THE KURT AND MAGDA STERN FOUNDATION

England & Wales · Charity number 1168201

Details

Status	Registered
Legal form	Charitable company
Company number	09929204
Registered	2016-07-13
Register	View on the Charity Commission register

Contact

Address	Third Floor 95 The Promenade Cheltenham GL50 1HH
Phone	03330062299
Email	info@kurtandmagdastern.org
Website	https://kurtandmagdastern.org

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Activities

Objects: 1 THE PROMOTION OF HUMAN RIGHTS (AS SET OUT IN THE UNIVERSAL DECLARATION OF HUMAN RIGHTS AND SUBSEQUENT UNITED NATIONS CONVENTIONS AND DECLARATIONS) BY MAKING GRANTS AND UNDERTAKING PRACTICAL ACTIVITIES IN SUPPORT OF:A) OBTAINING REDRESS FOR THE VICTIMS OF HUMAN RIGHTS ABUSE;B) RELIEVING NEED AMONG THE VICTIMS OF HUMAN RIGHTS ABUSE;C) RESEARCH INTO HUMAN RIGHTS ISSUES;D) RAISING AWARENESS OF HUMAN RIGHTS ISSUES;E) PROMOTING PUBLIC SUPPORT FOR HUMAN RIGHTS; ANDF) PROMOTING RESPECT FOR HUMAN RIGHTS AMONG INDIVIDUALS AND CORPORATIONS;2 TO PROMOTE THE RESOLUTION OF, AND TO PREVENT, CONFLICT BETWEEN PERSONS, GROUPS OR COMMUNITIES WHICH ARISES, OR MAY ARISE, FROM DISPUTE OR INTERPERSONAL CONFLICT, PARTICULARLY THROUGH THE MEANS OF RESTORATIVE PRACTICES AND EDUCATION.3 THE PROMOTION OF RELIGIOUS OR RACIAL HARMONY AND EQUALITY OR DIVERSITY BY ANY MEANS, INCLUDING:A) THE SUPPORT OF FORMAL EDUCATION, TRAINING, SOCIAL EDUCATION AND OTHER INITIATIVES INCLUDING FOR AND WITH PEOPLE UNDER 21 OR THOSE WITH REFUGEE STATUS OR SEEKING ASYLUM IN THE UK;B) THE PROMOTION OF KNOWLEDGE AND AWARENESS AND MUTUAL UNDERSTANDING BETWEEN AND ABOUT PEOPLES OF DIFFERENT RACIAL, RELIGIOUS AND BELIEF GROUPS WITH A FOCUS ON IMPROVING RELATIONS AND ELIMINATING DISCRIMINATION AND CONFLICT BETWEEN THESE GROUPS; ANDC) RAISING AWARENESS IN EQUALITY AND DIVERSITY MATTERS;4. THE ADVANCEMENT OF EDUCATION, IN PARTICULAR THE SUPPORT OF FORMAL EDUCATION, TRAINING, MENTORING, SOCIAL EDUCATION AND INITIATIVES FOR THE DEVELOPMENT OF INDIVIDUAL CAPABILITIES AND SKILLS WITH A PARTICULAR FOCUS ON EARLY INTERVENTION RESTORATIVE PRACTICES; INCLUDING:A) FOR THOSE AT RISK OF BEING, OR WHO HAVE BEEN, EXCLUDED FROM MAINSTREAM EDUCATION; AND PARTICULARLY EARLY INTERVENTION STRATEGIES FOR THOSE WITH BEHAVIORAL DIFFICULTIES PUTTING THEM AT RISK OF DEVELOPING ANTI-SOCIAL AND CRIMINAL BEHAVIOR;B) EDUCATION INITIATIVES WHICH CHALLENGE AND CHANGE DESTRUCTIVE BEHAVIOR BY GIVING THE SKILLS TO UNDERSTAND THE CAUSES AND CONSEQUENCES OF CONFLICT AND VIOLENCE; TO DEAL CONSTRUCTIVELY WITH ANGER AND FRUSTRATION, TO BUILD EMPATHY, AND IDENTIFY PREJUDICE;C) THE SUPPORT OF THOSE DISADVANTAGED IN PURSUING EDUCATION OR BEING ABLE TO FULLY REALISE THEIR POTENTIAL BECAUSE OF FINANCIAL HARDSHIP, ECONOMIC OR SOCIAL DISADVANTAGE, PREJUDICE OR CRIMINAL CONVICTIONS; ANDD) RESEARCH FOR THE PUBLIC BENEFIT AND THE PUBLICATION AND DISSEMINATION OF THE RESULTS OF ANY RESEARCH IN PARTICULAR:5. THE RELIEF OF THOSE IN NEED BY REASON OF, IN PARTICULAR, YOUTH AND FINANCIAL HARDSHIP OR OTHER SOCIAL OR ECONOMIC DISADVANTAGE AND THEIR FAMILIES, CARERS AND COMMUNITIES.6. THE ADVANCEMENT OF HEALTH FOR THE PUBLIC BENEFIT IN PARTICULAR SERVICES TO SUPPORT INDIVIDUAL MENTAL HEALTH;7. THE PROMOTION OF THE EFFICIENCY OF THE POLICE SERVICE AND THE PREVENTION OF CRIME AND CARE FOR VICTIMS OF CRIME INCLUDING BY:A) SUPPORTING INITIATIVES FOR OR WITH THE POLICE SERVICE TO RESOLVE DISPUTES AND PREVENT CRIME AND REOFFENDING BY PREVIOUS OR FIRST TIME OFFENDERS;B) PROVIDING AND SUPPORTING SERVICES FOR MEDIATION AND CONCILIATION AND RECONCILIATION AMONG PERSONS INVOLVED IN DISPUTES OR INTERPERSONAL CONFLICTS WHICH RESULT FROM, OR MAY LEAD TO, ACTS OF NUISANCE, ANTI-SOCIAL BEHAVIOR, RACIAL OR RELIGIOUS ABUSE OR BREACHES OF THE PEACE OR VIOLENCE;C) SUPPORTING AND PROVIDING EARLY INTERVENTION INITIATIVES FOR THE PREVENTION OF CRIME FOR INDIVIDUALS, AND PARTICULARLY THOSE UNDER 21, NOT CURRENTLY IN THE CRIMINAL JUSTICE SYSTEM, BUT AT RISK OF BECOMING SO, AND THEIR FAMILIES; ANDD) SERVICES TO SUPPORT, ADVISE, SECURE THE SAFETY OF, AND RELIEVE NEED AMONG VICTIMS OF FORCED MARRIAGE, DOMESTIC VIOLENCE OR HONOR VIOLENCE, OR THOSE AT RISK OF BECOMING VICTIMS; AND EDUCATIONAL AWARENESS AROUND THESE ISSUES;8. THE

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PREVENTION OR RELIEF OF POVERTY; AND9 SUCH OTHER PURPOSES WHICH ARE CHARITABLE UNDER THE LAWS OF ENGLAND AND WALES AS THE TRUSTEES THINK FIT PROVIDED THAT THE CHARITY SHALL NOT ENGAGE IN PROVIDING SUPPORT FOR:A) THE ADVANCEMENT OF ANIMAL WELFARE;B) THE ADVANCEMENT OF RELIGION; C) AMATEUR SPORT; ORD) THE ADVANCEMENT OF THE ARTS OR CULTURE, HERITAGE AND SCIENCE.

Activities: The Foundation strives to support innovative and transformational projects, pilots and research, with a focus on early intervention and root causes, which aim to create real change of lives and systems. We do not accept any unsolicited requests or applications for grants, and instead pro-actively work to find and research new projects and partners across England and Wales.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Sponsors Or Undertakes Research, Other Charitable Activities
- **What:** General Charitable Purposes
- **Who:** Other Charities Or Voluntary Bodies, Other Defined Groups

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-12-31	£213,266	£300,888	-	-
2024-12-31	£152,755	£222,713	-	-
2023-12-31	£194,279	£185,092	-	-
2022-12-31	£130,173	£230,815	-	-
2021-12-31	£93,264	£196,160	-	-
2020-12-31	£60,748	£147,164	-	-

Trustees

Name	Role	Appointed
SARAH TAMSIN HOARE	Chair	2015-12-24
Emma Delpech		2023-10-25
SUSAN JILL WALKER		2015-12-24

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THE KURT AND MAGDA STERN FOUNDATION

England & Wales - Charity number 1168201

Accounts

THE KURT AND MAGDA STERN FOUNDATION

ANNUAL REPORT
AND
UNAUDITED ACCOUNTS
Year ended 31st December 2025

Registered Charity Number: 1168201

Limited Company Number: 09929204

Registered Office:

Third Floor
95 The Promenade
Cheltenham
Gloucestershire
GL50 1HH

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2025:

TRUSTEES:

Tamsin Hoare (Chair)
Susan Walker
Emma Delpech

REFERENCE AND ADMINISTRATIVE DETAILS:

Registered Office:

Third Floor
95 The Promenade
Cheltenham
Gloucestershire, GL50 1HH

Banking:
NatWest
48 Blue Boar Row
Salisbury
Wiltshire, SP1 1DF

Investment Management:
Cazenove Capital
1 London Wall Place,
London, EC2Y 5AU

Legal and Accounting:
Wiggin Osborne Fullerlove
95 The Promenade
Cheltenham
Gloucestershire, GL50 1HH

Independent Examiner:
Godfrey Wilson Ltd
5th Floor, Mariner House,
62 Prince Street,
Bristol, BS1 4QD

STRUCTURE, GOVERNANCE AND MANAGEMENT:

The Kurt and Magda Stern Foundation ("the Charity" or "KMSF") is a company limited by guarantee with no share capital, which was incorporated on 24th December 2015, and registered as a charity on 13th July 2016. The company was established under a Memorandum of Association which established the objects and powers of the charitable company, and is governed under its Articles of Association. The Directors of the company are the Charity Trustees.

The first (and currently sole) Member of the Charity is Tamsin Hoare (who is also a Trustee). No individual or organisation can become a Member unless their application is approved by the Trustees, and in writing or by Resolution of the current Member or Members.

The minimum number of Trustees is two. The Trustees may at any time co-opt any individual who is qualified to be appointed as a Trustee to fill a vacancy in their number or as an additional Trustee, but a co-opted Trustee holds office only for one year.

The Charity does not currently have a formal policy or defined procedure for the induction of new Trustees. However, all Trustees are expected to be conversant with, and hold copies of, the Charity's Memorandum and Articles, Annual Reports, Investment Policy Statement, Policies and other core documents. The Trustees keep the need for a more formal induction process under review and will introduce one if and when further Trustees are recruited.

The Trustees must hold at least two meetings a year, and in 2025 have met six times. Decisions on aims, objectives, strategy, finances and funding have been discussed and made at these meetings.

Since July 10th, 2023, the Charity has used the services of a paid freelancer, acting in a consultancy role, contracted for a minimum of one day a week. During 2025, the consultant has taken on a range of tasks, directed by and reporting to the Chair, including (but not limited to): general banking and admin; internal and external communications; paperwork and fulfilment for funding offers; continuing professional development through study and training sessions; attending and reporting on meetings with funding partners; and attending and clerking Trustee meetings. The Trustees consider this arrangement to have continued to offer an appropriate and proportionate balance of flexibility, cost-effectiveness and capacity for the Charity's needs.

The Charity was also able to offer eight hours of the consultant's time, on a pro bono basis, to Medical Justice, consulting on its 2026-2031 strategy.

Promenade Secretaries Limited (04934899) remains as the Charity's Company Secretary.

Key Management Personnel
The Trustees alone comprise the key management personnel, responsible for controlling and directing the Charity. All the Trustees give their time voluntarily and receive no benefit from the Charity.

Public Benefit
The Trustees confirm that they have complied with their duty in the Charities Act 2011 regarding the Charity Commission's guidance on public benefit, and have taken this into account in their decision-making.

OBJECTIVES AND ACTIVITIES:

The Objects of the Charity are laid out in full in Section 3 of the Memorandum and Articles. In summary:

3.1 The Charity will, by way of grants, research, practical activities and support… pursue the following objects ('**the Objects**') for the public benefit:

3.1.1 the promotion of human rights.

3.1.2 to promote the resolution of, and to prevent, conflict between persons, groups or communities which arises, or may arise, from dispute or interpersonal conflict, particularly through the means of restorative practices and education.

3.1.3 the promotion of religious or racial harmony and equality or diversity by any means.

3.1.4. the advancement of education, in particular the support of formal education, training, mentoring, social education and initiatives for the development of individual capabilities and skills with a particular focus on early intervention restorative practices; including:

a) for those at risk of being, or who have been, excluded from mainstream education; and particularly early intervention strategies for those with behavioural difficulties putting them at risk of developing antisocial and criminal behaviour;

b) education initiatives which challenge and change destructive behaviour by giving the skills to understand the causes and consequences of conflict and violence; to deal constructively with anger and frustration, to build empathy, and identify prejudice;

3.1.5. the relief of those in need by reason of, in particular, youth and financial hardship or other social or economic disadvantage and their families, carers and communities.

3.1.6. the advancement of health for the public benefit, in particular services to support

individual mental health.

3.1.7. the promotion of the efficiency of the police service and the prevention of crime and care for victims of crime including by:

a) supporting initiatives for or with the police service to resolve disputes and prevent crime and reoffending by previous or first time offenders;

b) providing and supporting services for mediation and conciliation and reconciliation among persons involved in disputes or interpersonal conflicts which result from, or may lead to, acts of nuisance, antisocial behavior, racial or religious abuse or breaches of the peace or violence;

c) supporting and providing early intervention initiatives for the prevention of crime for individuals, and particularly those under 21, not currently in the criminal justice system, but at risk of becoming so, and their families; and

3.1.8. the prevention or relief of poverty; and

3.1.9 such other purposes which are charitable under the laws of England and Wales as the Trustees think fit provided that the Charity shall not engage in providing support for:

a) the advancement of animal welfare;

b) the advancement of religion;

c) amateur sport; or

d) the advancement of the arts or culture, heritage and science,

3.2 When considering the pursuance of the Objects, the Trustees shall consider the promotion of social justice and equality of opportunity.

The Charity also has powers granted by its Memorandum and Articles to undertake practical activities, however, the Charity's activities to date have been purely directed at grant-making, and the Trustees do not currently envisage any change to this strategy for at least another three years.

The Charity does not accept any unsolicited applications for grants, and proactively seeks out charities and organisations with which it wishes to work.

