

# ETHOS

## FOUNDATION

A Charitable Incorporated Organisation (CIO)

Charity Number  
1166697

Report of the Trustees and Audited Accounts

Year ended 30 September 2025

**The Ethos Foundation**

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## **The Ethos Foundation Charity Information**

### **Charity number**

1166697

### **Trustees**

G E Gordon OBE - Chair

B Gordon

L Blythe

L Gakic

K L Oliver (appointed 10 September 2025)

### **Principal address**

Fivefields

8-10 Grosvenor Gardens

London

SW1W 0DH

### **Registered office**

34 Arlington Road

London

NW1 7HU

### **Auditors**

Xeinadin Audit Limited

Chartered Accountants

5 Technology Park

Colindeep Lane

Colindale

London

United Kingdom

NW9 6BX

### **Accountants**

Winston Hazelton & Co Ltd

Chartered Certified Accountants

34 Arlington Road

London

NW1 7HU

### **Bankers**

Barclays

1 Churchill Place

London

E14 5HP

### **Solicitors**

Bates Wells

10 Queen Street Place

London

EC4R 1BE

### **Investment management**

W1M Wealth

16 Babmaes Street

St. James's

London

SW1Y 6AH

### **Website**

<https://ethosfoundation.org.uk>

## **The Ethos Foundation, Registered Charity Number: 1166697 Trustees' Report**

The trustees present their report and accounts for The Ethos Foundation (the "Foundation") for the year ended 30 September 2025

This document includes commentary on the financial and strategic position of the Foundation, including its work and achievements during the last financial year.

The trustees have adopted the provisions of the Statement of Recommended Practice (FRS 102 Charities SORP) on "Accounting and Reporting by Charities", effective 1 January 2019, in preparing the annual report and financial statements of the Foundation.

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

#### **Structure and Governance**

The Foundation was incorporated on 22 April 2016 as a Charitable Incorporated Organisation (CIO) with the Charity Commission in England. The Charity registration number is 1166697, the CIO number is CE006474, and it is governed by its constitution, also dated 22 April 2016.

The registered office is situated at 34 Arlington Road, NW1 7HU.

The trustees, who are also the members of the Foundation, have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

The number of trustees shall not be less than three, and there is no maximum number. Trustees must include at least one Independent Trustee, who must not be a member of the Founder Members' family or a connected person.

The first trustees are the Founder Members; Grant Gordon OBE and Brigitte Gordon. Lucy Blythe was appointed as an Independent Trustee in 2016. Luka Gacic, the Founder Members' son-in-law, was appointed to the Board of Trustees in 2021 and chairs the Foundation's Investment Committee. Katie Oliver was appointed as an Independent Trustee in September 2025.

All trustees give their time freely, and no trustee receives remuneration, aside from reimbursement of reasonable expenses associated with their role. Details of trustee expenses are disclosed in Note 6 to the accounts.

The Foundation has implemented policies and procedures for the induction and training of both new and existing trustees. These are now formalised within the Foundation's people policies.

#### **Governance and operating principles**

Trustees have continued to reflect broadly on the goals of the Foundation and how best to focus efforts to fulfil the Foundation's founding vision of a society where individuals and communities thrive.

#### **Key management personnel**

The trustees appointed their first member of staff - a Foundation Director, Sarah Blackwood - in the previous financial year (June 2024). In January 2025, a Finance and Operations Manager, Saada Ibrahim, was appointed. These two roles make up the total Foundation staff team of paid permanent employees. Both post-holders work part-time. Whilst the Foundation retains flexibility to increase the working patterns of the existing roles, there are no current plans to recruit for additional roles.

# **The Ethos Foundation, Registered Charity Number: 1166697**

## **Trustees' Report**

### **Structure, Governance and Management, cont.**

#### **Key management personnel, cont.**

Responsibility for designing and delivering the Foundation's strategy, partnership development, and day-to-day operations is delegated to the staff team, with appropriate oversight from Trustees.

In terms of employee remuneration, staff salaries are reviewed annually as part of the budget-setting process, with consideration to individual performance (formalised through annual appraisals), market benchmark data (Association for Charitable Foundations annual salary benchmarking reports), and inflation (Consumer Price Index).

### **Strategy: Objectives and Aims**

#### **Values**

The Foundation's work continues to be underpinned by a multi-generational family commitment to philanthropy and a set of core, consistent values:

- Fairness - striving for greater equity and justice
- Good citizenship – putting our responsibility to society first
- Reflectiveness - building our knowledge and challenging ourselves

The trustees confirm that they have referred to the information contained in the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning future activities and setting the grant-making policy for the year.

The trustees are satisfied that the objectives of the Foundation are met by supporting organisations aligned with their impact goals that demonstrate good governance and leadership in which the Board has confidence. Grantees are invited to apply once identified through research and knowledge of the ecosystem. The Foundation does not accept unsolicited grant applications or proposals for funding.

### **Strategic Development**

The Foundation was set up in 2016 as a UK-based family foundation with the vision of a society where individuals and communities thrive. In 2022, the Founder Member Grant Gordon OBE donated an endowment to the Foundation to use in pursuit of this vision. The Foundation's strategy is aligned with the mandate to spend down all the assets within this endowment before 31 December 2035.

During the financial year 2024–2025, the trustees and staff invested time and effort in organisational development to underpin the Foundation's strategy for the coming ten years of the endowment's spend down, building on learning from work to date and existing partnerships. The vision, mission and goals are set out below, and looking ahead, the implementation of the updated strategy began at the start of the 2025–2026 financial year.

### **Vision, Mission and Goals**

The Foundation's vision is a society without child poverty, where all children thrive.

The Foundation's mission is to improve early childhood outcomes in the UK by uniting diverse coalitions and partners, in the service of parents, communities and society.

## **The Ethos Foundation, Registered Charity Number: 1166697 Trustees' Report**

### **Strategy: Objectives and Aims, cont.**

#### **Vision, Mission and Goals, cont.**

The Foundation's goals are to put early childhood at the centre of unified:

- Support - joining up services for children and families alongside engaged communities.
- Contexts - creating nurturing environments that shape young children's lives.
- Stories - increasing understanding and prioritisation of early childhood.

