operation.

The Trustees are responsible for:

- Keeping adequate accounting records, which disclose with reasonable accuracy at any time the financial position of the Foundation and;
- Safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board of Trustees on ...27 July 2021..... and signed on its behalf



.....  
Luis Muñoz-Rojas Entrecanales

# Howden Group Foundation – Charity Number 1156286

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## Independent auditor’s report to the members of the Howden Group Foundation

### **Opinion**

We have audited the financial statements of the Howden Group Foundation (the ‘charity’) for the year ended 30 September 2020 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 FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity’s affairs as at 30 September 2020 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the 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 charity’s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

# Howden Group Foundation – Charity Number 1156286

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## Independent auditor's report to the members of the Howden Group Foundation (continued)

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements 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.

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

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

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

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

# Howden Group Foundation – Charity Number 1156286

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## Independent auditor's report to the members of the Howden Group Foundation (continued)

### **Responsibilities of Trustees**

As explained more fully in the trustees' responsibilities statement set out on page 8, 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the 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. Based on our understanding of the charity and its activities, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, the Charities Statement of Recommended Practice, employment regulation and fraud, 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.

We evaluated the trustees' and 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 posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to use of restricted funds, and income cut off at year end.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the trustees and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

# Howden Group Foundation – Charity Number 1156286

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## Independent auditor's report to the members of the Howden Group Foundation (continued)

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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 the audit report

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

Signed: 

Vincent Marke

(Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

First Floor

Two Chamberlain Square

Birmingham B3 3AX

28 July 2021

# Howden Group Foundation – Charity Number 1156286

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## Statement of Financial Activities

For the year ended 30 September 2020

	<i>Note</i>	<b>Unrestricted Funds 2020 £'000</b>	<b>Total Funds 2020 £'000</b>	<b>Total Funds 2019 £'000</b>
<b>Incoming resources</b>				
Donations and grants	<i>2</i>	3,257	3,257	35
Fundraising events	<i>3</i>	70	70	457
Sponsorship	<i>4</i>	-	-	350
Interest and dividends		2	2	1
		<hr/>	<hr/>	<hr/>
<b>Total incoming resources</b>		<b>3,329</b>	<b>3,329</b>	<b>843</b>
		<hr/>	<hr/>	<hr/>
<b>Resources expended</b>				
Cost of generating funds		(2)	(2)	(10)
Donations and grants	<i>5</i>	(1,850)	(1,850)	(35)
Audit fee	<i>6</i>	(12)	(12)	(2)
		<hr/>	<hr/>	<hr/>
<b>Total resources expended</b>		<b>(1,864)</b>	<b>(1,864)</b>	<b>(47)</b>
		<hr/>	<hr/>	<hr/>
<b>Surplus for the year</b>		<b>1,465</b>	<b>1,465</b>	<b>796</b>
<b>Funds brought forward</b>		<b>946</b>	<b>946</b>	<b>150</b>
		<hr/>	<hr/>	<hr/>
<b>Total funds carried forward</b>		<b>2,411</b>	<b>2,411</b>	<b>946</b>
		<hr/>	<hr/>	<hr/>

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 16 to 21 form part of these accounts.

# Howden Group Foundation – Charity Number 1156286

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## Balance Sheet

For the year ended 30 September 2020

	<i>Note</i>	<b>2020</b> <b>£'000</b>	<b>2019</b> <b>£'000</b>
<b>Fixed assets</b>			
Investments	<b>9</b>	2,258	-
		<hr/>	<hr/>
		2,258	-
<b>Current assets</b>			
Debtors	<b>10</b>	33	36
Cash at bank and in hand		257	912
		<hr/>	<hr/>
		290	948
<b>Creditors:</b> amounts falling due within one year	<b>11</b>	(137)	(2)
		<hr/>	<hr/>
<b>Net Assets</b>		2,411	946
		<hr/>	<hr/>
<b>Funds of the Charity</b>			
Unrestricted funds	<b>12</b>	2,411	946
		<hr/>	<hr/>
<b>Total funds</b>		2,411	946
		<hr/>	<hr/>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements were approved and authorised for issue by the Trustees on 27 July 2021 and were signed on its behalf by:



.....  
Luis Muñoz-Rojas Entrecanales

The notes in pages 16 to 21 form part of these accounts.