As funders, working to transform lives and systems for those with traumatic pasts, and uncertain futures, the KMSF Trustees have chosen to take a thematic approach, rather than to limit themselves by funding specific sectors or issues. The intersectional nature of disadvantage means that people are often navigating multiple systems at the same time; by funding thematically, the Charity is able to drop into any of them, enabling KMSF to respond to problems more holistically than might otherwise be possible. It is clear to the Trustees that issues such as poverty and inequality cannot be neatly separated into discrete categories – all too often, both policy makers and charities themselves operate in silos that can obscure the deep, systemic links between causes and consequences. The Trustees want to ensure that change is rooted in a fuller understanding of the complex realities their partners are working to address. They have also developed a philanthropic strategy that is based on supporting a relatively small number of charities at a time – offering multi-year funding where appropriate, and enabling them to build deep, meaningful relationships with funding partners, as well as to facilitate connections between organisations in their network.

In 2025, KMSF continued its work with three previously-funded organisations, providing funding to Hampton Trust (year one of a new three-year commitment), Medical Justice (year one of a new two-year commitment) and Young Roots (year one of a new two-year commitment). It moved forward in its relationship with Respect, providing bridging funding to complete the development phase of the Centre for Excellence (CfE). It then agreed a two-year funding commitment for the CfE's next phase, comprising the recruitment of a director for the Centre and the establishment of an independent Commission on the perpetration of domestic abuse. The Charity also supported People's Health Trust, co-funding a research project looking into the impact of the racist riots across the UK in the summer of 2024 on marginalised communities and those who work with them. Finally, it offered funding to another previously-funded organisation, The Difference, restricted to a new strand of work focused on understanding and addressing harmful and abusive behaviours among children and young people.

The Charity does not use volunteers to assist with its activities.

ACHIEVEMENTS AND PERFORMANCE:

Hampton Trust

KMSF has been a proud funding partner for Hampton Trust since 2017. This charity's innovative, scalable programmes work directly with perpetrators of abuse, as well as with women in or on the edges of the criminal justice system; and also provide transformative training for frontline professionals.

In January 2025, KMSF gave Hampton Trust unrestricted funding of £50,000 – the first payment of a new, three-year commitment. In agreeing this funding, the Trustees took into account the charity's long-term impact, and the continued effectiveness of its early-intervention approach, with rigorous evaluation and proven results leading to regional and national roll-outs of its work. By the end of the current funding agreement, KMSF will have supported Hampton Trust for over a decade.

Medical Justice

Medical Justice sends volunteer clinicians to visit people held in immigration detention, to document scars of torture, assess deterioration in health, and challenge medical mistreatment. The charity uses medical evidence to secure lasting change through research, policy work, and strategic litigation, working with parliamentarians and the media.

In July 2025, KMSF gave Medical Justice unrestricted funding of £25,000 – the first payment of a new, two-year commitment. The Trustees were encouraged by the recent recruitment of an operations manager, freeing up the CEO to focus more time on fundraising, strategic development and policy influencing work over the coming years. The Trustees recognise that the work Medical Justice does is not carried out by any other NGO or statutory service; and in an increasingly febrile and hostile immigration environment, consider it to be of critical importance.

Young Roots

Young Roots is a London-based charity working with young refugees and asylum seekers aged 11-25, most of whom are alone in the UK without their families. It supports young people to improve their wellbeing and fulfil their potential, through intensive one-to-one casework, youth and sporting activities, English language mentoring, youth leadership and access to specialist therapeutic and legal advice. In 2022, the charity recruited a Policy and Advocacy Director for the first time, with the costs met through a three-year co-funding initiative between KMSF and Treebeard Trust – each funder providing 50% (£30,000) of the relevant salary. The Trustees consider the impact of this role to have been significant, with Young Roots increasingly recognised as a credible and influential voice within the sector. In 2025, the charity ventured into strategic litigation work for the first time, challenging local authorities on their duty to actively identify children in asylum accommodation.

Following the final payment of the previous commitment, in 2025 the KMSF Trustees agreed to continue funding Young Roots for a further two years in the same amount (£30,000 pa). In the absence of Treebeard Trust as co-funder, and following consultation with Young Roots, the Trustees decided to open up this funding to the charity's policy, campaigning and influencing work as a whole, rather than to restrict it to the Policy and Advocacy Director's

salary specifically.

Respect

Respect is a UK charity that wants to put an end to domestic abuse. It is a membership body, established to focus on working with perpetrators, including young people who cause harm. In 2023, it launched a new, five-year strategy, the first priority of which was to establish a 'Centre for Excellence', bringing together practice and research, evidence and expertise, to create a step-change in understanding what works to end the perpetration of domestic abuse.

The Trustees believe that investment in the Centre for Excellence represents a strategic opportunity to address the root causes of domestic abuse. By focusing on perpetration, it should be possible to create systemic change that will reduce the enormous social and economic costs of domestic abuse for individuals, communities and public services. The Centre for Excellence aims to develop more effective interventions based on robust evidence, build a professional workforce equipped to deliver lasting change, transform statutory responses to perpetration, and challenge social norms that perpetuate abuse. Through this work, it seeks to capitalise on a unique window for action built on the government's pledge to halve VAWG in ten years, galvanising new partnerships, catalysing learning, and shaping new systems. In partnership with Treebeard Trust, KMSF co-funded a six-month development phase for the Centre of Excellence, starting in November 2024, during which time Respect worked to produce a fundable proposition, complete with roadmap, theory of change and budget. By the end of March 2025, it became clear that more time would be needed to complete this work, so the KMSF Trustees provided 'bridging funding' of £8,599.

Following completion of the development phase, the Trustees committed to funding the next stage of the Centre for Excellence in the amount of £50,000 per annum for two years, with the first payment made in July 2025. In October 2025, to facilitate the timely recruitment of a Director for the Centre for Excellence, the Trustees agreed to advance 50% of the second-year funding (£25,000).

In November 2025, Respect formally launched the Centre for Excellence at a parliamentary reception celebrating the charity's 25th anniversary. Trustee representatives heard huge enthusiasm for the Centre for Excellence from across the DA and VAWG sectors, as well as considerable cross-party political support for the project.

People's Health Trust

Since 2011, People's Health Trust has partnered with a vibrant network of over 3000 community organisations across Great Britain, supporting them with funding at a grassroots level to find vital and timely solutions to tackle the causes of poor health. In 2025, KMSF agreed to co-fund, with People's Health Trust, 'Standing Together: Voices from the frontline,

one year on from the UK racist riots': a project designed to find out what has happened in communities since the 2024 summer riots in terms of health outcomes, particularly for people most affected – including people seeking asylum, migrants, and racially minoritised communities – and to use those findings to help identify and implement solutions. The funding proposal was submitted to the KMSF Trustees on May 2nd 2025, funding of £20,000 was agreed on May 7th, and the co-branded report was completed and launched by the end of July 2025; the ability to be so agile and responsive in their decision-making is considered by the KMSF Trustees – and, more importantly, their partners – to be one of the Charity's greatest strengths. The report received widespread coverage in the national, local and sector press, and was also shared with the Independent Commission on Community and Cohesion, as well as generating interest from various government ministers in England and Scotland.

The Difference

The Difference was founded in 2017 to "improve the life-outcomes of the most vulnerable children by raising the status and expertise of those who educate them". KMSF was one of its earliest funders. Over this funding period The Difference has grown and developed, with the latest iteration of its mission being to tackle the social injustice of lost learning in schools. The charity's aim is to make inclusive schools a reality for every child, and to reduce exclusion and absence across England by 2030; training teachers, and developing programmes that influence both practice and policy.

With the publication of The Difference's new strategy in 2024, and the initial phase of its work complete, the Trustees had intended to step away from funding the charity in 2025. However, later this year, The Difference's CEO shared a proposal for a new piece of research, looking at harmful, abusive and discriminatory behaviours among children and young people. The Trustees saw a strategic opportunity for the research to inform early intervention work by schools in tackling issues like VAWG, misogyny, racism and transphobia, as well as mis- and disinformation, at a formative stage. The Trustees judged that this work represented a distinct and timely strand of activity, aligned with KMSF's focus on early intervention and systems change, and not being undertaken elsewhere. They therefore agreed to a one-off payment, funding the lead researcher's work on this project for two days a week, for one year (£27,400). A further £220 was paid to The Difference in support of its IncludED conference, bringing the total for the year to £27,620.

PLANS FOR FUTURE PERIODS:

In **2026** the Charity's key aims and objectives, and planned activities are:

- To continue to add as much value as possible to the charities it funds outside of its financial commitment, and to ensure the work of the consultant is effectively directed at this aim.

- To consider carefully how best to widen the scope of the Charity's mission – including potentially increasing its annual funding – to have an even greater impact on improving lives and systems for those with traumatic pasts, and uncertain futures.
- To continue forming and developing relationships with frontline organisations across a wide range of sectors, shining a light on the intersectional nature of disadvantage and striving for a fuller understanding of the complex realities its funding partners are working to address.
- To promote, where possible, more equitable, inclusive, and impactful models of funding within and beyond the philanthropic sector.

FINANCIAL REVIEW AND RELEVANT POLICIES:

KMSF is the beneficiary of a private family foundation, and also holds its own investment portfolio, which has been managed since September 2024 by Cazenove Capital, under its Charity Sustainable Multi Asset Fund ("CSMAF").

The CSMAF targets an annualised return of CPI inflation plus 4% over rolling ten year periods; and has a Responsible Investment policy aligned to the Charity's own investment policy, common charity concerns, and the UN Sustainable Development Goals. The Trustees feel that this mandate continues to meet both the Charity's financial needs, and its values.

KMSF does not raise funds from the public or other bodies.

The Trustees have a written Investment Policy Statement for the Charity, which was last reviewed by them in December 2025, in consultation with the Investment Manager. Quarterly meetings with the Investment Manager include a standing review of the Charity's investment requirements, to ensure the portfolio remains aligned.

The Trustees have continued to monitor global markets and portfolio performance closely with their Investment Manager over the course of the year, meeting and receiving reports quarterly. Performance in 2025 has continued to be strong: the portfolio ended the year up 11.1%, which is above both inflation and the peer group benchmark for the first time; the cumulative return, over just two years, is 25.4%; and, despite the Trustees having withdrawn £204,000 to meet funding commitments, the value of the portfolio is up £88,000 since inception. The Trustees remain mindful that investment performance may fluctuate year on year and continue to take a long-term view.

Reserves policy

At the end of 2025, the Trustees remain confident that a reserve policy requiring a cash amount of £30,000 (excluding investments held to support longer term grant-making activities) continues to be appropriate for the Charity's needs. At 31st December 2025, the

Charity's funds were £54,586. As in previous years, this is significantly higher than the reserves requirement, with the major part being invested to support longer-term grant making activities. The total funds held by the charity as at the YE2025 were £1,194,179.

The Charity's grant-making policy is being constantly developed and is outlined in the Objectives and Activities section of this Report. However, in summary, the Charity does not accept any unsolicited applications for grants; it aims to support projects that are transformative and not merely palliative; it aims to support innovation, early intervention work, pilots and research; it strives to build pro-active partnerships with charities and with other funders to maximise grant impact; it has a multi-year grant strategy.

Principal risks and uncertainties

The Trustees confirm that they have reviewed the major risks to which the Charity is exposed, as identified by them, and procedures have been established to manage those risks. In summary, the Trustees see the key risks to the Charity as being loss of investment capital due to a challenging investment environment, which they mitigate against by meeting with the investment manager quarterly and to receive reports, and by a wide diversification of assets; a safeguarding or other major incident at one or more of the charities to which the Charity gives grants, which the Trustees mitigate against by thorough due diligence on the policies and procedures of all grantee charities; and finally, a leadership issue caused by the loss or incapacity of the current Chair, which the Trustees have already begun to mitigate against by employing a freelance support staff member to assist them with their charitable activities and the day to day running and administration of the Charity, and whose role they could look to increase in such a case, or indeed take them, or another, on as a permanent member of staff in such an eventuality. Risks are reviewed at least annually by the Trustees.

SUSTAINABILITY:

As a small foundation, the Charity does not itself have employees, material assets, and nor does it undertake activities, the impact of which could be tracked against meaningful sustainability targets. However, the Trustees remain mindful of their responsibilities around sustainability, which rest largely in performing due diligence around the activities of funding partners they support, and ensuring that the Charity's investment portfolio is managed as sustainably as possible.

Cazenove Capital's Charity Sustainable Multi Asset Fund ("CSMAF"), under which the KMSF portfolio is managed, is designed for charities who want to align their investments with their charitable mission and invest for a better future. All of the underlying equities, bonds, and alternative assets are mapped to a framework that classifies investments into three categories: Avoid harm (A), Benefit stakeholders (B), or Contribute to solutions (C). 100% of the investments must avoid harm (defined as investments that do not create material negative environmental and social impacts), while at least 70% of the investments will be in those concerns that either benefit stakeholders—for instance, by creating value for employees, customers, communities, and the environment, or contribute to solutions through products and services that support one or more of the United Nations Sustainable Development Goals. Cazenove also undertakes a significant programme of engagement as a shareholder, using its size, and voting rights, to leverage, lobby, and influence change. Annual sustainability and impact reports track progress against targets across a range of metrics. The Trustees receive annual sustainability and impact reporting and meet with the Investment Manager at least quarterly to review performance and ongoing suitability.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS:

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Approved by the Directors, who are also the Trustees, on 1st April 2026, and signed on their behalf by:

Sarah Tamsin Hoare

Sarah Tamsin Hoare, Chair of the Board of Trustees

Independent Examiner's report to the members of The Kurt and Magda Stern Foundation

I report to the trustees on my examination of the accounts of The Kurt and Magda Stern Foundation (the charitable company) for the year ended 31 December 2025, which are set out on pages 16 to 25.

Responsibilities and basis of report

As the trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act'). Having satisfied myself that the accounts of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charitable company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1) accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
2) the accounts do not accord with those records; or
3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

William Guy Blake

Date: 1 April 2026
William Guy Blake ACA, Member of the ICAEW
Godfrey Wilson Limited, Chartered accountants and statutory auditors
5th Floor Mariner House, 62 Prince Street, Bristol, BS1 4QD

The Kurt and Magda Stern Foundation
(A company limited by guarantee)

Statement of Financial Activities (including income and expenditure account)
For the year to 31 December 2025

	Note	Unrestricted funds 2025 £	Unrestricted funds 2024 £
INCOME FROM:			
Donations		161,200	100,000
Investment income		52,066	52,755
TOTAL INCOME	3	213,266	152,755
EXPENDITURE ON:			
Raising funds		3,961	3,873
Charitable activities	4	296,927	218,840
TOTAL EXPENDITURE		300,888	222,713
NET EXPENDITURE BEFORE INVESTMENT GAINS		(87,622)	(69,958)
Investment gain	5	88,896	53,948
NET INCOME/(EXPENDITURE) AFTER INVESTMENT GAINS AND NET MOVEMENT IN FUNDS		1,274	(16,010)
RECONCILIATION OF FUNDS			
Total funds brought forward		1,192,905	1,208,915
TOTAL FUNDS CARRIED FORWARD		**1,194,179**	**1,192,905**

All of the above results are derived from continuing activities. All income and expenditure in the year was unrestricted, therefore no separate analysis of movement in funds is required.

