



THE  
**KURT AND MAGDA STERN**  
FOUNDATION

**ANNUAL REPORT**  
**AND**  
**UNAUDITED ACCOUNTS**  
**Year ended 31<sup>st</sup> 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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## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 31<sup>ST</sup> 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 24<sup>th</sup> December 2015, and registered as a charity on 13<sup>th</sup> 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 31<sup>st</sup> 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 27<sup>th</sup> March 2024, and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'S. Hoare', written over a horizontal line.

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



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

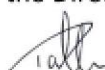
**Balance Sheet as at 31 December 2023**

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

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

For the year ending 31<sup>st</sup> 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 27<sup>th</sup> 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
<b>Total income</b>	<b>194,279</b>	<b>130,173</b>

#### 4. Analysis of expenditure on charitable activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
<i>Grants made:</i>		
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
 <b>Total expenditure</b>	 <b>176,334</b>	 <b>220,766</b>

## 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)
<b>Market value at 31 December 2023</b>	<b>1,294,153</b>
<b>Historic cost at 31 December 2023</b>	<b>1,254,422</b>

Listed investments at 31 December 2023 comprised the following:

	£
Multi Asset Funds	1,224,153
Cash funds	70,000
	<b>1,294,153</b>

## 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
<b>Total creditors</b>	<b>107,168</b>	<b>114,740</b>