Alongside spending on early childhood-focused work, the Foundation makes a wide range of smaller family donations to a diverse set of organisations helping individuals and communities thrive.

The trustees confirm that they have referred to the information contained in the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and setting the strategic objectives and grant-making policy for the year.

### **Principal Activity, Review of Business and Achievements and Performance**

#### **Approach**

The Foundation is primarily a grant-making charity, operating as a trust-based donor. With its funded partners, it seeks organisations aligned with its vision and mission, supported by good governance and strong leadership. In most partnerships, the Foundation contributes multi-year, unrestricted funding, establishing close working relationships and a collaborative approach directed towards shared impact goals. A smaller proportion of funded partnerships is restricted to specific programmes or projects. Smaller donations are one-off and without conditions.

From time to time, the Foundation has identified new focus areas and will conduct research and due diligence to identify partners best placed to make a difference within a particular area of need. Those identified will be invited to apply for support and partnership. Upon invitation, prospective partners collaborate with staff to prepare proposals for a partnership that are reviewed and agreed upon by trustees.

Trustees and staff regularly assess all large grant applications, with reference to a set of guidelines used as a framework for grant-making decisions.

### **Achievements and performance**

#### **Headline Grant-making**

During the Foundation's financial year, donations were made to 31 organisations totalling £2,995,063. These organisations included strategic partners, smaller grants, and memberships of sector networks and associations. In addition, the Foundation committed £170,000 towards the Start Strong programme, which also received contributions from other funders; £85,073 was spent on the programme during the year.

To manage the development of the Foundation's long-term strategy, maximise the impact of our current grant-making activities, and steward relationships with our portfolio of charity partners, the Foundation incurred a total of £201,954 in support costs during the year (2024: £121,118).

## **The Ethos Foundation, Registered Charity Number: 1166697 Trustees' Report**

### **Achievements and performance, cont.**

#### **Headline Grant-making, cont.**

In addition to support costs, £213,853 (2024: £261,385) was paid in investment management fees to W1M, an independent investment management firm. W1M manage the Foundation's investments, which totalled £58 million at the end of the financial year, to preserve and increase their value, in accordance with the investment policy detailed in this report.

#### **Charity Partnerships - Funded Strategic Partners**

During the year, the Foundation continued to support three strategic partnerships with which it has worked since each of these organisations' inception:

**The Childhood Trust** ("the Charity") received £1,100,000 (2024: £803, 000) in unrestricted funding. The Childhood Trust is London's child poverty charity, dedicated to alleviating the impact of poverty on children and young people living in the UK's capital. The Charity is guided by the aim that every child in the nation's capital should have a healthy, happy, and safe childhood so that all children are prepared for life.

The Foundation helped underwrite the Charity's core costs as well as supporting its match funding campaigns with the Big Give which fund the delivery of projects across all London boroughs. Trustees recorded their continued satisfaction with the performance of the Charity against a backdrop of challenging circumstances for children and young people, including persistent high rates of child poverty in London.

The Charity's advocacy work, including the annual London Child Poverty Summit, continued to provide channels for London's children to have a voice, enabling their experiences and views to raise awareness on the devastating impact of child poverty in the nation's capital and inform public policy.

For further details visit: <https://www.childhoodtrust.org.uk/>

**Thrive at Five** ('the Charity') was granted £300,000 (2024: £150,000) by the Foundation as the second instalment of a three-year unrestricted grant agreement. This grant is part of a total commitment of up to £2,000,000 to support Thrive at Five's organisational development over the 2024–2027 period, in line with their business plan.

The Charity entered its fourth year of operation in its work to support sustainable improvements in school readiness in our nation's most disadvantaged communities. The overarching vision for Thrive at Five is a society where every child, irrespective of their circumstances and family background, can thrive and achieve their full potential. The Charity is scaling up its work through its backbone organisation pathfinder partnerships with 3 local authorities.

The Stoke-on-Trent partnership, which entered its fourth year, demonstrated measured improvements in school readiness as measured by GLD (EYFS General Level of Development) across the 7 schools in its area of operation. The 2nd pathfinder area in Redcar & Cleveland moved from a discovery phase to implementation, guided by the Thrive at Five's playbook, while adapting to the needs of the local community. Scoping work continued in other places, including Middlesbrough and Scotland, to extend the Charity's work in support of disadvantaged communities, continuing to test, learn and define Thrive at Five's collective impact-based implementation model.

For further details visit <https://thriveatfive.org.uk/>

## **The Ethos Foundation, Registered Charity Number: 1166697 Trustees' Report**

### **Charity Partnerships - Funded Strategic Partners, cont.**

**The Cabrach Trust** ("the Trust") received a total of £791,201 in grants (2024: £1,000,000), including the final tranche of a share of the capital funding to establish the Cabrach Distillery & Heritage Centre in the community. The first stage of this strategic capital project was completed.

The Trust's vision and long-term ambition is to foster sustainable regeneration within this small rural community in NE Scotland. The Trust's mission is to provide economic and social development opportunities in the Cabrach: creating employment; attracting new visitors and residents to the depopulated community; and celebrating the area's cultural history and heritage, as well as promoting nature recovery and preserving the area's wild landscape.

In terms of charitable activities, during the year the Trust continued to deliver a broad range of activities supporting community engagement and well-being, as well as the sustainability of the local natural & built environment.

For further details, visit: <https://cabrachtrust.org/>

### **Charity Partnerships - Other Funded Partnerships**

The wider portfolio of the Foundation's partnerships funded during the year encompassed:

**The Centre for Young Lives** is an independent think tank dedicated to improving the lives of children, young people and families in the UK, particularly those facing the biggest challenges. This year, the Foundation provided unrestricted funding to support the Centre's work, including its research and advocacy, which helped to inform HM Government's Best Start in Life early years strategy.

**New Philanthropy Capital (NPC)** is a think tank and consultancy working with individuals and organisations to maximise their social impact. The Foundation supported NPC to continue its work to bring philanthropy, business and government together to develop the UK's Impact Economy.

**Start Strong**, a start-up initiative to shape communications, understanding and prioritisation of early childhood in the UK. The Foundation was one of five founder funders to support the programme's development, governance set-up and team recruitment. The Foundation also acts as the programme's financial host to help incubate the initiative during its development phase.