The notes on pages 19-25 form part of these financial statements.

The Kurt and Magda Stern Foundation
(A company limited by guarantee)

Balance Sheet as at 31 December 2025

	Note	2025 £	Restated 2024 £
FIXED ASSETS			
Investments	5	1,325,981	1,329,684
		1,325,981	1,329,684
CURRENT ASSETS			
Cash		54,585	18,667
		54,585	18,667
CREDITORS: amounts falling due within one year	6	(136,387)	(55,446)
NET CURRENT LIABILITIES		(81,802)	(36,779)
LONG TERM LIABILITIES			
CREDITORS: amounts falling due in over one year	7	(50,000)	(100,000)
		(50,000)	(100,000)
NET ASSETS		**1,194,179**	**1,192,905**
TOTAL CHARITY FUNDS			
Unrestricted		1,194,179	1,192,905
TOTAL FUNDS		**1,194,179**	**1,192,905**

Balance Sheet as at 31 December 2025 (continued)

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

The Directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act.

The directors acknowledge their responsibilities for:

i) ensuring that the Company keeps proper accounting records which comply with section 386 of the Act; and
ii) preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the Directors, who are also the Trustees, on 1st April 2026, and signed on their behalf by:

Sarah Tamsin Hoare

Sarah Tamsin Hoare, Chair of the Board of Trustees.

Notes to the financial statements

1. Accounting Policies

General information

The Kurt and Magda Stern Foundation is a charitable company limited by guarantee registered in England and Wales. The registered office address is Third Floor, 95 The Promenade, Cheltenham, Gloucestershire, GL50 1HH.

(a) Basis of preparation, assessment of going concern, and other significant judgements and estimates

These financial statements have been prepared for the year to 31 December 2025 and are presented in sterling and are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006. The Charity constitutes as a public benefit entity as defined by FRS 102.

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. The Trustees consider that there are no significant areas of judgement and key assumptions that affect items in the accounts.

(b) Fund structure

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

1. Accounting policies [continued]

(c) Income recognition

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that those conditions will be fulfilled in the reporting period. Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

(d) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. The costs are allocated 100% to charitable activities.

(e) Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

Notes to the financial statements

1. Accounting policies [continued]

(f) Grants payable

Grants which have been authorised and paid are included as expenditure in the Statement of Financial Activities. Grants which have been authorised but not yet paid are accrued in the balance sheet and are included within creditors falling due within one year or after one year (as appropriate).

(g) Investment assets and realised gains and losses

Listed investments are a form of basic financial instrument and are initially recognised as at cost, and subsequently measured at fair value at the balance sheet date (using the closing quoted market price). 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 their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

(h) Cash at bank and in hand

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

(i) 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.

2. Related party transactions and Trustees' expenses and remuneration

The Trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind. Expenses paid to the Trustees in 2025 totalled £196 (2024: £0). There were no further related party transactions in the year.

3. Analysis of income

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Donations		
Income as beneficiary: From private family foundation	161,200	100,000
Investment Income		
Cazenove Portfolio Income	52,066	52,755
Total income	**213,266**	152,755

4. Analysis of expenditure on charitable activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Direct Costs		
Grants made:		
The Difference	27,620	25,000
Respect	108,599	12,669
Young Roots	60,000	100
The Hampton Trust	-	150,000
People's Health Trust	20,000	-
Medical Justice	50,000	-
Sub-total: Grants made	266,219	187,769
Support Costs		
Professional development fees	670	802
Consultant's fees	19,500	21,050
Consultant's expenses	352	410
Trustee expenses	196	-
Administration fees	1,208	952
Independent Examiner's fee	3,380	2,760
Accountant and Company Secretary fees	5,122	4,845
Other professional fees	280	252
Sub-total: support costs	30,708	31,071
Total expenditure	**296,927**	218,840

Total governance costs were £3,576 (2024: £2,760).

5. Investment Portfolio

During 2018 a listed investment portfolio was opened with Brooks Macdonald and was funded with an initial transfer of £1,300,000. The portfolio was since transferred to Cazenove and has holdings in a Charity Multi asset fund along with a Global liquidity Fund. Movements in the portfolio during 2025 were as follows:

	£
Market Value at 1 January 2025	1,329,684
Additions at cost	49,337
Disposal proceeds	(141,936)
Realised gains	7,673
Unrealised gain	81,223
Market value at 31 December 2025	**1,325,981**

Listed investments at 31 December 2025 comprised the following:

	£
Multi Asset Funds	1,317,981
Cash funds	8,000
	1,325,981

6. Analysis of creditors (amounts falling due within one year)

	2025	Restated 2024
	£	£
Accruals	5,880	5,000
Other creditors	507	446
Grants payable	130,000	50,000
Total creditors	**136,387**	55,446

The grants payable creditor includes elements payable in less than and more than one year. The prior year grant creditors have been restated to correct the split in the prior year.

Notes to the financial statements

7. Analysis of creditors (amounts falling due in more than one year)

	2025 £	Restated 2024 £
Grants payable	50,000	100,000
Total creditors	**50,000**	100,000

8. Grant Commitments

	2025 £	2024 £
Grant commitments brought forward	150,000	200,000
Grants committed during the period	266,219	187,769
Grants paid during the period	(236,219)	(237,769)
Grant commitments carried forward	**180,000**	150,000

THE KURT AND MAGDA STERN FOUNDATION

England & Wales - Charity number 1168201

Accounts

THE
KURT AND MAGDA STERN
FOUNDATION

ANNUAL REPORT
AND
UNAUDITED ACCOUNTS
Year ended 31st December 2024

Registered Charity Number: 1168201

Limited Company Number: 09929204

Registered Office:

Third Floor
95 The Promenade
Cheltenham
Gloucestershire
GL50 1HH

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TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2024:

TRUSTEES:

Tamsin Hoare (Chair)
Susan Walker
Emma Delpech

STRUCTURE, GOVERNANCE AND MANAGEMENT:

The Kurt and Magda Stern Foundation ("the Charity" or "KMSF") is a company limited by guarantee with no share capital, which was incorporated on 24th December 2015, and registered as a charity on 13th July 2016. The company was established under a Memorandum of Association which established the objects and powers of the charitable company, and is governed under its Articles of Association. The Directors of the company are the Charity Trustees.

The first (and currently sole) Member of the Charity is Tamsin Hoare (who is also a Trustee). No individual or organisation can become a Member unless their application is approved by the Trustees, and in writing or by Resolution of the current Member or Members.

The minimum number of Trustees is two. The Trustees may at any time co-opt any individual who is qualified to be appointed as a Trustee to fill a vacancy in their number or as an additional Trustee, but a co-opted Trustee holds office only for one year.

The Charity does not currently have a formal policy or defined procedure for the induction of new Trustees. However, all Trustees are expected to be conversant with, and hold copies of the Charity's Memorandum and Articles, Annual Reports, Investment Policy Statement, and other core documents. The Trustees will review the need for a more formal policy and induction process if and when further Trustees are recruited over time.

The Trustees must hold at least two meetings a year, and in 2024 have met quarterly. Decisions on aims, objectives, strategy, finances and grant-making have been discussed and made at these meetings.

Since July 10th, 2023, the Charity has used the services of a paid freelancer, acting in a consultancy role, contracted for a minimum of one day a week. During 2024, the consultant has taken on a range of tasks, directed by and reporting to the Chair, including (but not limited to): general banking and admin; policy drafting; internal and external communications; website development and maintenance; paperwork and fulfilment for funding offers; and attending and clerking Trustee meetings.

Promenade Secretaries Limited (04934899) remains as the Charity's Company Secretary.

Key Management Personnel

The Trustees alone comprise the key management personnel, responsible for controlling and directing the Charity. All the Trustees give their time voluntarily and receive no benefit from the Charity.

Public Benefit

The Trustees confirm that they have complied with their duty in the Charities Act 2011 regarding the Charity Commission's guidance on public benefit, and have taken this into account in their decision-making.

OBJECTIVES AND ACTIVITIES:

The Objects of the Charity are laid out in full in Section 3 of the Memorandum and Articles. In summary:

3.1 The Charity will, by way of grants, research, practical activities and support… pursue the following objects ('**the Objects**') for the public benefit:

3.1.1 the promotion of human rights.

3.1.2 to promote the resolution of, and to prevent, conflict between persons, groups or communities which arises, or may arise, from dispute or interpersonal conflict, particularly through the means of restorative practices and education.

3.1.3 the promotion of religious or racial harmony and equality or diversity by any means.

3.1.4. the advancement of education, in particular the support of formal education, training,

mentoring, social education and initiatives for the development of individual capabilities and skills with a particular focus on early intervention restorative practices; including:

a) for those at risk of being, or who have been, excluded from mainstream education; and particularly early intervention strategies for those with behavioural difficulties putting them at risk of developing antisocial and criminal behaviour;

b) education initiatives which challenge and change destructive behaviour by giving the skills to understand the causes and consequences of conflict and violence; to deal constructively with anger and frustration, to build empathy, and identify prejudice;

3.1.5. the relief of those in need by reason of, in particular, youth and financial hardship or other social or economic disadvantage and their families, carers and communities.

3.1.6. the advancement of health for the public benefit, in particular services to support individual mental health.

3.1.7. the promotion of the efficiency of the police service and the prevention of crime and care for victims of crime including by:

a) supporting initiatives for or with the police service to resolve disputes and prevent crime and reoffending by previous or first time offenders;

b) providing and supporting services for mediation and conciliation and reconciliation among persons involved in disputes or interpersonal conflicts which result from, or may lead to, acts of nuisance, antisocial behavior, racial or religious abuse or breaches of the peace or violence;

c) supporting and providing early intervention initiatives for the prevention of crime for individuals, and particularly those under 21, not currently in the criminal justice system, but at risk of becoming so, and their families; and

3.1.8. the prevention or relief of poverty; and

3.1.9 such other purposes which are charitable under the laws of England and Wales as the Trustees think fit provided that the Charity shall not engage in providing support for:

a) the advancement of animal welfare;

b) the advancement of religion;

c) amateur sport; or

d) the advancement of the arts or culture, heritage and science,

3.2 When considering the pursuance of the Objects, the Trustees shall consider the promotion of social justice and equality of opportunity.

The Charity also has powers granted by its Memorandum and Articles to undertake practical activities, however, the Charity's activities to date have been purely directed at grant-making, and the Trustees do not currently envisage any change to this strategy for at least another three years.

The Charity does not accept any unsolicited applications for grants, and proactively seeks out charities and organisations with which it wishes to work.

The Trustees' grant-making strategy since 2018 has been to focus on supporting a relatively small number of charities at a time, offering multi-year funding where possible. This approach continues to suit the scope of KMSF's mission, and the Trustees' desire to build deep, responsive relationships with funding partners. In 2024, KMSF continued its work with four organisations, providing funding to Hampton Trust, The Difference, Medical Justice and Young Roots. The Trustees have agreed a new, three-year funding commitment for Hampton Trust from January 2025, and will consider potential renewals for Medical Justice and Young Roots in 2025. Additionally, in October 2024, KMSF started a new funding relationship with Respect, co funding (with Treebeard Trust) phase one of the development of a Centre for Excellence to develop and promote best practice models when working with perpetrators of domestic abuse.

Having the support of the consultant since July 2023 has enabled the Trustees to dig deeper into charities' experiences of the funding landscape, identifying where challenges can arise, and striving to improve KMSF's funding practices as a result. Conversations with those leading and working within frontline charities have confirmed that securing consistent core or unrestricted funding is becoming increasingly difficult, creating potentially existential risks, especially for smaller organisations; the Trustees are keen that this understanding should inform their own decision-making, and also, to share what they are learning with the Trusts and Foundations sector more widely.

The Charity does not use volunteers to assist with its activities.

ACHIEVEMENTS AND PERFORMANCE:

The Hampton Trust

KMSF has been a proud funding partner for Hampton Trust since 2017. The charity's innovative, scaleable programmes work directly with perpetrators of abuse, as well as with females in or on the edges of the criminal justice system; and also provide transformative training for frontline professionals - aligning perfectly with KMSF's mission of "working to transform lives and systems for those with traumatic pasts, and uncertain futures".

In January 2024, KMSF gave Hampton Trust unrestricted funding of £45,000. The original agreement had been for KMSF to fund the salary of a Development Manager for two years; however, after the Year-one payment in 2023, and following a conversation with CEO Chantal Hughes about the difficulty of securing core funding, the Trustees had offered to derestrict the Year-two payment. At their September 2024 meeting, the Trustees agreed to renew KMSF's support for Hampton Trust, offering the charity unrestricted funding in the amount of £50,000 annually for another three years, 2025-2027.

The Difference

The Difference was founded in 2017 to "improve the life-outcomes of the most vulnerable children by raising the status and expertise of those who educate them". 2024 saw the charity share a strategic update with investors and partners, ahead of the full release of its 2025-2030 strategy in January 2025. This update clarified a shift in focus, away from 'exclusions' only, towards 'lost learning' in all its forms, using its model of an 'exclusions continuum'. It has a clear vision, for exclusions to fall, nationally, by 2030, and has set out three clear organisational objectives in order to meet this goal. The KMSF Trustees are very happy to have been able to support The Difference throughout its first phase, including with £25,000 of unrestricted funding in January 2024. However, as The Difference moves to an exciting new stage in its evolution, the Trustees have decided the time is right for KMSF to step back from the partnership in 2025.

Medical Justice

Medical Justice sends volunteer clinicians to visit people held in immigration detention, to document scars of torture, assess deterioration in health, and challenge medical mistreatment. The charity uses medical evidence to secure lasting change through research, policy work, and strategic litigation, working with parliamentarians and the media. It is critical work, not carried out by any other NGO, and entirely aligned with KMSF's mission.

In 2024, KMSF gave Medical Justice Year-three unrestricted funding of £25,000, completing the multi-year funding agreement signed in 2022. The Trustees have agreed to consider the potential renewal of funding in 2025.