# Howden Group Foundation – Charity Number 1156286

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## Statement of Cash Flows

As at 30 September 2020

	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
<b>Reconciliation of net incoming resources to net cash flow from operating activities :</b>		
Net Movement in Funds	1,462	795
Decrease/(Increase) in Debtors	3	(24)
Increase in Creditors	136	-
Investment Income	2	1
<b>Cash Flows from Operating Activities</b>	<u>1,603</u>	<u>772</u>
Purchase of Investments	(2,258)	-
<b>Cash Flows from Investing Activities</b>	<u>(2,258)</u>	<u>-</u>
(Decrease)/Increase in Cash and Cash Equivalents in the Year	(655)	772
Cash and Cash Equivalents at the Beginning of the Year	912	140
	<u>          </u>	<u>          </u>
<b>Cash and Cash Equivalents at the End of the Year</b>	257	912

# Howden Group Foundation – Charity Number 1156286

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## Notes to the Financial Statements

For the year ended 30 September 2020

### 1 Accounting policies

#### *General information*

Howden Group Foundation is a charity registered in England and Wales. Its correspondence address is detailed in the Annual Report. The Foundation meets the public benefit entity requirements of FRS102.

The principal activity of the Foundation is to benefit charity institutions with charitable objectives by way of grant making.

The financial statements are prepared in Pounds Sterling as this is the functional currency and currency of the primary economic environment in which the charity operates.

Monetary amounts in these financial statements are rounded to the nearest £'000.

#### *Basis of preparation*

The accounts have been prepared in accordance with the Companies Act 2006, the Charities Act 2011, the Charities Statement of Recommended Practice (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and under the historical cost convention in accordance with applicable Accounting Standards as modified by the accounting policy for investments quoted on a recognised stock exchange.

#### *Going Concern*

These accounts have been prepared on the going concern basis as the Trustees consider that there are sufficient reserves available to meet the Foundation's liabilities as they fall due.

#### *Fund accounting*

Unrestricted funds are available for use at the discretion of the Trustees in the furtherance of the general objectives of the charity. All the Foundation's funds are classified as unrestricted funds as there is no limitation on the purpose for which they can be used.

#### *Incoming resources*

All incoming resources are included in the statement of financial activities when the charity is entitled to, and virtually certain to receive, the income and the amount can be quantified with reasonable accuracy.

#### *Resources expended*

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is allocated according to the activity to which it relates.

#### *Cash and Cash equivalents*

Cash and cash equivalents are 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.

# Howden Group Foundation – Charity Number 1156286

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Notes to the Financial Statements  
For the year ended 30 September 2020

## 1 Accounting policies continued

### *Judgements in applying accounting policies and key sources of estimation uncertainty*

In applying the charity's accounting policies, the Trustees may be required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities.

### *Key sources of estimation uncertainty*

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities with the next financial year are discussed below:

The carrying amount of unlisted investments on 30 September 2020 was £2,258k (2019: £Nil).

## 2 Incoming resources – Donations

	<b>Unrestricted Funds 2020 £'000</b>	<b>Total 2020 £'000</b>	<b>Total 2019 £'000</b>
Howden Group Holdings Limited	2,267	2,267	-
Howden Group Services Limited	861	861	10
Individual donations	99	99	-
RKH Specialty Limited	12	12	-
Howden Insurance Brokers Limited	11	11	-
DUAL International Limited	6	6	-
HX Group Limited	1	1	-
Give As You Earn	-	-	22
Other	-	-	3
	<hr/>	<hr/>	<hr/>
	3,257	3,257	35
	<hr/>	<hr/>	<hr/>

# Howden Group Foundation – Charity Number 1156286

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## Notes to the Financial Statements

For the year ended 30 September 2020

### 3 Incoming resources – Fund raising events

	<b>Unrestricted Funds 2020 £'000</b>	<b>2020 Total £'000</b>	<b>2019 Total £'000</b>
Masquerade Ball	42	42	-
London to Brighton	10	10	-
Hyperion KM Challenge	3	3	-
Christmas Jumper Day	3	3	-
Quiz night Cancer Research	2	2	-
Other	7	7	1
M4M - Other	3	3	143
M4M - Mt Chimborazo	-	-	91
M4M - Goodwood 24 Hour Cycle	-	-	78
M4M - Hairmiles & Alcatraz Swim	-	-	58
M4M - Hyperion Atlantic Challenge	-	-	50
M4M - Rain to Spain	-	-	36
	<hr/>	<hr/>	<hr/>
	70	70	457
	<hr/>	<hr/>	<hr/>