**The Royal Foundation Centre for Early Childhood.** The Foundation contributed to the Centre's work, which encompasses a broad range of activities around early years. This year's work included the continuation of the Shaping Us campaign, raising awareness of the unique importance of early childhood, and the Future Workforce Summit, bringing UK business leaders together to drive action and investment in the early years.



## The Ethos Foundation, Registered Charity Number: 1166697 Trustees' Report

### Charity Partnerships - Other Funded Partnerships, cont.

**Learning with Parents.** The Foundation provided support for this charity's Ready Teddy pilot programme, which uses a digital and data platform to engage families whose children are due to enter Reception year in activities that support school readiness and provide an earlier connection to school. The pilot showed success and has attracted additional funding from other parties for development and roll-out.

**Dartington Service Design Lab.** The Foundation has provided support over two years, to support the adoption and scale of the Common Outcomes for Children framework, hosted by Dartington. The framework provides a common approach, language and ways of measurement amongst stakeholders working with babies, children and young people.

**Achieve Good.** The Foundation granted support for the Impact Economy Policy Lab on Early Years, a collaborative design process facilitated by Achieve Good, with the Department for Education, philanthropists, social enterprises and charities to co-develop solutions to partner with HM Government to achieve its Best Start in Life mission. The Policy Lab co-developed four ideas that have been taken forward by the Department for Education into policy delivery. This includes a project to support early childhood collective impact backbone organisation models.

**ReGenerate.** The Foundation is two years into a three-year grant, which supports the Early Childhood Project that explores how businesses can improve early childhood development in a way that helps drive business success. This year, the programme launched a range of ideas on how businesses can support parents as employers, and more broadly have a positive impact on early childhood outcomes.

**Early Childhood Funders Collective,** hosted by the charitable foundation Collective Futures, is a network that aims to increase coordination and collaboration amongst UK funders focused on early childhood. The Collective's work includes an annual report providing an overview of funders' spending and a summary of the research and intelligence gathered by the network, shared as a public good.

### Smaller Donations

The Foundation made several smaller donations totalling a further £154,500 in 2025 (2024: £310,000). These donations, which reflect the family's wider philanthropy, supported a range of charities helping individuals and communities thrive.

### Philanthropic Memberships

The Foundation provided total funding of £22,029 during the year to contribute as active members of three philanthropic networks/sector associations: Systems Shift Group; Philanthropy Europe Association (Philea) and the Association of Charitable Foundations (ACF). Through these networks, the Foundation can learn and share experiences to increase the impact of its own activity, as well as contribute to a strong and progressive philanthropic community.

## The Ethos Foundation, Registered Charity Number: 1166697

### Trustees' Report

#### Charities Funded in the Year by the Foundation

##### Strategic Partners (unrestricted funding)

	£
The Childhood Trust	1,100,000
The Cabrach Trust	791,201
Thrive at Five	300,000
Centre for Young Lives	100,000
New Philanthropy Capital	50,000

<b>Total Strategic partners (unrestricted funding)</b>	<b>2,341,201</b>
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##### Strategic Partners (restricted project funding)

Centre for Early Childhood - The Royal Foundation	250,000
Ready Teddy - Learning with Parents	90,000
Common Outcomes for Children - Dartington Service Design Lab	35,000
Impact Economy Policy Lab on Early Years - Achieve Good Ltd	7,333
The Early Childhood Project - ReGenerate	75,000
Early Childhood Funders Group - Collective Futures	20,000

<b>Total Strategic partners (restricted funding)</b>	<b>477,333</b>
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##### Smaller donations

National Trust for Scotland	50,000
The King's Foundation	25,000
London Without Limits	10,000
Forward Global	9,000
Distillers' Charity	9,000
AllChild	5,000
The Foundling Museum	5,000
Royal Academy of Dance	5,000
Sistema Scotland	5,000
The Maclean Foundation	5,000
Kensington & Chelsea Foundation	5,000
Pimlico Opera	5,000
Ft Financial Literacy and Inclusion Campaign	5,000
The Prince's Trust	6,000
Haddo Arts	4,000
ORA Choir	1,250
My Name's Doddie Foundation	250

<b>Total Smaller donations</b>	<b>154,500</b>
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##### Philanthropic Memberships

System Shift Group Ltd	14,618
Philanthropy Europe Association	4,922
Association of Charitable Foundations	2,489

<b>Total Philanthropic Memberships</b>	<b>22,029</b>
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<b>Total Granted</b>	<b>2,995,063</b>
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# **The Ethos Foundation, Registered Charity Number: 1166697**

## **Trustees' Report**

### **Programme hosted by the Foundation (by Restricted Funds)**

Start Strong Programme

**85,073**

### **Operational Management**

#### **Grant Making**

The Foundation will normally apply most of its annual income to charitable causes selected by its trustees. Grant-making decisions will honour and build upon the Foundation's historic philanthropic efforts, including that of its strategic charity partners, to build positive social impact.

From time to time, the Foundation may identify new focus areas and will conduct research and due diligence to identify the charities best placed to make a difference within a particular area of need. Those identified will be invited to apply for support. Upon invitation, potential grantees are formally invited to work with the Foundation in preparing grant materials for proposal development and review by the trustees.

Trustees regularly assess all large grants made, ensuring that charities supported by the Foundation are well governed, have strong leadership and have sufficient reserves to provide for their financial sustainability following a set of guidelines as a framework for grant-making decisions.

#### **Risk management**

The trustees have a risk management strategy that comprises:

- Regular review of the risks that the Foundation may face.
- The establishment of systems and procedures to mitigate those risks identified.
- The implementation of procedures designed to minimise any potential impact on the Foundation should those risks materialise.
- Monitoring our charity partners and the impact of grants awarded

The key financial risk faced by the Foundation is that of volatility in equity and investment markets due to wider economic conditions, the attitude of investors to risk, and changes in sentiment concerning markets in general and within particular sectors or sub-sectors.

The Foundation's attitude to financial risk is described in its Investment policy below.