Young Roots

Young Roots is a London-based charity working with young refugees and asylum seekers aged 11-25, most of whom are alone in the UK without their families. They support young people to improve their wellbeing and fulfil their potential, through intensive one-to-one casework, youth and sporting activities, English language mentoring, youth leadership and access to specialist therapeutic and legal advice.

In 2024 KMSF fulfilled Year-three of its three-year commitment to meet 50% of the costs for the role of Policy and Advocacy Director (£30,000); a co-funding initiative with Treebeard Trust, who are meeting the other 50%. It has been a huge pleasure for the Trustees to see the impact that the introduction of this role has had for Young Roots, enabling it to be more ambitious with its 2024-27 strategy, and establishing itself as a voice of expertise within the refugee and asylum-seekers sector, including on the important issue of disputed age assessments. The Trustees have agreed to consider the potential renewal of funding in 2025.

Respect

Respect is a UK charity that wants to put an end to domestic abuse. It is a membership body, established to focus on working with perpetrators, including young people who cause harm. In 2023, it launched a new, five-year strategy, the first priority of which was to establish a 'Centre for Excellence', bringing together practice and research evidence and expertise to create a stepchange in understanding what works to end the perpetration of domestic abuse. The KMSF Trustees were very interested in the transformative potential of such a flagship

project; however, meetings with Respect's CEO and Deputy CEO established that in fact, it was not yet at a stage where credible applications for funding could be made. In November 2024, therefore, KMSF joined with Treebeard Trust to both suggest and co fund phase one development for the project, with both organisations providing £12,669 to enable Respect to produce a solid, fundable proposition and roadmap. This work should be completed by the end of March 2025, at which point the Trustees hope to be able to make a decision regarding further funding, based on what has been produced.

PLANS FOR FUTURE PERIODS:

In **2025** the Charity's key aims and objectives, and planned activities are:

-To continue to add as much value as possible to the charities it funds outside of its financial commitment, and to ensure the work of the consultant is effectively directed at this aim.

-To develop its understanding of the Trusts and Foundations sector more widely and deeply, through conversations with both funders and the recipients of funding. To learn from excellent practice, and highlight where practice could be improved wherever possible.

-To continue to build partnerships and strong relationships with other funders, co-operating where possible to promote more equitable, inclusive, and impactful models of funding.

-To continue to seek out, with a view to the longer term, the best ideas and highest quality innovative research, pilots and other projects, in order to find new solutions to complex problems and multiple disadvantage, and to drive long term change for those with traumatic pasts and uncertain futures. This will include looking into opportunities for transformative funding within the family courts sector.

FINANCIAL REVIEW AND RELEVANT POLICIES:

KMSF is the beneficiary of a private family foundation, and also holds its own investment portfolio. In September 2023, the portfolio was transferred from Brooks Macdonald to Cazenove Capital, where it is now managed under their Charity Sustainable Multi Asset Fund

("CSMAF").

The CSMAF targets an annualised return of CPI inflation plus 4% over rolling ten year periods; and has a Responsible Investment policy aligned to the Charity's own investment policy, common charity concerns, and the UN Sustainable Development Goals. The Trustees feel that this mandate best meets both their financial needs, and their values.

KMSF does not raise funds from the public or other bodies.

The Trustees have a written Investment Policy Statement for the Charity, which was last reviewed by them in December 2023, in consultation with the new Investment Manager. Quarterly meetings with the Investment Manager include a standing review of the Charity's investment requirements, to ensure the portfolio remains aligned.

The Trustees have continued to monitor global markets and portfolio performance closely with their Investment Manager over the course of the year, meeting and receiving reports quarterly. Performance in 2024 has been strong, and the portfolio ended the Year 2024 up 7.9%.

In 2024, KMSF covered £67,699 of costs (funding commitments and running costs) from its own portfolio, with the balance met by a distribution of £100,000 from the family foundation.

Having monitored a full year of activity including the employment of a freelance member for the first time, the Trustees remain confident that a reserve policy requiring an amount of £30,000 (excluding investments held to support longer term grant-making activities) continues to be appropriate for the Charity's needs. At 31st December 2024, the Charity's funds were £1.193 million; as in previous years, this is significantly higher than the reserve policy, with the major part being invested to support longer-term grant making activities.

The Charity's grant-making policy is being constantly developed and is outlined in the Objectives and Activities section of this Report. However, in summary, the Charity does not accept any unsolicited applications for grants; it aims to support projects that are transformative and not merely palliative; it aims to support innovation, early intervention work, pilots and research; it strives to build pro-active partnerships with charities and with other funders to maximise grant impact; it has a multi-year grant strategy.

Principal risks and uncertainties

The Trustees confirm that they have reviewed the major risks to which the Charity is exposed, as identified by them, and procedures have been established to manage those risks. In summary, the Trustees see the key risks to the Charity as being loss of investment capital due to a challenging investment environment, which they mitigate against by meeting with the investment manager quarterly and to receive reports, and by a wide diversification of assets; a safeguarding or other major incident at one or more of the charities to which the Charity gives grants, which the Trustees mitigate against by thorough due diligence on the policies and procedures of all grantee charities; and finally, a leadership issue caused by the loss or incapacity of the current Chair, which the Trustees have already begun to mitigate against by employing a freelance support staff member to assist them with their charitable activities and the day to day running and administration of the Charity, and whose role they could look to increase in such a case, or indeed take them, or another, on as a permanent member of staff in such an eventuality. Risks are reviewed at least annually by the Trustees.

REFERENCE AND ADMINISTRATIVE DETAILS:

Registered Office:
Third Floor
95 The Promenade
Cheltenham
Gloucestershire, GL50 1HH

Banking:
NatWest
48 Blue Boar Row
Salisbury
Wiltshire, SP1 1DF

Investment Management:
Cazenove Capital
1 London Wall Place,
London, EC2Y 5AU

Legal and Accounting:
Wiggin Osborne Fullerlove
95 The Promenade
Cheltenham
Gloucestershire, GL50 1HH

Independent Examiner:
Buzzacott LLP
130 Wood Street
London, EC2V 6DL

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS:

The trustees (who are also directors of The Kurt and Magda Stern Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the accounts on a going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

For the year ending 31st December 2024, the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The Members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476. However, to comply with charity law, the Company has appointed an independent examiner and their report, in accordance with Charity Commission guidelines, is included at page 15.

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies, subject to the small companies' regime.

Approved by the Directors (who are also) the Trustees on 31st March 2025, and signed on their behalf by:



Sarah Tamsin Hoare
Chair of the Board of Trustees

Independent Examiner's report to the members of The Kurt and Magda Stern Foundation

I report to the charity trustees on my examination of the financial statements of The Kurt and Magda Stern Foundation (the charitable company) for the year ended 31 December 2024.

Responsibilities and basis of report

As the trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act'). Having satisfied myself that the financial statements of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's financial statements as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with my examination giving me cause to believe:

- accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- the financial statements have not been prepared in accordance with the methods and principles of the for "Accounting and Reporting by Charities: the 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)".

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

1 April 2025
Edward Finch
For and on behalf of
Buzzacott LLP
Chartered Accountants
130 Wood Street
London EC2V 6DL

The Kurt and Magda Stern Foundation
(A company limited by guarantee)

Statement of Financial Activities (including income and expenditure account)
For the year to 31 December 2024

	Note	Unrestricted funds 2024 £	Unrestricted funds 2023 £
INCOME FROM:			
Donations		100,000	160,000
Investment income		52,639	32,789
Bank interest		116	1,490
TOTAL INCOME	3	152,755	194,279
EXPENDITURE ON:			
Raising funds		3,873	8,758
Charitable activities	4	218,840	176,334
TOTAL EXPENDITURE		222,713	185,092
NET (EXPENDITURE)/INCOME BEFORE INVESTMENT GAINS		(69,958)	9,187
Investment gain		53,948	44,246
NET (EXPENDITURE)/INCOME AFTER INVESTMENT GAINS AND NET MOVEMENT IN FUNDS		(16,010)	53,433
RECONCILIATION OF FUNDS			
Total funds brought forward		1,208,915	1,155,482
TOTAL FUNDS CARRIED FORWARD		**1,192,905**	**1,208,915**

The Kurt and Magda Stern Foundation
(A company limited by guarantee)

Balance Sheet as at 31 December 2024

	Note	2024 £	2023 £
FIXED ASSETS			
Investments	5	1,329,684	1,294,153
CURRENT ASSETS			
Cash		18,667	21,930
CREDITORS: amounts falling due within one year	6	(155,446)	(107,168)
NET CURRENT LIABILITIES		(136,779)	(85,238)
NET ASSETS		**1,192,905**	**1,208,915**
TOTAL CHARITY FUNDS			
Unrestricted		1,192,905	1,208,915
TOTAL FUNDS		**1,192,905**	**1,208,915**

The notes on pages 18 to 22 form part of these financial statements.

For the year ending 31st December 2024, the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The Members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476. The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to companies, subject to the small companies' regime.

Approved by the Directors who are also the Trustees on 31st March 2025, and signed on their behalf by Sarah Tamsin Hoare, Chair of the Board of Trustees



Notes to the financial statements

1. Accounting Policies

(a) Basis of preparation, assessment of going concern, and other significant judgements and estimates

These financial statements have been prepared for the year to 31 December 2024 and are presented in sterling and are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006. The Charity constitutes as a public benefit entity as defined by FRS 102.

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. The Trustees consider that there are no significant areas of judgement and key assumptions that affect items in the accounts.

(b) Fund structure

KMSF is the beneficiary of a private family foundation, and does not raise funds from the public or other bodies. In the past, KMSF has also received ad hoc additional donations from individual family members, and in 2017 from a family trust.

(c) Income recognition

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that those conditions will be fulfilled in the reporting period. Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has

1.Accounting policies [continued]

communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

(d) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

(e) Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

(f) Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised and valued at historical cost. Depreciation is charged on furniture and equipment on a straight-line basis over their estimated useful life of six years from the year of acquisition.

(g) Investment assets and realised gains and losses

Listed investments are a form of basic financial instrument and are initially recognised as at cost, and subsequently measured at fair value at the balance sheet date (using the closing quoted market price). 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 their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

2. Related party transactions and Trustees' expenses and remuneration

The Trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind. Expenses paid to the Trustees in 2024 totalled £0 (2023: £0).

3. Analysis of income

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Brooks Macdonald portfolio income	-	21,941
Cazenove portfolio income	52,755	12,338
Income as beneficiary: From private family foundation	100,000	160,000
Total income	**152,755**	194,279

4. Analysis of expenditure on charitable activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Grants made:		
The Difference	25,000	25,000
Respect	12,669	-
Young Roots	100	10,000
The Hampton Trust	150,000	98,000
Medical Justice	-	10,000
Sub-total: Grants made	187,769	143,000
Professional development fees	802	374
Consultant's fees	21,050	11,550
Consultant's expenses	410	20
Administration fees	952	-
Independent Examiner's fee	2,760	2,740
Accountant and Company Secretary fees	4,845	4,194
Other professional fees	252	14,456
Sub-total: support costs	31,071	33,334
Total expenditure	**218,840**	176,334

5. Investment Portfolio

During 2018 a listed investment portfolio was opened with Brooks Macdonald and was funded with an initial transfer of £1,300,000. The portfolio was since transferred to Cazenove and has holdings in a Charity Multi asset fund along with a Global liquidity Fund. Movements in the portfolio during 2024 were as follows:

	£
Market Value at 1 January 2024	1,294,153
Additions at cost	49,583
Disposal proceeds	(68,000)
Realised gains	2,947
Unrealised gain	51,001
Market value at 31 December 2024	**1,329,684**
Historic cost at 31 December 2024	**1,238,884**

Listed investments at 31 December 2024 comprised the following:

	£
Multi Asset Funds	1,284,684
Cash funds	45,000
	1,329,684

6. Analysis of creditors (amounts falling due within one year)

	2024	2023
	£	£
Examiners fees	2,500	2,500
Accounting fees	2,500	2,500
Administration expenses	383	338
Travel	63	-
Professional fees	-	1,830
Grants payable	150,000	100,000
Total creditors	**155,446**	107,168

THE KURT AND MAGDA STERN FOUNDATION

England & Wales - Charity number 1168201

Accounts

THE
KURT AND MAGDA STERN
FOUNDATION

ANNUAL REPORT
AND
UNAUDITED ACCOUNTS
Year ended 31st December 2023

Registered Charity Number: 1168201

Limited Company Number: 09929204

Registered Office:

Third Floor
95 The Promenade
Cheltenham
Gloucestershire
GL50 1HH

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The Kurt and Magda Stern Foundation
Registered Charity No England: 1168201
Limited Company No: 09929204

TRUSTEES' REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2023:

TRUSTEES:

Tamsin Hoare (Chair)
Helen Mulley (Retired, 19th June 2023)
Susan Walker
Emma Delpech (Appointed, 25th October 2023)

STRUCTURE, GOVERNANCE AND MANAGEMENT:

The Kurt and Magda Stern Foundation ("the Charity" or "KMSF") is a company limited by guarantee with no share capital, which was incorporated on 24th December 2015, and registered as a charity on 13th July 2016. The company was established under a Memorandum of Association which established the objects and powers of the charitable company, and is governed under its Articles of Association. The Directors of the company are the Charity Trustees.

The first (and currently sole) Member of the Charity is Tamsin Hoare (who is also a Trustee). No individual or organisation can become a Member unless their application is approved by the Trustees, and in writing or by Resolution of the current Member or Members.

The minimum number of Trustees is two. The Trustees may at any time co-opt any individual who is qualified to be appointed as a Trustee to fill a vacancy in their number or as an additional Trustee, but a co-opted Trustee holds office only for one year.

There have been two changes to the Board this year, with one resignation, and one appointment by Ordinary Resolution, in accordance with section 12.4 of the Articles.

The Charity does not currently have a formal policy or defined procedure for the induction of new Trustees. However, all Trustees are expected to be conversant with, and hold copies of the Charity's Memorandum and Articles, Annual Reports, Investment Policy Statement, and other core documents. The Trustees will review the need for a more formal policy and induction process if and when further Trustees are recruited over time.

The Trustees must hold at least two meetings a year, and in 2023 have met quarterly. Decisions on aims, objectives, strategy, finances and grant-making have been discussed and made at these meetings.

Having temporarily stepped down as Chair in December 2022 due to ill health, Tamsin Hoare

took the role back up again for the March 2023 meeting and thereafter.