### 4 Incoming resources – Sponsorship

	<b>Unrestricted Funds 2020 £'000</b>	<b>2020 Total £'000</b>	<b>2019 Total £'000</b>
M4M - Hairmiles & Alcatraz Swim	-	-	129
M4M - Hyperion Atlantic Challenge	-	-	121
M4M - From Rain to Spain	-	-	60
M4M - Mt Chimborazo	-	-	17
M4M - HSL Quiz Night	-	-	11
M4M - Other	-	-	12
	<hr/>	<hr/>	<hr/>
	-	-	350
	<hr/>	<hr/>	<hr/>

# Howden Group Foundation – Charity Number 1156286

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## Notes to the Financial Statements

For the year ended 30 September 2020

### 5 Resources expended – Donations and grants

	Unrestricted Funds 2020 £'000	2020 Total £'000	2019 Total £'000
The Princes Trust	505	505	-
Intered	233	233	-
Cancer Research	222	222	3
Plastic Oceans	199	199	-
Blackdog	181	181	3
The Nature Conservancy	180	180	-
Danish red cross	125	125	-
Alzheimer's Society	47	47	-
NHS Charities Together	36	36	-
TMEA office	35	35	-
Harmonia Correctora	15	15	-
Body & Soul	8	8	-
Lloyds Community Programme	7	7	3
Lloyds Netball Club	-	-	10
Hague Primary School	-	-	9
Royal Far West	-	-	2
Isha Vidhya	-	-	-
Other	57	57	4
	<hr/>	<hr/>	<hr/>
	1,850	1,850	35
	<hr/>	<hr/>	<hr/>

Other donations and grants comprise multiple small amounts that have been made to a number of various charities and causes to support them in their work.

### 6 Audit Fee

The Audit fee examination amounts to £12,000 (2019: £2,220 independent examination).

### 7 Trustee remuneration and expenditure

No Trustees or connected person is entitled to any remuneration from the charity as set out in the charity's constitution nor received any reimbursement of expenses.

# Howden Group Foundation – Charity Number 1156286

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## Notes to the Financial Statements

For the year ended 30 September 2020

### 8 Taxation

As a charity The Howden Foundation is exempt from tax on income and gains falling within s505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No charges have arisen in the charity in the period.

### 9 Fixed assets - Investments

	<b>Investments</b>
	<b>£'000</b>
Market Value:	
At 1 October 2019	-
Additions	2,258
Revaluations	-
Disposals	-
	<hr/>
At 30 September 2020	2,258
	<hr/>

### 10 Debtors

	<b>2020</b>	<b>2019</b>
	<b>£'000</b>	<b>£'000</b>
Accrued income - Donations	33	36
	<hr/>	<hr/>
	33	36
	<hr/>	<hr/>

# Howden Group Foundation – Charity Number 1156286

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## Notes to the Financial Statements

For the year ended 30 September 2020

### 11 Creditors: Amounts falling due within one year

	2020 £'000	2019 £'000
Accruals - Donations	125	-
Accruals – Audit fee	12	2
	<hr/>	<hr/>
	137	2
	<hr/>	<hr/>

### 12 Movement in funds

	At 30 Sep-19 £'000	Incoming Resources £'000	Outgoing Resources £'000	At 30 Sep-20 £'000
Unrestricted Funds				
General Funds	946	3,329	(1,864)	2,411
	<hr/>	<hr/>	<hr/>	<hr/>
Total Unrestricted Funds	946	3,329	(1,864)	2,411
	<hr/>	<hr/>	<hr/>	<hr/>

### 13 Related party transactions

A trustee donated his board fee for Howden Group Holdings Limited totalling £37,500 (2019 – Nil). As at 30<sup>th</sup> September 2020 there was a creditor balance owing of £25,000 (2019 – Nil).

None of the trustees have been paid any remuneration or incurred any expenses in the period.