The key strategic risks faced by the Foundation are uncertainty inherent in deliberately pursuing a strategy aiming to change wider systems and in pursuing trust-based philanthropy. Both features of the Foundation's work means that there are factors influencing impact that are out of the organisation's control. To partially mitigate these risks, the Foundation maintains a strict focus – pursuing a smaller number of larger scale partnerships centred around the charity's mission. This provides time to build mutual understanding and intelligence with our strategic partners on their programmes, external contexts and wider relationships.

As part of ongoing work to operationalise its next ten-year strategy, the Foundation will keep its risk management approach under review and, going forward, make changes if required.

#### **Conflict of interest**

Conflict of interest is mitigated by keeping the conflict of interest register up to date and following procedures stated in the Constitution for trustees to abstain from certain decisions where a potential conflict exists. Founder Members or a member of the Founders' family shall not be in a position of conflict of interest merely by virtue of being a trustee of, or being otherwise connected with, a charity connected to a Founder Member or a member of the Founders' family.

# **The Ethos Foundation, Registered Charity Number: 1166697**

## **Trustees' Report**

### **Conflict of interest, cont.**

This includes but is not limited to: The Childhood Trust (Registered Charity No 1154032), The Cabrach Trust (Scottish Charity no SC043771), Thrive at Five (Registered Charity No: 1195059) and The Distillers' Charity (Registered Charity No 1038763), where Grant Gordon is a trustee of each of these organisations.

### **Financial Review**

#### **Review of Statement of Financial Activities (Including Income and Expenditure Account)**

Total income for the year was £1,091,061 (2024: £1,129,373) and total expenditure was £3,518,808 (2024: £3,124,505). The overall surplus was £1,133,066 after taking into consideration the gain on fixed assets of £3,560,813 (2024: £4,680,655).

Reserves at the year-end were £58,474,863, of which £58,129,936 was unrestricted and £344,927 restricted (2024: £57,341,797 all represented by unrestricted funds).

Unrestricted reserves included £5,020,000 of designated funds (2024: Nil).

#### **Principal funding sources review**

During the financial year, the Foundation's principal charitable funding came from interest and dividends totalling £831,061 (2024: £1,129,373), as well as £260,000 restricted donations for the Start Strong initiative that the Foundation is hosting.

The trustees are confident that the Foundation will continue to have sufficient funds to meet its grant obligations.

#### **Reserves policy**

The trustees seek to retain a prudent level of reserves while managing them in line with the Charity's spend-down policy, with the expectation that funds will be drawn down over time to deliver social impact.

The reserves policy accords with the Charity Commission's guidelines. Reserves levels are reviewed annually in line with an annual planning and budgeting process and monitored throughout the year. Reserves comprise unrestricted, designated, and restricted funds. Unrestricted funds are available for general use. Within these, the trustees may designate amounts for specific future purposes; such designated funds remain unrestricted but are not intended for general expenditure. Restricted funds are subject to donor-imposed conditions and can only be used for the specified purposes.

The year-end balances of each category are disclosed in the Financial Review above.

#### **Fundraising**

As the main source of funds for grant-making is from the Charity's annual income and related investment funds, the Foundation did not undertake any fundraising activities for itself. However, it supported our partners' fundraising to leverage additional scale and diversity of income using the Foundation's cornerstone funding commitments, including as match funding.

## **The Ethos Foundation, Registered Charity Number: 1166697**

### **Trustees' Report**

#### **Investment policy**

The trustees take a conservative view regarding the investment of funds. Under the Constitution, the Foundation has the power to make any investment which the trustees see fit after obtaining advice from a financial expert as the trustees consider necessary and are permitted to do by the Trustee Act 2000.

The trustee's Investment Committee maintained oversight of the Foundation's funds, which are managed by an independent investment manager, obtaining guidance from specialist financial management consultants.

The Foundation divides its investment funds into a short-term and a long-term fund.

The aim of the short-term fund is to safeguard approximately three years of expenditure with very low tolerance for volatility and risk of capital loss; and its performance is benchmarked against CPI measured over three years and the Asset Risk Consultants (ARC) Sterling Cautious index.

The aim of the long-term fund is to take advantage of the higher tolerance of volatility afforded by its longer-term time horizon in order to increase the Foundation's grant-making capacity through the spend-down period out to 31 December 2035; and its performance is benchmarked against CPI+2% and the ARC Sterling Balanced index.

For both the short-term and long-term funds, the investment manager will be expected to meet Ethos' investment objectives net of fees.

The Foundations' approach to responsible investment is guided by an Investment Policy Statement (IPS) approved by the trustees and implemented by its appointed discretionary investment manager. Ethos' IPS does not intend to list specific exclusions but expects that all appointed discretionary investment managers will:

- Focus on investing with companies that have sustainable economic prospects
- Focus on investing with companies that contribute to the well-being of society
- Actively manage their social and environmental risks, including in their supply chains
- Promote good corporate governance
- Vote (or abstain) on all shares, collaborating with others on contentious issues in pursuit of positive change
- Apply these principles to all investments, including credit funds.

#### **Fixed Assets**

During the year the Foundation has acquired one laptop computer.

#### **Plans for future**

The Foundation's investment funds constitute its pool of charitable resources for future grant-making. The funds provide the opportunity for the Foundation, which aims to spend down its endowment, to drive forward its mission to improve early childhood outcomes in the UK. It is still planned that these funds will be fully spent by 31st December 2035. The next year will be the first year operating against its ten-year strategy for spending down its funds. The Foundation aims to continue to pursue impact with its partners and continuously learn and improve its work to act as a funder of systemic change for children in the UK.

As part of operationalising the Foundation's strategy for the next decade, the organisation will shift towards a mission-aligned impact approach across all its investments and philanthropic donations.

## **The Ethos Foundation, Registered Charity Number: 1166697 Trustees' Report**

### **Trustees**

The trustees had no beneficial interest in the funds of the Charity and they were as follows:

G E Gordon OBE - Chair  
B Gordon  
L Blythe  
L Gakic  
K L Oliver (appointed 10 September 2025)

### **Trustees responsibilities**

The trustees are responsible for preparing the report and accounts in accordance with applicable law and regulations.

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial period. Under that law the trustees have elected to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under the applicable law trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the income or expenditure of the charity for that period. In preparing these accounts, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles of Charities SORP
- Make judgements and estimates that are reasonable and prudent
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation
- State whether applicable Accounting Standards and Statements of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Constitution and with the requirements of the Statement of Recommended Practice Accounting and Reporting by Charities, as well as that they are prepared in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102).