However, at the March meeting, Tamsin Hoare also reported her conclusion that continuing to give three days a week of her time to the Charity was no longer sustainable, and that more administrative support would therefore be required. With no executive staff, as well as chairing the Board, Tamsin Hoare had to date, effectively taken on an unpaid executive function, spending approximately three days a week administering the Charity, and researching, identifying and building relationships with grantees and other funders. While this has worked well over the years, the Trustees have previously identified, as part of their risk planning, that a key risk to the Charity would be if Tamsin Hoare were no longer able to take on most of the executive function of the Charity. This has been highlighted as a principal risk in previous Annual Reporting.

During 2022, the Trustees therefore undertook a broader governance review, and continued to look closely at whether, while there would be a financial cost to the Charity in employing a staff member, it would nevertheless be in the best interests of the Charity to have someone in a paid role. After conducting a cost/benefit analysis, and taking legal advice, in 2023 the Trustees concluded that the interests of the Charity would best be served by using the services of a freelancer in a consultancy role for one to three days a week, rather than by employing a permanent staff member. This would be less onerous and more flexible than setting up the charity as an employer, providing extra resource when and where needed, and avoiding too many extra legal and administrative costs.

The Trustees gave thorough consideration to the job and person specification for the new role, and drew up a detailed and comprehensive Schedule of Services to form part of a Consultancy Agreement. More broadly, it was agreed that a suitable consultant should have direct experience of the work of a charitable foundation, as well as an understanding of the foundation sector as a whole, and, given KMSF's focus on relationships-building, excellent communications skills. Prior to the appointment, the Trustees took advice from their legal team on the recruitment, drawing up of the agreement, and all matters of compliance concerning Company and Charity law and guidance.

The role of the freelancer will continue to evolve, but it is expected that they will be involved in expanding and increasing the impact of the Charity over the coming years, for the public benefit, giving the Charity a scope and impact beyond what had been achievable under the previous governance arrangements.

Promenade Secretaries Limited (04934899) remains as the Charity's Company Secretary.

Key Management Personnel
The Trustees alone comprise the key management personnel, responsible for controlling and directing the Charity. All the Trustees give their time voluntarily and receive no benefit from the Charity.

Public Benefit
The Trustees confirm that they have complied with their duty in the Charities Act 2011 regarding the Charity Commission's guidance on public benefit, and have taken this into account in their decision-making.

OBJECTIVES AND ACTIVITIES:

The Objects of the Charity are laid out in full in Section 3 of the Memorandum and Articles. In summary:

3.1 The Charity will, by way of grants, research, practical activities and support… pursue the following objects ('**the Objects**') for the public benefit:

3.1.1 the promotion of human rights.

3.1.2 to promote the resolution of, and to prevent, conflict between persons, groups or communities which arises, or may arise, from dispute or interpersonal conflict, particularly through the means of restorative practices and education.

3.1.3 the promotion of religious or racial harmony and equality or diversity by any means.

3.1.4. the advancement of education, in particular the support of formal education, training, mentoring, social education and initiatives for the development of individual capabilities and skills with a particular focus on early intervention restorative practices; including:

a) for those at risk of being, or who have been, excluded from mainstream education; and particularly early intervention strategies for those with behavioural difficulties putting them at risk of developing antisocial and criminal behaviour;

b) education initiatives which challenge and change destructive behaviour by giving the skills to understand the causes and consequences of conflict and violence; to deal constructively with

anger and frustration, to build empathy, and identify prejudice;

3.1.5. the relief of those in need by reason of, in particular, youth and financial hardship or other social or economic disadvantage and their families, carers and communities.

3.1.6. the advancement of health for the public benefit, in particular services to support individual mental health.

3.1.7. the promotion of the efficiency of the police service and the prevention of crime and care for victims of crime including by:

a) supporting initiatives for or with the police service to resolve disputes and prevent crime and reoffending by previous or first time offenders;

b) providing and supporting services for mediation and conciliation and reconciliation among persons involved in disputes or interpersonal conflicts which result from, or may lead to, acts of nuisance, antisocial behavior, racial or religious abuse or breaches of the peace or violence;

c) supporting and providing early intervention initiatives for the prevention of crime for individuals, and particularly those under 21, not currently in the criminal justice system, but at risk of becoming so, and their families; and

3.1.8. the prevention or relief of poverty; and

3.1.9 such other purposes which are charitable under the laws of England and Wales as the Trustees think fit provided that the Charity shall not engage in providing support for:

a) the advancement of animal welfare;

b) the advancement of religion;

c) amateur sport; or

d) the advancement of the arts or culture, heritage and science,

3.2 When considering the pursuance of the Objects, the Trustees shall consider the promotion of social justice and equality of opportunity.

The Charity also has powers granted by its Memorandum and Articles to undertake practical activities, however, the Charity's activities to date have been purely directed at grant-making, and the Trustees do not currently envisage any change to this strategy for at least three years.

The Charity does not accept any unsolicited applications for grants, and proactively seeks out charities and organisations with which it wishes to work.

Since 2018, the Trustees have sought to maximise the Charity's impact through supporting a relatively small number of projects at a time, with a commitment to offering multi-year funding where possible. This approach not only gives recipients an important level of security for their financial planning; it also enables deeper relationships to be formed. In 2023 therefore, KMSF provided funding for two longstanding partners - Hampton Trust and The Difference - and funded newer partners Young Roots and Medical Justice for a second year. In addition to this planned funding, and mindful of the pressure on core costs for many charities as a result of the so-called 'cost of living crisis' that has been emerging since mid-2020, the Trustees agreed to distribute a one-off, unrestricted inflationary payment to each of Hampton Trust, Young Roots and Medical Justice in January 2023.

In 2023, the Trustees' experience of meeting with and hearing from a wide range of charities across various sectors, and seeing time and time again just how interconnected the root causes of inequality are, also enabled them to clarify further the scope of KMSF's mission: **we are funders, working to transform lives and systems for those with traumatic pasts, and uncertain futures.**

Enabled by the new consultant, the Charity now has a website for the first time, going live in October 2023, which sets out this mission clearly, and greatly increases the transparency and accessibility of KMSF's work.

The Charity does not use volunteers to assist with its activities.

ACHIEVEMENTS AND PERFORMANCE:

The Hampton Trust

Hampton Trust continues to lead the way in tackling the root causes of domestic abuse and criminal behaviour, and KMSF has funded this highly effective and impactful charity since 2017. Hampton Trust's innovative, scaleable programmes work directly with perpetrators of abuse, as well as with females in or on the edges of the criminal justice system; and also

provide transformative training for frontline professionals. In 2023, KMSF renewed its funding offer to Hampton Trust, committing to covering the salary of its Development Manager for a further two years. In January 2023, KMSF gave Hampton Trust total funding of £53,000 - £43,000 to cover Year-one of this salary, and a further £10,000 as an unrestricted amount to cover increased inflationary related costs. It is worth noting that, in November 2023, CEO Chantal Hughes further reported an increasing difficulty in securing core funding. In response to this, the Trustees offered to derestrict the second year of KMSF's commitment due in 2024, should that be more appropriate for the charity's needs.

The Difference

The Difference was founded in 2017 to "improve the life-outcomes of the most vulnerable children by raising the status and expertise of those who educate them". In 2023, KMSF gave £25,000 of unrestricted funding to The Difference, to continue supporting this work. Towards the end of the year, CEO Kiran Gill shared that 2024 and beyond will see a significant evolution of The Difference's overarching strategy; broadening the scope of its activities with the stated aim for "exclusions to fall, nationally, by 2030". In order to achieve this goal, the charity plans to build on the learning and experience it has already developed, creating strong partnerships with selected schools and using their data to build a strongly evidenced picture of inclusive good practice that can be used to influence policy making and ultimately, to effect real systemic change.

As well as the £25,000 of direct unrestricted funding, KMSF also provided £1,275 of funding in kind for media and comms support, paying for their consultant's time to support The Difference in the delivery of their IncludED conference at UCL's Institute of Education.

Medical Justice

Medical Justice sends volunteer clinicians to visit people held in immigration detention, to document scars of torture, assess deterioration in health, and challenge medical mistreatment. The charity uses medical evidence to secure lasting change through research, policy work, and strategic litigation, working with parliamentarians and the media. September 2023 saw the publication of the final report from the Brook House Inquiry, to which Medical Justice had made a significant contribution. The learnings and recommendations from this report, along with the impact of the Illegal Migration Bill, which became law in July 2023, will continue hugely to inform and direct Medical Justice's work over the coming years.

In accordance with the three-year funding agreement signed in 2022, in 2023 KMSF gave Medical Justice Year-two unrestricted funding of £25,000; as well as a further £10,000 as an unrestricted amount to cover increased inflationary related costs.

Young Roots

Young Roots is a London-based charity working with young refugees and asylum seekers aged 11-25, most of whom are alone in the UK without their families. They support young people to improve their wellbeing and fulfil their potential, through intensive one-to-one casework, youth and sporting activities, English language mentoring, youth leadership and access to specialist therapeutic and legal advice.

In 2023 KMSF fulfilled Year-two of its three-year commitment to meet 50% of the costs for the role of Policy and Advocacy Director (£30,000); a co-funding initiative with Treebeard Trust, who are meeting the other 50%. The introduction of this role has already made a huge impact for Young Roots, enabling it to strategise around influencing and policy work whilst maintaining and building on its crucial support for vulnerable young people at the point of need.

In January 2023, KMSF also gave Young Roots a further £10,000 as an unrestricted amount to cover increased inflationary related costs.

PLANS FOR FUTURE PERIODS:

In **2024** the Charity's key aims and objectives, and planned activities are:

-To continue to add as much value as possible to the charities it funds outside of its financial commitment, and to ensure the work of the consultant is effectively directed at this aim.

-To develop the role and services of the consultant to increase the scope and impact of KMSF's work.

-To work towards the recruitment of up to two new trustees, with a particular focus on broadening the Board's range of experience, and further increasing the resilience of the Charity.

-To continue to build partnerships and strong relationships with other funders, co-operating where possible to promote more equitable, inclusive, and impactful models of funding.

-To continue to seek out, with a view to the longer term, the best ideas and highest quality innovative research, pilots and other projects, in order to find new solutions to complex problems and multiple disadvantage, and to drive long term change for those with traumatic pasts and uncertain futures.

FINANCIAL REVIEW AND RELEVANT POLICIES:

KMSF is the beneficiary of a private family foundation, and also holds its own investment portfolio. Since inception, the portfolio has been held with Brooks Macdonald; however, following a Resolution passed by the Trustees earlier in the year, in September 2023 the portfolio was transferred to Cazenove Capital, where it is now managed under their Charity Sustainable Multi Asset Fund ("CSMAF").

The CSMAF targets an annualised return of CPI inflation plus 4% over rolling ten year periods; and has a Responsible Investment policy aligned to the Charity's own investment policy, common charity concerns, and the UN Sustainable Development Goals. After careful consideration, including review of the Charity Commission's new CC14 guidance, the Trustees considered that moving forward, this mandate best met both their financial needs, and their values.

KMSF does not raise funds from the public or other bodies.

The Trustees have a written Investment Policy Statement for the Charity, which was last reviewed by them in December 2023, in consultation with the new Investment Manager.

The Trustees have continued to monitor global markets and portfolio performance closely with both Investment Managers over the course of the year, meeting and receiving reports quarterly. Performance continued poorly at the beginning of the year, due to turbulence in the markets, and negatively affected by, amongst other things, the continued sharp increase in inflation, and the rise in interest rates adversely affecting the bond market. Additionally, under their responsible investment strategy, the portfolio did not benefit from significant gains in the oil and gas markets. Overall however, and in the longer term, the Trustees still believe this strategy to be best aligned with the values of the Charity, and that returns are likely to pick up in future years as markets stabilise. Indeed, the markets rallied well at the end of the year, and the portfolio ended the Year 2023 up 7.67%, but down 0.45% since inception.

In 2023, the Trustees took £30,000 from the investment portfolio in order to meet their funding commitments, with the balance met by two distributions totalling £160,000 from the family foundation.

The Trustees have a reserves policy, and with increased costs in employing a freelance staff member and some increases of overheads, consider that an amount of £30,000 (excluding investments held to support longer term grant-making activities) is adequate to cover any unforeseen costs, and should be held in reserve going forward. At 31st December 2023, the Charity's funds were at approximately £1.2 million, which is significantly greater than the

reserve requirement. However, as noted above, the Charity continues to invest the major part of this, to be used to support the Charity's longer term grant-making activities.

The Charity's grant-making policy is being constantly developed and is outlined in the Objectives and Activities section of this Report. However, in summary, the Charity does not accept any unsolicited applications for grants; it aims to support projects that are transformative and not merely palliative; it aims to support innovation, early intervention work, pilots and research; it strives to build pro-active partnerships with charities and with other funders to maximise grant impact; it has a multi-year grant strategy.

Principal risks and uncertainties

The Trustees confirm that they have reviewed the major risks to which the Charity is exposed, as identified by them, and procedures have been established to manage those risks. In summary, the Trustees see the key risks to the Charity as being loss of investment capital due to a challenging investment environment, which they mitigate against by meeting with the investment manager quarterly and to receive reports, and by a wide diversification of assets; a safeguarding or other major incident at one or more of the charities to which the Charity gives grants, which the Trustees mitigate against by thorough due diligence on the policies and procedures of all grantee charities; and finally, a leadership issue caused by the loss or incapacity of the current Chair, which the Trustees have already begun to mitigate against by employing a freelance support staff member to assist them with their charitable activities and the day to day running and administration of the Charity, and whose role they could look to increase in such a case, or indeed take them, or another, on as a permanent member of staff in such an eventuality. Risks are reviewed at least annually by the Trustees.

REFERENCE AND ADMINISTRATIVE DETAILS:

Registered Office:
Third Floor
95 The Promenade
Cheltenham
Gloucestershire, GL50 1HH

Banking:
NatWest
48 Blue Boar Row
Salisbury
Wiltshire, SP1 1DF

Investment Management:
Brooks Macdonald
21 Lombard St
Candlewick
London, EC3V 9AH

Cazenove Capital
1 London Wall Place,
London, EC2Y 5AU

Legal and Accounting:
Wiggin Osborne Fullerlove
95 The Promenade
Cheltenham
Gloucestershire, GL50 1HH

Independent Examiner:
Buzzacott LLP
130 Wood Street
London, EC2V 6DL

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS:

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Charity Trustees are responsible for preparing a Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England and Wales requires the Charity Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the Charity, and of the income and expenditure of the Charity, for that period. In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Companies Act 2006, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the governing documents. They are also responsible for safeguarding the assets of the Charity and taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website (if applicable) in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

For the year ending 31st December 2023, the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The Members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476. However, to comply with charity law, the Company has appointed an independent examiner and their report, in accordance with Charity Commission guidelines, is included at page 15.

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies, subject to the small companies' regime.

Approved by the Directors (who are also) the Trustees on 27th March 2024, and signed on their behalf by:



Sarah Tamsin Hoare
Chair of the Board of Trustees

Independent Examiner's report to the members of The Kurt and Magda Stern Foundation

I report to the charity trustees on my examination of the financial statements of The Kurt and Magda Stern Foundation (the charitable company) for the year ended 31 December 2023.

Responsibilities and basis of report

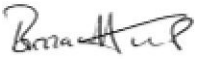
As the trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act'). Having satisfied myself that the financial statements of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's financial statements as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with my examination giving me cause to believe:

- accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- the financial statements have not been prepared in accordance with the methods and principles of the for "Accounting and Reporting by Charities: the 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)".

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



3 April 2024
Edward Finch
For and on behalf of
Buzzacott LLP
Chartered Accountants
130 Wood Street
London EC2V 6DL

The Kurt and Magda Stern Foundation
(A company limited by guarantee)

Statement of Financial Activities (including income and expenditure account)
For the year to 31 December 2023

	Note	Unrestricted funds 2023 £	Unrestricted funds 2022 £
INCOME FROM:			
Donations		160,000	100,000
Investment income		32,789	30,173
Bank interest		1,490	-
TOTAL INCOME	3	194,279	130,173
EXPENDITURE ON:			
Raising funds		8,758	10,049
Charitable activities	4	176,334	220,766
TOTAL EXPENDITURE		185,092	230,815
NET INCOME /(EXPENDITURE) BEFORE INVESTMENT GAINS		9,187	(100,642)
Investment gain/(loss)		44,246	(226,919)
NET INCOME (EXPENDITURE) AFTER INVESTMENT GAINS AND NET MOVEMENT IN FUNDS		53,433	(327,561)
RECONCILIATION OF FUNDS			
Total funds brought forward		1,155,482	1,483,043
TOTAL FUNDS CARRIED FORWARD		**1,208,915**	**1,155,482**

The Kurt and Magda Stern Foundation
(A company limited by guarantee)

Balance Sheet as at 31 December 2023

	Note	2023 £	2022 £
FIXED ASSETS			
Investments	5	1,294,153	1,201,989
CURRENT ASSETS			
Cash		21,930	68,233
CREDITORS: amounts falling due within one year	6	(107,168)	(114,740)
NET CURRENT LIABILITIES		(85,238)	(46,507)
NET ASSETS		**1,208,915**	**1,155,482**
TOTAL CHARITY FUNDS			
Unrestricted		1,208,915	1,155,482
TOTAL FUNDS		**1,208,915**	**1,155,482**

The notes on pages 18 to 22 form part of these financial statements.

For the year ending 31st December 2023, the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The Members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476. The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to companies, subject to the small companies' regime.

Approved by the Directors who are also the Trustees on 27th March 2024, and signed on their behalf by:

Sarah Tamsin Hoare, Chair of the Board of Trustees

Notes to the financial statements

1. Accounting Policies

(a) Basis of preparation, assessment of going concern, and other significant judgements and estimates

These financial statements have been prepared for the year to 31 December 2023 and are presented in sterling and are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006. The Charity constitutes as a public benefit entity as defined by FRS 102.

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. The Trustees consider that there are no significant areas of judgement and key assumptions that affect items in the accounts.

(b) Fund structure

KMSF is the beneficiary of a private family foundation, and does not raise funds from the public or other bodies. In the past, KMSF has also received ad hoc additional donations from individual family members, and in 2017 from a family trust.

(c) Income recognition

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that those conditions will be fulfilled in the reporting period. Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is

1.Accounting policies [continued]

in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

(d) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

(e) Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

(f) Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised and valued at historical cost. Depreciation is charged on furniture and equipment on a straight-line basis over their estimated useful life of six years from the year of acquisition.

(g) Investment assets and realised gains and losses

Listed investments are a form of basic financial instrument and are initially recognised as at cost, and subsequently measured at fair value at the balance sheet date (using the closing quoted market price). 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 their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

2. Related party transactions and Trustees' expenses and remuneration

The Trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind. Expenses paid to the Trustees in 2023 totalled £0 (2022: £0).

3. Analysis of income

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Brooks Macdonald portfolio income	21,941	30,173
Cazenove portfolio income	12,338	-
Income as beneficiary: From private family foundation	160,000	100,000
Total income	**194,279**	130,173

4. Analysis of expenditure on charitable activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Grants made:		
The Hampton Trust	98,000	-
The Difference	25,000	50,000
Medical Justice	10,000	75,000
Young Roots	10,000	90,000
Sub-total: Grants made	143,000	215,000
Professional development fees	374	447
Telecommunication costs	123	123
Independent Examiner's fee	2,740	2,340
Administration and accounting fees	4,071	2,614
Other professional fees	26,026	242
Sub-total: support costs	33,334	5,766
Total expenditure	**176,334**	220,766

5. Investment Portfolio

During 2018 a listed investment portfolio was opened with Brooks Macdonald and was funded with an initial transfer of £1,300,000. The portfolio holds a balance of equities, fixed interest investments and funds across a range of countries. Movements in the portfolio during 2023 were as follows:

	£
Market Value at 1 January 2023	1,201,989
Additions at cost	1,455,662
Disposal proceeds	(1,407,744)
Realised gains	107,971
Unrealised loss	(63,725)
Market value at 31 December 2023	**1,294,153**
Historic cost at 31 December 2023	**1,254,422**

Listed investments at 31 December 2023 comprised the following:

	£
Multi Asset Funds	1,224,153
Cash funds	70,000
	1,294,153

6. Analysis of creditors (amounts falling due within one year)

	2023	2022
	£	£
Examiners fees	2,500	2,340
Accounting fees	2,500	2,400
Administration expenses	338	-
Professional fees	1,830	-
Grants payable	100,000	110,000
Total creditors	**107,168**	114,740

THE KURT AND MAGDA STERN FOUNDATION

England & Wales - Charity number 1168201

Accounts

THE
KURT AND MAGDA STERN
FOUNDATION

ANNUAL REPORT
AND
UNAUDITED ACCOUNTS
Year ended 31st December 2022

Registered Charity Number: 1168201

Limited Company Number: 09929204

Registered Office:

Third Floor
95 The Promenade
Cheltenham
Gloucestershire
GL50 1HH

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2022:

TRUSTEES:

Tamsin Hoare (Chair)
Helen Mulley
Susan Walker

STRUCTURE, GOVERNANCE AND MANAGEMENT:

The Kurt and Magda Stern Foundation ("the Charity" or "KMSF") is a company limited by guarantee with no share capital, which was incorporated on 24th December 2015, and registered as a charity on 13th July 2016. The company was established under a Memorandum of Association which established the objects and powers of the charitable company, and is governed under its Articles of Association. The Directors of the company are the Charity Trustees, and the 'first Trustees' as notified to Companies House, and as defined in Section 12.3 of the Articles, are Tamsin Hoare, Helen Mulley and Susan Walker, who were all appointed on 24th December 2015. There is no maximum term of office for the first Trustees.

The first (and currently sole) Member of the Charity is Tamsin Hoare (who is also a Trustee). No individual or organisation can become a Member unless their application is approved by the Trustees, and in writing or by Resolution of the current Member or Members.

The minimum number of Trustees is two. The Trustees may at any time co-opt any individual who is qualified to be appointed as a Trustee to fill a vacancy in their number or as an additional Trustee, but a co-opted Trustee holds office only for one year.

Due to the small number of Trustees, the Charity does not consider it necessary to have a policy or defined procedure for the induction of new Trustees. However, all Trustees are expected to be conversant with, and hold copies of the Charity's Memorandum and Articles, Annual Reports, Investment Policy Statement, and other core documents. The Trustees will review the need for a more formal policy and induction process if and when further Trustees are recruited over time.

The Trustees must hold at least two meetings a year, and in 2022 have met five times, three times in person, twice virtually. Decisions on aims, objectives, strategy, finances and grant-making have been discussed and made at these meetings.

Tamsin Hoare temporarily stepped down as Chair in December 2022, and is expected back in March 2023. The Trustees made comprehensive arrangements for her planned absence,

and Helen Mulley stood in as interim Chair for the December trustee meeting.

During 2022, the Trustees also undertook a broader governance review, looking in particular at whether it might be beneficial to recruit a CEO to assist them and take on the day to day running of the Charity. This is still under discussion. It was also decided, that there might be some benefit in expanding the Trustee Board in coming years.

Promenade Secretaries Limited (04934899) remains as the Charity's Company Secretary.

Key Management Personnel
The Trustees alone comprise the key management personnel, responsible for controlling and directing the Charity. All the Trustees give their time voluntarily and receive no benefit from the Charity.

Public Benefit
The Trustees confirm that they have complied with their duty in the Charities Act 2011 regarding the Charity Commission's guidance on public benefit, and have taken this into account in their decision-making.

OBJECTIVES AND ACTIVITIES:

The Objects of the Charity are laid out in full in Section 3 of the Memorandum and Articles. In summary:

3.1 The Charity will, by way of grants, research, practical activities and support... pursue the following objects ('**the Objects**') for the public benefit:

3.1.1 the promotion of human rights.

3.1.2 to promote the resolution of, and to prevent, conflict between persons, groups or communities which arises, or may arise, from dispute or interpersonal conflict, particularly through the means of restorative practices and education.

3.1.3 the promotion of religious or racial harmony and equality or diversity by any means.

3.1.4. the advancement of education, in particular the support of formal education, training, mentoring, social education and initiatives for the development of individual capabilities and skills with a particular focus on early intervention restorative practices; including:

a) for those at risk of being, or who have been, excluded from mainstream education; and particularly early intervention strategies for those with behavioural difficulties putting them at risk of developing antisocial and criminal behaviour;

b) education initiatives which challenge and change destructive behaviour by giving the skills to understand the causes and consequences of conflict and violence; to deal constructively with anger and frustration, to build empathy, and identify prejudice;

3.1.5. the relief of those in need by reason of, in particular, youth and financial hardship or other social or economic disadvantage and their families, carers and communities.

3.1.6. the advancement of health for the public benefit, in particular services to support individual mental health.

3.1.7. the promotion of the efficiency of the police service and the prevention of crime and care for victims of crime including by:

a) supporting initiatives for or with the police service to resolve disputes and prevent crime and reoffending by previous or first time offenders;

b) providing and supporting services for mediation and conciliation and reconciliation among persons involved in disputes or interpersonal conflicts which result from, or may lead to, acts of nuisance, antisocial behavior, racial or religious abuse or breaches of the peace or violence;

c) supporting and providing early intervention initiatives for the prevention of crime for individuals, and particularly those under 21, not currently in the criminal justice system, but at risk of becoming so, and their families; and

3.1.8. the prevention or relief of poverty; and

3.1.9 such other purposes which are charitable under the laws of England and Wales as the Trustees think fit provided that the Charity shall not engage in providing support for:

a) the advancement of animal welfare;

b) the advancement of religion;

c) amateur sport; or

d) the advancement of the arts or culture, heritage and science,

3.2 When considering the pursuance of the Objects, the Trustees shall consider the promotion of social justice and equality of opportunity.

The Charity also has powers granted by its Memorandum and Articles to undertake practical activities, however, the Charity's activities to date have been purely directed at grant-making, and the Trustees do not currently envisage any change to this strategy for at least three years.

The Charity does not accept any unsolicited applications for grants, and proactively seeks out charities and organisations with which it wishes to work.

In 2018, the Trustees decided that they felt the Charity would have most impact by supporting fewer projects in larger amounts than they had previously, and building relationships over a number of years.

This policy continues, and in 2022 KMSF provided funding for longstanding partners, The Hampton Trust, The Difference and Leap. In addition, it was agreed that the Trustees would research potential new partners, with a focus on charities working in the refugee and asylum sector, where the Trustees saw increasing need, alongside an increasingly hostile policy environment. The Trustees subsequently identified and agreed funding for two new partners in 2022, with a commitment to continue funding them across two further years in 2023 and 2024. These charities were Young Roots and Medical Justice.

In summary, in 2022 the Trustees began to move the Charity out of its pandemic/post-pandemic 'stabilisation' phase, which focussed solely on exisiting partners, and started to seek new partnerships again, to move forward in their objective to identify and back more ambitious and innovative charities, projects and ideas, that focus on real change of lives and systems.

The Charity does not use volunteers to assist with its activities.

ACHIEVEMENTS AND PERFORMANCE:

Leap Confronting Conflict

Leap is an award-winning national youth charity that provides inspirational conflict management programmes and support to young people and the professionals working with them. KMSF has built a close relationship with Leap over a number of years, partially funding their *Under our Roof* pilot, which after a successful 'proof of concept', moved out of its pilot phase to begin roll-out in 2021. This programme works with young people in care, and with their carers, in order to prevent placement breakdown, and to increase wellbeing.

In January 2022, the Trustees gave Leap £25,000 of funding, to help them continue to develop and deliver this work.

The Hampton Trust

KMSF continued a sixth year of funding for The Hampton Trust in 2022, providing £41,000 for the salary of the post of Development Manager. In 2022 the Development Manager role continued to enable The Hampton Trust to further the national reach of their programmes, and develop additional income streams, by replicating their programmes nationally through franchise and 'train the trainer' models, as well as by developing external comms.

The Difference

The Difference exists to improve the life chances of vulnerable children in mainstream schools, and of excluded children in Alternative Provision (AP). They do this by forming partnerships with mainstream schools to develop inclusive practice; and they also run a two year Difference Leaders Programme, developing teachers in AP settings and equipping them with skills to take back into the mainstream. They also research, and find patterns across schools which help and hinder outcomes for vulnerable learners, and then share these with policymakers and sector influencers.

In 2022, KMSF provided The Difference with £50,000 of funding to continue this work.

Medical Justice

Medical Justice send volunteer clinicians to visit people held in immigration detention, to document scars of torture, assess deterioration in health, and challenge medical mistreatment. They use medical evidence to secure lasting change through research, policy work, and strategic litigation, working with parliamentarians and the media.

In 2022, KMSF gave them unrestricted funding of £25,000, with a commitment to match this in 2023 and 2024.

Young Roots

Young Roots is a London-based charity working with young refugees and asylum seekers aged 11-25, most of whom are alone in the UK without their families. They support young people to improve their wellbeing and fulfil their potential, through intensive one-to-one casework, youth and sporting activities, English language mentoring, youth leadership and access to specialist therapeutic and legal advice.