They are also responsible for safeguarding the assets of the Foundation and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website.

**The Ethos Foundation, Registered Charity Number: 1166697**  
**Trustees' Report**

**Disclosure of information to auditors**

All the trustees at the time this report was approved confirm that:

- So far as they are aware, there is no relevant information of which the Charity's auditors are unaware; and
- They have taken all the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

22 May 2026

This report was approved by the board on .....  
and signed on its behalf.

DocuSigned by:  
  
.....  
G Gordon OBE  
Founder Member

# The Ethos Foundation

## Independent auditors' report to the members of The Ethos Foundation

### Opinion

We have audited the financial statements of The Ethos Foundation (the 'charity') for the year ended 30 September 2025 which comprise the statement of financial activities, balance sheet, cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charity's affairs as at 30 September 2025 and of its incoming resources and application of resources for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Charities Act 2011.

### Basis for opinion

We 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 contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- The information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- Sufficient accounting records have not been kept; or
- The financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit



# The Ethos Foundation

## Independent auditors' report to the members of The Ethos Foundation

### Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 12, 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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

- The nature of the entity and whether the financial results of our client differed from sector trends;
- The legal and regulatory framework that the Charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements;
- The matters discussed among the audit engagement team during the planning process regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

Audit procedures performed included reviewing the financial statements disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements; discussions with the charity on their own assessment of the risks that irregularities may occur either as a result of fraud or error, their assessment of compliance with laws and regulations and whether they were aware of any instances of non-compliance, including any potential litigation or claims; performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates and business rationale of any significant transactions that are unusual or outside the normal course of business.

As a result of our assessment, it is considered that there are no laws and regulations for which non-compliance may be fundamental to the operating aspects of the business. However, laws and regulations considered to have a direct effect on the financial statements included the Charities Act 2011 together with the Charities SORP (FRS 102).

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. There is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with the ISAs (UK).

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

# The Ethos Foundation

## Independent auditors' report to the members of The Ethos Foundation

### Use of our report

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

Gedalia Waldman BA FCA (Senior Statutory Auditor)  
for and on behalf of Xeinadin Audit Limited, Statutory Auditor

5 Technology Park  
Colindeep Lane  
Colindale  
London  
United Kingdom  
NW9 6BX



Date 2 June 2026

Xeinadin Audit Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

**The Ethos Foundation**  
**Statement of Financial Activities**  
**for the year ended 30 September 2025**

	Notes	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Total Funds 2025 £	Total Funds 2024 £
<b>Income</b>					
<b>Income from:</b>					
Donations		-	260,000	260,000	-
Income from investments	3	831,061	-	831,061	1,129,373
<b>Total Income</b>		<u>831,061</u>	<u>260,000</u>	<u>1,091,061</u>	<u>1,129,373</u>
<b>Expenditure</b>					
<b>Expenditure on:</b>					
Charitable activities	4	(3,390,740)	(85,073)	(3,475,813)	(3,093,451)
Other expenditure	4	(42,995)	-	(42,995)	(31,054)
<b>Total Expenditure</b>		<u>(3,433,735)</u>	<u>(85,073)</u>	<u>(3,518,808)</u>	<u>(3,124,505)</u>
<b>Net incoming / (outgoing) resources</b>		(2,602,674)	174,927	(2,427,747)	(1,995,132)
<b>Other recognised gains/losses</b>					
Net gains on fixed assets investments	8	<u>3,560,813</u>	<u>-</u>	<u>3,560,813</u>	<u>4,680,655</u>
<b>Net movement in funds</b>		958,139	174,927	1,133,066	2,685,523
<b>Transfer between funds</b>		<u>(170,000)</u>	<u>170,000</u>	<u>-</u>	<u>-</u>
		<u>788,139</u>	<u>344,927</u>	<u>1,133,066</u>	<u>2,685,523</u>
<b>Reconciliation of funds:</b>					
<b>Total funds brought forward</b>		57,341,797	-	57,341,797	54,656,274
<b>Total funds carried forward</b>		<u>58,129,936</u>	<u>344,927</u>	<u>58,474,863</u>	<u>57,341,797</u>

**Continuing operations**

All of the above results in the current and comparative years are derived from continuing activities.

**Other recognised gains and losses**

There were no other recognised gains or losses other than those stated above.

**Movements in funds**

Movements in funds are disclosed in Note 14 to the Accounts.

**Comparative figures**

See note 21.

**The Ethos Foundation**  
**Balance Sheet**  
**as at 30 September 2025**

Charity Number  
 1166697  
 CIO No CE006474

	Notes	2025 £	£	2024 £	£
<b>Fixed assets</b>					
Tangible assets	7		3,112		2,416
Investments	8		57,996,932		57,846,797
			58,000,044		57,849,213
<b>Current assets</b>					
Debtors	9	219,154		1,274	
Cash at bank and in hand		877,629		85,268	
		1,096,783		86,542	
<b>Creditors: amounts falling due within one year</b>	10	(621,964)		(593,958)	
<b>Net current assets/(liabilities)</b>			474,819		(507,416)
<b>Net assets</b>			58,474,863		57,341,797
<b>Funds</b>					
Restricted Funds	12	344,927		-	
Unrestricted Funds	13	58,129,936		57,341,797	
<b>Total funds</b>			58,474,863		57,341,797

22 May 202

Approved by the board on ..... and signed on its behalf by:

DocuSigned by:  
  