In 2022 KMSF gave them funding of £30,000, restricted to meeting 50% of the costs for the creation of a new role of Policy and Advocacy Director. This was a co-funding initiative with Treebeard Trust, who met the other 50%. Both KMSF and Treebeard have made a commitment to match this funding in 2023 and 2024.

PLANS FOR FUTURE PERIODS:

In **2023** the Charity's key aims and objectives, and planned activities are:

-To look at how KMSF can help the charities it funds to meet the challenges they face with rising inflation and an increase in their costs.

-To add as much value as possible outside of its financial commitment.

-To continue to build partnerships and strong relationships with other funders.

-To continue to seek out, with a view to the longer term, the best ideas and highest quality innovative research, pilots and other projects, in order to find new solutions to complex problems and multiple disadvantage, and to drive long term change.

-To continue to look at recruiting a CEO and additional trustees, with a view to adding further strength and resilience to the Charity.

FINANCIAL REVIEW AND RELEVANT POLICIES:

KMSF is the beneficiary of a private family foundation, and also holds its own investment portfolio with Brooks Macdonald, London.

KMSF does not raise funds from the public or other bodies.

The Trustees have a written Investment Policy Statement for the Charity, which was last reviewed by them in December 2022, in consultation with the Investment Manager.

The Trustees have continued to monitor global markets and portfolio performance closely with the Investment Manager over the course of the year, meeting and receiving reports quarterly. Performance has been down this year due to turbulence in the markets, negatively affected by, amongst other things, the sharp increase in inflation, and the effects of the war in Ukraine. Additionally, due to the Trustees' decision to implement a Responsible Investment strategy, the portfolio did not benefit from significant gains in the oil and gas markets. Overall however, and in the longer term, the Trustees still believe this strategy to be best aligned with the values of the Charity, and that returns are likely to pick up in future years as markets stabilise. The portfolio ended the year 2022 down 17.93%, and is down 7.54% since inception.

In 2022 the Trustees took £80,000 from the investment portfolio in order to meet their funding commitments, with the balance met by a distribution of £100,000 from the family foundation.

The Trustees have a reserves policy, and with no staffing costs and minimal other overheads, consider that an amount of £10,000 (excluding investments held to support longer term grant-making activities) is adequate to cover any unforeseen costs, and should be held in reserve going forward. At 31st December 2022, the Charity's funds were at approximately £1.156 million, which is significantly greater than the reserve requirement. However, as noted above, the Charity continues to invest the major part of this, to be used to support the Charity's longer term grant-making activities.

The Charity's grant-making policy is being constantly developed and is outlined in the Objectives and Activities section of this Report. However, in summary, the Charity does not accept any unsolicited applications for grants; it aims to support projects that are transformative and not merely palliative; it aims to support innovation, early intervention work, pilots and research; it strives to build pro-active partnerships with charities and with other funders to maximise grant impact; it has a multi-year grant strategy. There had been a short term shift in focus, to concentrate on strengthening existing relationships through the crisis and recovery phase of the pandemic, but in 2022 it resumed development.

Principal risks and uncertainties

The Trustees confirm that they have reviewed the major risks to which the Charity is exposed, as identified by them, and procedures have been established to manage those risks. In summary, the Trustees see the key risks to the Charity as being loss of investment

capital due to a challenging investment environment, which they mitigate against by meeting with the investment manager quarterly and to receive reports, and by a wide diversification of assets; a safeguarding or other major incident at one or more of the charities to which the Charity gives grants, which the Trustees mitigate against by thorough due diligence on the policies and procedures of all grantee charities; and finally a leadership issue caused by the loss or incapacity of the current Chair, in which case the Trustees would look to expedite the recruitment of a CEO to assist them with their charitable activities and the day to day running and administration of the Charity. Risks are reviewed at least annually by the Trustees.

REFERENCE AND ADMINISTRATIVE DETAILS:

Registered Office:
Third Floor
95 The Promenade
Cheltenham
Gloucestershire, GL50 1HH

Banking:
NatWest
48 Blue Boar Row
Salisbury
Wiltshire, SP1 1DF

Investment Management:
Brooks Macdonald
21 Lombard St
Candlewick
London, EC3V 9AH

Legal:
Wiggin Osborne Fullerlove
95 The Promenade
Cheltenham
Gloucestershire, GL50 1HH

Independent Examiner:
Buzzacott LLP
130 Wood Street
London, EC2V 6DL

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS:

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Charity Trustees are responsible for preparing a Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England and Wales requires the Charity Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the Charity, and of the income and expenditure of the Charity, for that period. In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Companies Act 2006, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the governing documents. They are also responsible for safeguarding the assets of the Charity and taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website (if applicable) in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

For the year ending 31st December 2022, the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The Members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476. However, to comply with charity law, the Company has appointed an independent examiner and their report, in accordance with Charity Commission guidelines, is included at page 13.

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies, subject to the small companies' regime.

Approved by the Directors (who are also) the Trustees on 1st June 2023, and signed on their behalf by:



Sarah Tamsin Hoare
Chair of the Board of Trustees

Independent Examiner's report to the members of The Kurt and Magda Stern Foundation

I report to the charity trustees on my examination of the financial statements of The Kurt and Magda Stern Foundation (the charitable company) for the year ended 31 December 2022.

Responsibilities and basis of report

As the trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act'). Having satisfied myself that the financial statements of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's financial statements as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with my examination giving me cause to believe:

- accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- the financial statements have not been prepared in accordance with the methods and principles of the for "Accounting and Reporting by Charities: the 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)".

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

2 June 2023

Edward Finch
For and on behalf of
Buzzacott LLP
Chartered Accountants
130 Wood Street
London EC2V 6DL

The Kurt and Magda Stern Foundation
(A company limited by guarantee)

Statement of Financial Activities (including income and expenditure account)
For the year to 31 December 2022

	Note	Unrestricted funds 2022 £	Unrestricted funds 2021 £
INCOME FROM:			
Donations		100,000	67,000
Investment income		30,173	26,264
Tax refund		-	-
Bank interest		-	-
TOTAL INCOME	3	130,173	93,264
EXPENDITURE ON:			
Raising funds		10,049	10,565
Charitable activities	4	220,766	185,595
TOTAL EXPENDITURE		230,815	196,160
NET EXPENDITURE BEFORE INVESTMENT GAINS		(100,642)	(102,896)
Investment (loss)/gain		(226,919)	109,400
NET (EXPENDITURE) INCOME AFTER INVESTMENT GAINS AND NET MOVEMENT IN FUNDS		(327,561)	6,504
RECONCILIATION OF FUNDS			
Total funds brought forward		1,483,043	1,476,539
TOTAL FUNDS CARRIED FORWARD		**1,155,482**	**1,483,043**

The Kurt and Magda Stern Foundation
(A company limited by guarantee)

Balance Sheet as at 31 December 2022

	Note	2022 £	2021 £
FIXED ASSETS			
Investments	5	1,201,989	1,464,563
CURRENT ASSETS			
Cash		68,233	89,252
CREDITORS: amounts falling due within one year	6	(114,740)	(70,772)
NET CURRENT (LIABILITIES)/ASSETS		(46,507)	18,480
NET ASSETS		**1,155,482**	**1,483,043**
TOTAL CHARITY FUNDS			
Unrestricted		1,155,482	1,483,043
TOTAL FUNDS		**1,155,482**	**1,483,043**

The notes on pages 16 to 20 form part of these financial statements.

For the year ending 31st December 2022, the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The Members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476. The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to companies, subject to the small companies' regime.

Approved by the Directors who are also the Trustees on 1st June 2023, and signed on their behalf by:

Sarah Tamsin Hoare, Chair of the Board of Trustees

Notes to the financial statements

1. Accounting Policies

(a) Basis of preparation, assessment of going concern, and other significant judgements and estimates

These financial statements have been prepared for the year to 31 December 2022 and are presented in sterling and are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006. The Charity constitutes as a public benefit entity as defined by FRS 102.

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. The Trustees consider that there are no significant areas of judgement and key assumptions that affect items in the accounts.

(b) Fund structure

KMSF is the beneficiary of a private family foundation, and does not raise funds from the public or other bodies. In the past, KMSF has also received ad hoc additional donations from individual family members, and in 2017 from a family trust.

(c) Income recognition

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that those conditions will be fulfilled in the reporting period. Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock

1.Accounting policies [continued]

exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

(d) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

(e) Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

(f) Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised and valued at historical cost. Depreciation is charged on furniture and equipment on a straight-line basis over their estimated useful life of six years from the year of acquisition.

(g) Investment assets and realised gains and losses

Listed investments are a form of basic financial instrument and are initially recognised as at cost, and subsequently measured at fair value at the balance sheet date (using the closing quoted market price). 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 their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

2. Related party transactions and Trustees' expenses and remuneration

The Trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind. Expenses paid to the Trustees in 2022 totalled £0 (2021: £0).

3. Analysis of income

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Brooks Macdonald portfolio income	30,173	26,264
Income as beneficiary: From private family foundation	100,000	67,000
Total income	**130,173**	93,264

4. Analysis of expenditure on charitable activities

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Grants made:		
The Hampton Trust	-	80,000
Leap Confronting Conflict	-	50,000
Freedom from Torture	-	50,000
The Difference	50,000	-
Medical Justice	75,000	-
Young Roots	90,000	-
Sub-total: Grants made	215,000	180,000
Professional development fees	447	100
Telecommunication costs	123	123
Independent Examiner's fee	2,340	2,340
Administration and accounting fees	2,614	2,740
Other professional fees	242	292
Sub-total: support costs	5,766	5,595
Total expenditure	**220,766**	185,595

5. Investment Portfolio

During 2018 a listed investment portfolio was opened with Brooks Macdonald and was funded with an initial transfer of £1,300,000. The portfolio holds a balance of equities, fixed interest investments and funds across a range of countries. Movements in the portfolio during 2022 were as follows:

	£
Market Value at 1 January 2022	1,464,563
Additions at cost	212,792
Disposal proceeds	(248,447)
Realised losses	(27,009)
Unrealised loss	(199,910)
Market value at 31 December 2022	**1,201,989**
Historic cost at 31 December 2022	**1,098,464**

Listed investments at 31 December 2022 comprised the following:

	£
UK Fixed Interest	315,404
UK Equities	224,654
Overseas Fixed Interest	109,262
Overseas Equities	347,115
Alternative Investments	160,535
Property	45,019
	1,201,989

6. Analysis of creditors (amounts falling due within one year)

	2022	2021
	£	£
Examiners fees	2,340	2,280
Accounting fees	2,400	2,400
Administration expenses	-	92
Grants payable	110,000	66,000
Total creditors	**114,740**	70,772

THE KURT AND MAGDA STERN FOUNDATION

England & Wales - Charity number 1168201

Accounts

THE
KURT AND MAGDA STERN
FOUNDATION

ANNUAL REPORT
AND
UNAUDITED ACCOUNTS
Year ended 31st December 2021

Registered Charity Number: 1168201

Limited Company Number: 9929204

Registered Office:

Third Floor
95 The Promenade
Cheltenham
Gloucestershire
GL50 1HH

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2021:

TRUSTEES:

Tamsin Hoare (Chair)
Helen Mulley
Susan Walker

STRUCTURE, GOVERNANCE AND MANAGEMENT:

The Kurt and Magda Stern Foundation ("the Charity" or "KMSF") is a company limited by guarantee with no share capital, which was incorporated on 24th December 2015, and registered as a charity on 13th July 2016. The company was established under a Memorandum of Association which established the objects and powers of the charitable company, and is governed under its Articles of Association. The Directors of the company are the Charity Trustees, and the 'first Trustees' as notified to Companies House, and as defined in Section 12.3 of the Articles, are Tamsin Hoare, Helen Mulley and Susan Walker, who were all appointed on 24th December 2015. There is no maximum term of office for the first Trustees.

The first (and currently sole) Member of the Charity is Tamsin Hoare (who is also a Trustee). No individual or organisation can become a Member unless their application is approved by the Trustees, and in writing or by Resolution of the current Member or Members.

The minimum number of Trustees is two. The Trustees may at any time co-opt any individual who is qualified to be appointed as a Trustee to fill a vacancy in their number or as an additional Trustee, but a co-opted Trustee holds office only for one year.

Due to the small number of Trustees, the Charity does not consider it necessary to have a policy or defined procedure for the induction of new Trustees. However, all Trustees are expected to be conversant with, and hold copies of the Charity's Memorandum and Articles, Annual Reports, Investment Policy Statement, and other core documents. The Trustees will review the need for a more formal policy and induction process if and when further Trustees are recruited over time.

The Trustees must hold at least two meetings a year, and in 2021 have met quarterly, albeit Covid has meant that these meetings have all been, at least partially, virtual. Decisions on aims, objectives, strategy, finances and grant-making have been discussed and made at these meetings.

Promenade Secretaries Limited (04934899) remains as the Charity's Company Secretary.

Key Management Personnel
The Trustees alone comprise the key management personnel, responsible for controlling and directing the Charity. All the Trustees give their time voluntarily and receive no benefit from the Charity.

Public Benefit
The Trustees confirm that they have complied with their duty in the Charities Act 2011 regarding the Charity Commission's guidance on public benefit, and have taken this into account in their decision-making.

OBJECTIVES AND ACTIVITIES:

The Objects of the Charity are laid out in Section 3 of the Memorandum and Articles. In summary:

3.1 The Charity will, by way of grants, research, practical activities and support... pursue the following objects ('**the Objects**') for the public benefit:

3.1.1 the promotion of human rights.

3.1.2 to promote the resolution of, and to prevent, conflict between persons, groups or communities which arises, or may arise, from dispute or interpersonal conflict, particularly through the means of restorative practices and education.

3.1.3 the promotion of religious or racial harmony and equality or diversity by any means.

3.1.4. the advancement of education, in particular the support of formal education, training, mentoring, social education and initiatives for the development of individual capabilities and skills with a particular focus on early intervention restorative practices; including:

a) for those at risk of being, or who have been, excluded from mainstream education; and particularly early intervention strategies for those with behavioural difficulties putting them at risk of developing antisocial and criminal behaviour;

b) education initiatives which challenge and change destructive behaviour by giving the skills to understand the causes and consequences of conflict and violence; to deal constructively with anger and frustration, to build empathy, and identify prejudice;

3.1.5. the relief of those in need by reason of, in particular, youth and financial hardship or other social or economic disadvantage and their families, carers and communities.

3.1.6. the advancement of health for the public benefit, in particular services to support individual mental health.

3.1.7. the promotion of the efficiency of the police service and the prevention of crime and care for victims of crime including by:

a) supporting initiatives for or with the police service to resolve disputes and prevent crime and reoffending by previous or first time offenders;

b) providing and supporting services for mediation and conciliation and reconciliation among persons involved in disputes or interpersonal conflicts which result from, or may lead to, acts of nuisance, antisocial behavior, racial or religious abuse or breaches of the peace or violence;

c) supporting and providing early intervention initiatives for the prevention of crime for individuals, and particularly those under 21, not currently in the criminal justice system, but at risk of becoming so, and their families; and

3.1.8. the prevention or relief of poverty; and

3.1.9 such other purposes which are charitable under the laws of England and Wales as the Trustees think fit provided that the Charity shall not engage in providing support for:

a) the advancement of animal welfare;

b) the advancement of religion;

c) amateur sport; or

d) the advancement of the arts or culture, heritage and science,

3.2 When considering the pursuance of the Objects, the Trustees shall consider the promotion of social justice and equality of opportunity.

The Charity also has powers granted by its Memorandum and Articles to undertake practical activities, however, the Charity's activities to date have been purely directed at grant-making, and the Trustees do not currently envisage any change to this strategy for at least three years.

The Charity does not accept any unsolicited applications for grants, and proactively seeks out charities and organisations with which it wishes to work.

In 2018, the Trustees decided that moving forward, they felt the Charity would have most impact by supporting fewer projects in larger amounts than they had previously, and building relationships over a number of years.

At the the start of the pandemic, the Trustees took a decision early on, that the focus should be on supporting the charities that KMSF already had relationships with, helping them to stabilise, regroup, adapt and rebuild. The Trustees felt that this was most in line with their objective to build strong, deep relationships over a number of years, and was the most meaningful and effective use of funds at this time.

This strategy has been in place throughout 2021, with KMSF providing funding to our long-standing partners, Leap and The Hampton Trust, with a commitment to extend that into 2022; as well as offering a second year of funding to The Difference.

In summary, while the Trustees continue to believe that a crucial part of the role of the Charity is being able to take bold decisions in backing ambitious and innovative charities, projects and ideas, the focus over the last couple of years, has been just as much on the adaptation and stabilisation of our funded partners in response to the pandemic. The Trustees recognised the need of our partners to quickly move their existing services online, to build capacity due to increased need for those services, and to secure unrestricted income to do this, at a time when some of their traditional income streams had been cut off. We continue to support them to build back.

Nevertheless, the Charity continues to aim to back projects and ideas that support real change, of lives and systems, and that are not merely palliative.

The Charity does not use volunteers to assist with its activities.

ACHIEVEMENTS AND PERFORMANCE:

Leap Confronting Conflict

Leap is an award-winning national youth charity that provides inspirational conflict management programmes and support to young people and the professionals working with them. KMSF has built a close relationship with Leap over a number of years, partially funding their *Under our Roof* pilot, which after a successful 'proof of concept', moved out of its pilot phase to begin roll-out in 2021. This programme works with young people in care, and with their carers, in order to prevent placement breakdown, and to increase wellbeing.

In January 2021, the Trustees gave Leap £25,000 of funding, to help them continue to develop and deliver this work.

The Hampton Trust

KMSF continued a fifth year of funding for The Hampton Trust in 2021, providing £39,000 for the salary of a new post of Development Manager. It is hoped that the Development Manager will be able to give The Hampton Trust national reach, and additional income streams, by replicating their programmes nationally through franchise and 'train the trainer' models, as well as by developing external comms.

KMSF is committed to funding this post over two years, with an inflationary rise in 2022.

The Difference

The Difference was a new relationship for KMSF in 2020, in line with the Trustees' ambition to fund innovation and pilots. The Difference exists to improve the life chances of vulnerable children in mainstream schools, and of excluded children in Alternative Provision (AP). They do this by forming partnerships with mainstream schools to develop inclusive practice; and they also run a two year Difference Leaders Programme, developing teachers in AP settings and equipping them with skills to take back into the mainstream. They also research, and find patterns across schools which help and hinder outcomes for vulnerable learners, and then share these with policymakers and sector influencers.

In 2021, KMSF provided The Difference with £50,000 of funding to continue this work.

PLANS FOR FUTURE PERIODS:

In **2022** the Charity's key aims and objectives, and planned activities are:

-To continue to fund all three of our current partners, as they build back post-pandemic.

-To work to identify one or more new funding partners for 2023 and beyond; and to continue to seek out, with a view to the longer term, the best ideas and highest quality innovative research, pilots and other projects, in order to find new solutions to complex problems and multiple disadvantage, and to drive long term change.

-To strengthen and empower all the charities we fund, while also seeking to add as much value as possible outside of our financial commitment.

-To review the Charity's governance and leadership, executive and non-executive, with a view to developing a strategy to strengthen the Charity over future years and ensure its longevity.

FINANCIAL REVIEW AND RELEVANT POLICIES:

KMSF is the beneficiary of a private family foundation, and also holds its own investment portfolio with Brooks Macdonald, London.

KMSF does not raise funds from the public or other bodies.

The Trustees have a written Investment Policy Statement for the Charity, which was last reviewed by them in September 2021, in consultation with the Investment Manager.

The Trustees have continued to monitor global markets and portfolio performance closely with the Investment Manager over the course of the year, meeting and receiving reports quarterly. Performance has been strong, despite the uncertainty caused by the pandemic, supply chain issues and inflation, and the portfolio ended the year 2021 up 6.76%.

The Trustees also decided to realise some of the 2020 profit at the start of 2021, in order to meet their funding priorities for current beneficiaries, while continuing to grow the portfolio's capital base to meet the needs of future beneficiaries.

The Trustees have a reserves policy, and with no staffing costs and minimal other overheads, consider that an amount of £8,000 (excluding investments held to support longer term grant-making activities) is adequate to cover any unforeseen costs, and should be held in reserve going forward. At 31st December 2021, the Charity's funds were at approximately £1.48million, which is significantly greater than the reserve requirement. However, as noted above, the Charity continues to invest the major part of this, to be used to support the Charity's longer term grant-making activities.

FINANCIAL REVIEW AND RELEVANT POLICIES (continued):

The Charity's grant-making policy is being constantly developed and is outlined in the Objectives and Activities section of this Report. However, in summary, the Charity does not accept any unsolicited applications for grants; it aims to support projects that are transformative and not merely palliative; it aims to support innovation, early intervention work, pilots and research; it strives to build pro-active partnerships with charities and with other funders to maximise grant impact; it has a multi-year grant strategy. There has been a short term shift in focus, to concentrate on strengthening existing relationships through the crisis and recovery phase of the pandemic, rather than on developing new ones.

Principal risks and uncertainties

The Trustees confirm that they have reviewed the major risks to which the Charity is exposed, as identified by them, and procedures have been established to manage those risks. In summary, the Trustees see the key risks to the Charity as being loss of investment capital due to a challenging investment environment, which they mitigate against by meeting with the investment manager quarterly and to receive reports, and by a wide diversification of assets; a safeguarding or other major incident at one or more of the charities to which the Charity gives grants, which the Trustees mitigate against by thorough due diligence on the policies and procedures of all grantee charities; and finally a leadership issue caused by the loss or incapacity of the current Chair, as a result of which the Trustees are now considering recruiting an executive director to assist them with their charitable activities and the day to day running and administration of the Charity. Risks are reviewed at least annually by the Trustees. In 2021, the Trustees have also continued to closely monitor the risk that one or more of the charities KMSF supports may become financially unviable, or not be able to deliver their services, because of restrictions and challenges brought on by the pandemic.

REFERENCE AND ADMINISTRATIVE DETAILS:

Registered Office:
Third Floor
95 The Promenade
Cheltenham
Gloucestershire, GL50 1HH

Banking:
NatWest
48 Blue Boar Row
Salisbury
Wiltshire, SP1 1DF

Investment Management:
Brooks Macdonald
21 Lombard St
Candlewick
London, EC3V 9AH

Legal:
Wiggin Osborne Fullerlove
95 The Promenade
Cheltenham
Gloucestershire, GL50 1HH

Independent Examiner:
Buzzacott LLP
130 Wood Street
London, EC2V 6DL

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS:

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Charity Trustees are responsible for preparing a Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England and Wales requires the Charity Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the Charity, and of the income and expenditure of the Charity, for that period. In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Companies Act 2006, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the governing documents. They are also responsible for safeguarding the assets of the Charity and taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website (if applicable) in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

For the year ending 31st December 2021, the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The Members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476. However, to comply with charity law, the Company has appointed an independent examiner and their report, in accordance with Charity Commission guidelines, is included at page 13.

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies, subject to the small companies' regime.

Approved by the Directors (who are also) the Trustees on 4th February 2022, and signed on their behalf by:



Sarah Tamsin Hoare
Chair of the Board of Trustees

Independent Examiner's report to the members of The Kurt and Magda Stern Foundation

I report to the charity trustees on my examination of the financial statements of The Kurt and Magda Stern Foundation (the charitable company) for the year ended 31 December 2021.

Responsibilities and basis of report

As the trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act'). Having satisfied myself that the financial statements of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's financial statements as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with my examination giving me cause to believe:

- accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- the financial statements have not been prepared in accordance with the methods and principles of the for "Accounting and Reporting by Charities: the 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)".

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Buzzacott LLP

Edward Finch
For and on behalf of
Buzzacott LLP
Chartered Accountants
130 Wood Street
London EC2V 6DL

28/12/22

The Kurt and Magda Stern Foundation
(A company limited by guarantee)

Statement of Financial Activities (including income and expenditure account)
For the year to 31 December 2021

	Note	Unrestricted funds 2021 £	Unrestricted funds 2020 £
INCOME FROM:			
Donations		67,000	30,000
Investment income		26,264	29,263
Tax refund		-	1,444
Bank interest		-	41
TOTAL INCOME	3	93,264	60,748
EXPENDITURE ON:			
Raising funds		10,565	9,972
Charitable activities	4	185,595	137,192
TOTAL EXPENDITURE		196,160	147,164
NET EXPENDITURE BEFORE INVESTMENT GAINS		(102,896)	(86,416)
Investment gains		109,400	80,903
NET INCOME/(EXPENDITURE) AFTER INVESTMENT GAINS AND NET MOVEMENT IN FUNDS		6,504	(5,513)
RECONCILIATION OF FUNDS			
Total funds brought forward		1,476,539	1,482,052
TOTAL FUNDS CARRIED FORWARD		**1,483,043**	**1,476,539**

The Kurt and Magda Stern Foundation
(A company limited by guarantee)

Balance Sheet as at 31 December 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Investments	5	1,464,563	1,371,879
CURRENT ASSETS			
Cash		89,252	109,340
CREDITORS: amounts falling due within one year	6	(70,772)	(4,680)
NET CURRENT ASSETS		18,480	104,660
NET ASSETS		**1,483,043**	**1,476,539**
TOTAL CHARITY FUNDS			
Unrestricted		1,483,043	1,476,539
TOTAL FUNDS		**1,483,043**	**1,476,539**

The notes on pages 16 to 20 form part of these financial statements.

For the year ending 31st December 2021, the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The Members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476. The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to companies, subject to the small companies' regime.

Approved by the Directors who are also the Trustees on 4th February 2022, and signed on their behalf by:

Sarah Tamsin Hoare, Chair of the Board of Trustees

Notes to the financial statements

1. Accounting Policies

(a) Basis of preparation, assessment of going concern, and other significant judgements and estimates

These financial statements have been prepared for the year to 31 December 2021 and are presented in sterling and are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006. The Charity constitutes as a public benefit entity as defined by FRS 102.

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. The Trustees consider that there are no significant areas of judgement and key assumptions that affect items in the accounts.

The full impact of the ongoing global coronavirus pandemic is still uncertain and it is therefore not currently possible to evaluate all the potential implications for the Charity's activities, beneficiaries or the wider economy. The Trustees have considered the impact of the pandemic on the Charity and have concluded that although there may be some negative consequences in the short term, it is appropriate for the Charity to continue to prepare its accounts on the going concern basis.

(b) Fund structure

KMSF is the beneficiary of a private family foundation, and does not raise funds from the public or other bodies. In the past, KMSF has also received ad hoc additional donations from individual family members, and in 2017 from a family trust.

1. Accounting Policies (continued)

(c) Income recognition

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that those conditions will be fulfilled in the reporting period. Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

(d) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

(e) Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

(f) Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised and valued at historical cost. Depreciation is charged on furniture and equipment on a straight-line basis over their estimated useful life of six years from the year of acquisition.

1. Accounting Policies (continued)

(g) Investment assets and realised gains and losses

Listed investments are a form of basic financial instrument and are initially recognised as at cost, and subsequently measured at fair value at the balance sheet date (using the closing quoted market price). 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 their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

2. Related party transactions and Trustees' expenses and remuneration

The Trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind. Expenses paid to the Trustees in 2021 totalled £0 (2020: £0).

3. Analysis of income

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Brooks Macdonald portfolio income	26,264	29,263
Bank interest	-	41
Tax refund	-	1,444
Income as beneficiary: From private family foundation	67,000	30,000
Total income	**93,264**	60,748

4. Analysis of expenditure on charitable activities

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Grants made:		
The Hampton Trust	80,000	25,000
Leap Confronting Conflict	50,000	50,000
Freedom from Torture	-	5,000
The Difference	50,000	50,000
Sub-total: Grants made	180,000	130,000
Professional development fees	100	1,170
Telecommunication costs	123	122
Bank charges	-	5
Independent Examiner's fee	2,340	2,280
Administration and accounting fees	2,740	3,100
Other professional fees	292	515
Sub-total: support costs	5,595	7,192
Total expenditure	**185,595**	137,192

5. Investment Portfolio

During 2018 a listed investment portfolio was opened with Brooks Macdonald and was funded with an initial transfer of £1,300,000. The portfolio holds a balance of equities, fixed interest investments and funds across a range of countries. Movements in the portfolio during 2021 were as follows:

	£
Market Value at 1 January 2021	1,371,879
Additions at cost	257,834
Disposal proceeds	(212,733)
Realised gains	61,817
Unrealised gain	47,583
Market value at 31 December 2021	**1,464,563**
Historic cost at 31 December 2021	**1,161,128**

Listed investments at 31 December 2021 comprised the following:

	£
UK Fixed Interest	337,192
UK Equities	306,082
Overseas Fixed Interest	136,204
Overseas Equities	466,777
Alternative Investments	167,030
Property	51,278
	1,464,563

6. Analysis of creditors (amounts falling due within one year)

	2021	2020
	£	£
Examiners fees	2,280	2,280
Accounting fees	2,400	2,400
Administration expenses	92	-
Grants payable	66,000	-
Total creditors	**70,772**	4,680