 .....9E13364D4B0E4C9.....  
 G Gordon OBE  
 Founder Member

**The Ethos Foundation**  
**Cash Flow Statement**  
**for the year ended 30 September 2025**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
<b>Cash generated from operating activities</b>		
Net income/(expenditure) for the reporting period	1,133,066	2,685,523
Adjustments for		
Depreciation	802	182
Dividends, interest and rents from investments	(831,061)	(1,129,373)
Investment management fees	213,853	261,385
Net gains on fixed assets investments	(3,560,813)	(4,680,655)
(Increase)/decrease in debtors	(217,880)	229
Increase in creditors	28,006	576,643
<b>Net cash (used in)/provided by operating activities</b>	<u>(3,234,027)</u>	<u>(2,286,066)</u>
<b>Cash from investing activities</b>		
Interest received	27,886	7,683
Purchase of tangible fixed assets	(1,498)	(2,598)
Proceeds from sale of investments	4,000,000	1,400,000
<b>Net cash provided by/(used in) investing activities</b>	<u>4,026,388</u>	<u>1,405,085</u>
<b>Change in cash and cash equivalents in the reporting period</b>	792,361	(880,981)
Cash and cash equivalents at the beginning of the reporting period	85,268	966,249
<b>Cash and cash equivalents at the end of the reporting period</b>	<u>877,629</u>	<u>85,268</u>
<b>Consisting of:</b>		
Cash at bank and in hand at end of the period	<u>877,629</u>	<u>85,268</u>

# The Ethos Foundation

## Notes to the Accounts

### for the year ended 30 September 2025

#### 1 Accounting policies

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

The financial statements have been prepared under the historical cost convention (unless otherwise stated in the relevant policy or note) and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - Charities SORP FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Charities Act 2011.

##### ***Presentation currency***

The financial statements are presented in Sterling.

##### ***Public benefit entity***

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

##### ***Going concern***

The trustees consider that there are no material uncertainties related to event or conditions that cast significant doubt upon the Foundation's ability to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees considered the Charity's budget projection. The trustees made enquiries and have concluded that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

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

Unrestricted funds comprise income receivable or generated for the furtherance of the objects of the Charity without a specified purpose and are available as general funds. Expenditure which meet these criteria are charged to the funds, together with a fair allocation of support costs. Accumulated surpluses are available for use at the discretion of the trustees.

Designated funds are a type of unrestricted fund set aside by charity trustees for a specific future purpose; such designated funds remain unrestricted but are not intended for general expenditure.

Restricted funds are used for the specific purposes laid down by the donor (if any). Expenditure which meet these criteria are charged to the funds.

##### ***Income***

Total income is included in the Statement of Financial Activities. Income comprises donations, interest and dividends to further the charity's objectives. Income is recognised when the Charity 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.

##### ***Expenditure***

Expenditure is recognised once there is a legal or constructive obligation to make a payment to third party, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Expenditure includes attributable VAT which cannot be recovered. Expenditure which is directly attributable to specific activities will be included in the relevant activity.

##### ***Support costs***

These are management and administrative costs and comprise expenditure not directly attributable to the generated funds, charitable or fund raising activities of the Charity, but relate to furtherance of the Charity's objectives. They are therefore allocated to the relevant category of resources expended based on estimates of the time devoted to each activity.

# **The Ethos Foundation**

## **Notes to the Accounts**

### **for the year ended 30 September 2025**

#### **Accounting policies, cont.**

##### ***Tangible fixed assets***

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Computers	over 5 years
-----------	--------------

##### ***Fixed asset investments***

Fixed asset investments are initially recognised at their transaction value and are subsequently measured at their fair value (market value) as at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year. The current market value is obtained from the statements prepared by the active fund managers.

##### ***Realised gains and losses***

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening carrying value (purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening carrying value (or purchase date if later).

#### ***Financial instruments***

##### ***a) Basic financial assets***

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

##### ***b) Other financial assets and liabilities***

Other financial assets and liabilities, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in the Statement of Financial Activities.

##### ***c) Basic financial liabilities***

Basic financial liabilities, including accruals, are initially recognised at transaction price and subsequently carried at amortised cost, using the effective interest rate method. They are classified as current liabilities if payment is due within one year or less.

##### ***Cash at bank and in hand***

Cash at bank and in hand includes bank balances held in current account and instant access deposit account. All of the amounts held on interest bearing deposit are available to spend on charitable activities.

##### ***Creditors***

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

# The Ethos Foundation

## Notes to the Accounts

### for the year ended 30 September 2025

#### Accounting policies, cont.

##### **Taxation**

The Foundation is not liable to corporation tax as it is a Registered Charity.

The Foundation is not VAT registered and can therefore not recover input tax on goods and services purchased.

##### **Pensions**

The charity operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

##### **Short term benefits**

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

## 2 Significant judgements and estimates

Preparation of the financial statements requires trustees to make significant judgements and estimates in determining the carrying amounts of certain assets and liabilities. Trustees make assumptions of the effects of uncertain future events on those assets and liabilities at the balance sheet date. The trustees' estimates and assumptions are based on historical experience and expectation of future events and are reviewed periodically.

Support costs:

Costs such as travel, consultancy fees and subscriptions are allocated to the relevant activity based on estimates by the trustees of time they devoted to charitable activities – 90% of the time spent and other expenditure -10% of the time spent.

## 3 Analysis of income

	2025 £	2024 £
<i>Income from investments:</i>		
Investment income dividends	569,725	652,570
Investment income interest	233,450	469,120
Bank and other interest	27,886	7,683
	<u>831,061</u>	<u>1,129,373</u>



# The Ethos Foundation

## Notes to the Accounts

### for the year ended 30 September 2025

#### 4 Analysis of expenditure

	Charitable activities	Support costs	2025 Total costs	2024 Total costs
	£	£	£	£
Charitable donations - unrestricted	2,973,034	-	2,973,034	2,723,000
Charitable donations - restricted	85,073	-	85,073	-
Wages and salaries	-	91,092	91,092	18,397
Employer's NI	-	8,899	8,899	1,206
Pensions	-	4,571	4,571	785
Insurance	-	48	48	-
Travel and subsistence	-	7,856	7,856	3,996
Consultancy and organisational development	-	50,031	50,031	64,806
Accommodation, services and venue hire	-	3,546	3,546	4,943
Recruitment and HR costs	-	33,150	33,150	18,216
IT, software, website and social media costs	-	1,959	1,959	3,263
Depreciation	-	802	802	182
Subscriptions				5,324
Memberships with other charitable organisations given as donations	22,029	-	22,029	-
	3,080,136	201,954	3,282,090	2,844,118
<u>Investment fees and gifting costs:</u>				
Investment management fees	213,853	-	213,853	261,385
Charity platforms administrative charges	65	-	65	60
	213,918	-	213,918	261,445
<u>Governance cost:</u>				
Audit and accounting fees	-	22,800	22,800	18,942
	3,294,054	224,754	3,518,808	3,124,505

	Unrestricted funds:	Restricted funds:	Allocations 2025	Total costs 2025	Total costs 2024
	£	£	£		£
<b>Charitable activities</b>					
Charitable donations	2,973,034	85,073			2,723,000
Memberships with other charitable organisations given as donations	22,029	-			-
Investment fees and gifting costs: 100%	213,918	-			261,445
Support costs: 90% of support costs	181,759	-	(181,759)		109,006
	3,390,740	85,073			3,093,451
<b>Other expenditure</b>					
Support costs: 10% of support costs	20,195	-	(20,195)		12,112
Governance costs: 100% of governance costs	22,800	-	(22,800)		18,942
	42,995	-			31,054
<b>Total expenditure</b>	3,433,735	85,073	-	3,518,808	3,124,505

Support costs include all expenditure not directly related to the charitable activity. These are allocated to the relevant activity based on estimates of time devoted to each activity.

All grants given were to charitable institutions. Details and reconciliations of material grants given are presented and reconciled in the Trustees' Annual Report.

# The Ethos Foundation

## Notes to the Accounts

### for the year ended 30 September 2025

<b>5 Net movement in funds</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Accountancy services	11,664	9,048
Audit fee	11,136	9,894
	<u>22,800</u>	<u>18,942</u>

## **6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel**

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Wages and salaries	91,092	18,397
Employer's NI	8,899	1,206
Pensions	4,571	785
Travel and subsistence - staff	6,706	2,158
Travel and subsistence - trustees	1,150	1,838
Consultancy and organisational development - trustees	771	-
IT, software, website and social media costs - trustees	259	-
	<u>113,448</u>	<u>24,384</u>

The Charity had two employees (Headcount FTE:1.4) during the year in the roles of Foundation director and Foundation financial and operations manager who comprised the key management personnel (2024: one, headcount FTE 0.8).

Total cost to employ the charity's key management personnel: £104,562 (2024: £20,388).

The average number of trustees during the year was 4 (2024: 4). The trustees did not receive any remuneration for services to the Charity in the year. During the year the Trustees spent their time on governance, fundraising and representation.

One trustee received re-imbursement for travel and conference expenses in the year (2024: 2). The charity paid for a trustee to attend an international forum event on its behalf. The charity covered software security for two trustees' laptops, which are used to access and manage the charity's financial

## **7 Tangible fixed assets**

	<b>Computer Equipment</b>
	<b>£</b>
<b>Cost</b>	
At 1 October 2024	2,598
Additions	1,498
At 30 September 2025	<u>4,096</u>
<b>Depreciation</b>	
At 1 October 2024	182
Charge for the year	802
At 30 September 2025	<u>984</u>
<b>Net book value</b>	
At 30 September 2025	<u>3,112</u>
At 30 September 2024	<u>2,416</u>

# The Ethos Foundation

## Notes to the Accounts

### for the year ended 30 September 2025

<b>8 Fixed assets - Investments</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Market value brought forward	57,846,797	53,705,837
Additions to investments at cost	803,175	1,121,690
Disposals at carrying value	(4,213,853)	(1,661,385)
Net gains on fixed assets investments	3,560,813	4,680,655
Market value carried forward	<u>57,996,932</u>	<u>57,846,797</u>

<b>Net gains on fixed assets investments</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Gains on revaluation of fixed assets investments	3,583,637	4,684,247
Losses on foreign exchange within fixed assets investments	(22,824)	(3,592)
	<u>3,560,813</u>	<u>4,680,655</u>

Fixed asset investments are revalued and stated at market value at the balance sheet date. In terms of assessing the portfolio's market value, the portfolio's management team is relied upon.

The risk from financial instruments is considered in the Trustees report. The Foundation's Investment Committee mitigates these risks by retaining W1M Wealth as discretionary fund management. As Ethos' fund managers W1M Wealth operate an investment policy, approved by trustees, that provides for low to medium risk and a high degree of diversification of holdings within investment asset classes, and has due regard to sustainability and responsible investment as it relates to environmental, social and governance issues.

#### Investments by type

##### W1M Wealth: The Ethos Foundation (Bonds):

The investment policy for the above portfolio is a fixed interest mandate for those who require low risk to capital in nominal terms.

Risk profile - Low Volatility.

##### W1M Wealth: The Ethos Foundation (Cautious):

The investment policy for the above portfolio is a medium risk mandate for clients who wish to have some participation in the higher returns available from equities, but prefer a more cautious stance than the typical "Balanced" investor.

Risk profile - Medium/low volatility; highly diversified.

	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
	Market value carried forward	Market value carried forward
<u>W1M Wealth: The Ethos Foundation (Bonds):</u>		
- Total Securities	17,941,494	17,178,322
- Total Cash	21,481	19,683
	<u>17,962,975</u>	<u>17,198,005</u>
<u>W1M Wealth: The Ethos Foundation (Cautious):</u>		
- Total Securities	39,109,167	40,210,416
- Total Cash	920,201	436,766
- Income due from dividends not yet paid	4,589	1,610
	<u>40,033,957</u>	<u>40,648,792</u>
Total market value carried forward	<u>57,996,932</u>	<u>57,846,797</u>

# The Ethos Foundation

## Notes to the Accounts

### for the year ended 30 September 2025

<b>9 Debtors</b>	<b>2025 £</b>	<b>2024 £</b>
Prepayments and accrued income	219,154	1,274

<b>10 Creditors: amounts falling due within one year</b>	<b>2025 £</b>	<b>2024 £</b>
Trade creditors	35,000	-
Accruals	586,964	593,958
	<u>621,964</u>	<u>593,958</u>

<b>11 Financial instruments</b>	<b>2025 £</b>	<b>2024 £</b>
Financial assets:		
Financial assets measured at amortised cost	1,096,783	86,542
Financial assets measured at fair value	57,996,932	57,846,797
	<u>59,093,715</u>	<u>57,933,339</u>
Financial liabilities:		
Financial liabilities measured at amortised cost	621,964	593,958
	<u>621,964</u>	<u>593,958</u>

## 12 Restricted Funds

	<b>Funds brought forward at 1 October 2024 £</b>	<b>Movement in funds Income from Donations £</b>	<b>Total Expenditure £</b>	<b>Transfers between Funds £</b>	<b>Funds carried forward at 30 September 2025 £</b>
Start Strong	-	260,000	(85,073)	170,000	344,927
Total	-	260,000	(85,073)	170,000	344,927

Description of the Start Strong Programme is already included in the Trustees' Report. Please refer to the Trustees' Report for full details.

# The Ethos Foundation

## Notes to the Accounts

### for the year ended 30 September 2025

<b>13 Unrestricted Funds</b>	<b>2025 Unrestricted General £</b>	<b>2025 Unrestricted Designated £</b>	<b>2025 Total Funds £</b>	<b>2024 Total Funds £</b>
At the beginning of year	57,341,797	-	57,341,797	54,656,274
Resources incoming	831,061	-	831,061	1,129,373
Resources outgoing	(3,433,735)	-	(3,433,735)	(3,124,505)
Transfer to Restricted Funds	(170,000)	-	(170,000)	-
Net gains on fixed assets investments	3,560,813	-	3,560,813	4,680,655
Transfer to Unrestricted - Designated funds	(5,020,000)	5,020,000	-	-
At the end of the year	<u>53,109,936</u>	<u>5,020,000</u>	<u>58,129,936</u>	<u>57,341,797</u>

In total, the Foundation has designated funds of £5,020,000 (2024: £Nil) relating to committed grants included within unrestricted reserves as at the year end.

<b>14 Analysis of net assets between funds</b>	<b>2025 Unrestricted Funds £</b>	<b>2025 Restricted Funds £</b>	<b>2025 Total Funds £</b>	<b>2024 Total Funds £</b>
Tangible assets	3,112	-	3,112	2,416
Investments	57,996,932	-	57,996,932	57,846,797
Current assets	742,406	354,377	1,096,783	86,542
Creditors: amounts falling due within one year	(612,514)	(9,450)	(621,964)	(593,958)
	<u>58,129,936</u>	<u>344,927</u>	<u>58,474,863</u>	<u>57,341,797</u>

## 15 Charity information

The Ethos Foundation is a Charitable Incorporated Organisation (the CIO) which has a principal office in England. Registered office is at 34 Arlington Road, London, NW1 7HU. The Foundation's principal address is Fivefields, 8-10 Grosvenor Gardens, London, SW1W 0DH.

## 16 Transactions with trustees

There were no transactions with any trustee in the year or previous year other than disclosed in note 6.

## 17 Liability of members

The members of the Charity (being the Charitable Incorporated Organisation, the CIO) have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities on winding up.

# **The Ethos Foundation**

## **Notes to the Accounts**

### **for the year ended 30 September 2025**

#### **18 Connected charities**

Some Trustees of the Charity are also Trustees of other organisations that received material donations during the year. These include The Childhood Trust (Registered Charity 1154032) which received £1,100,000, The Cabrach Trust (Scottish Charity SC043771) which received £791,201, Thrive at Five (Registered Charity 1195059) which received £300,000, and The Distillers' Charity (Registered Charity No 1038763) which received £9,000.

These donations were made in the normal course of the Foundation's charitable activities. No amounts were outstanding at the year-end, except as disclosed under future commitments.

#### **19 Commitments to Multi-Year Donations**

No liability has been recognised in respect of the following multi-year grants, as payments are conditional upon recipients meeting specified requirements. The charity has committed to provide funding to a number of partner organisations over multiple years, subject to agreed conditions and reporting requirements. These include:

- A commitment of £1,250,000 to The Royal Foundation for the period 2026 to 2028, payable subject to bi-monthly review meetings and submission of a final financial report.
- A commitment of £30,000 to Ready Teddy – Learning with Parents, payable upon receipt of the final project output (December 2025).
- A commitment of £40,000 to Collective Futures – Early Childhood Funders Group for the period 2026 to 2028, subject to delivery of agreed outputs.
- A commitment of £600,000 to The Childhood Trust for the period 2025 to 2026, subject to check-in meetings and submission of the annual report.
- A commitment of £750,000 to The Cabrach Trust for the period 2026 to 2028, subject to check-in meetings.
- A commitment of £1,550,000 to Thrive at Five for the period 2026 to 2027, conditional on submission of annual accounts and impact reporting to Ethos, as well as review of spend, learning cycles, and strategy development.
- A commitment of up to £525,000 per year for 2 years to Multibank UK for the period 2026 to 2028, payable as match funding for actual funds raised, up to the annual limit.
- A commitment of £200,000 to Centre for Young Lives for the period 2026 to 2028, subject to check-in meetings and submission of annual impact reports.
- A commitment of £75,000 to ReGenerate Trust for the period 2026 to 2027, payable subject to subject to ReGenerate securing co-funding to meet needs of budget.

#### **20 Accounting period**

30 September continued to be a preferred date to report the achievements of the Charity.

# The Ethos Foundation

## Notes to the Accounts

### for the year ended 30 September 2025

#### 21 Statement of Financial Activities

for the year ended 30 September 2024 (comparative figures)

	Note	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £
<b>Income</b>				
<b>Income from:</b>				
Income from investments	3	1,129,373	-	1,129,373
<b>Total Income</b>		<u>1,129,373</u>	<u>-</u>	<u>1,129,373</u>
<b>Expenditure</b>				
<b>Expenditure on:</b>				
Charitable activities	4	(3,093,451)	-	(3,093,451)
Other expenditure	4	(31,054)	-	(31,054)
<b>Total Expenditure</b>		<u>(3,124,505)</u>	<u>-</u>	<u>(3,124,505)</u>
<b>Net incoming/(outgoing) resources</b>		(1,995,132)	-	(1,995,132)
<b>Other recognised gains</b>				
Net gains on fixed assets investments	8	4,680,655	-	4,680,655
<b>Net movement in funds</b>		<u>2,685,523</u>	<u>-</u>	<u>2,685,523</u>
<b>Reconciliation of funds:</b>				
<b>Total funds brought forward</b>		54,656,274	-	54,656,274
<b>Total funds carried forward</b>		<u>57,341,797</u>	<u>-</u>	<u>57,341,797</u>