

**Northwestern University  
(USA) Foundation Limited**

**Annual Report and Financial  
Statements**

Year ended 31 August 2022

Company Limited by Guarantee  
Registration Number  
11514191 (England and Wales)

Charity Registration Number  
1184246

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## Reference and administrative information

**Trustees** M B Dalle  
C Johnson  
D Lively  
R E McQuinn  
D L Norton  
F H Seth

**Registered office** 99 Durlston Road  
London  
E5 8RP

**Company registration number** 11514191

**Charity registration number** 1184246

**Independent examiner** Buzzacott LLP  
130 Wood Street  
London  
EC2V 6DL

**Bankers** J P Morgan Chase Bank  
25 Bank Street  
London  
E14 5JP

## **Trustees' report** Year ended 31 August 2022

The trustees present their annual report together with the financial statements of Northwestern University (USA) Foundation Limited for the year ended 31 August 2022.

The financial statements have been prepared in accordance with the accounting policies set out on pages 12 to 14 of the attached financial statements and comply with the charity's Memorandum and Articles of Association, applicable laws 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 United Kingdom and Republic of Ireland (FRS 102).

### **Governance**

#### ***Constitution***

Northwestern University (USA) Foundation Limited ('the Foundation') is a registered charity, Charity Registration Number 1184246, and also a company with share capital, Company Registration Number 11514191. The £1 ordinary share capital is owned by Northwestern University, an organisation based in Evanston, Illinois, USA. The charitable company is governed by its Memorandum and Articles of Association.

The names of the trustees who served during the year are set out as part of the reference and administrative information on page 1 of these annual report and financial statements.

On agreeing to become a trustee of the charity, the trustees are thoroughly briefed by their co-trustees on the history of the Foundation, the day-to-day management, the responsibilities of the trustees, the current objectives and future plans. The trustees are also encouraged to attend any courses which they feel are relevant to the development of their role, and to keep up-to-date on any changes in legislation.

#### ***Structure and management reporting***

The trustees are ultimately responsible for the policies, activities and assets of the charity. The trustees review the developments with regard to the charity, its grant giving activities and make any important decisions. When necessary, the trustees seek advice and support from the charity's professional advisers including solicitors and accountants.

#### ***Risk management***

Having assessed the major risks to which the charity is exposed, in particular those relating to its cash holdings and its finances, the trustees believe that by monitoring reserve levels, by ensuring that controls exist over key financial systems, and by examining the operational and business risks faced by the charity, they have established effective systems to mitigate those risks.

**Governance (continued)**

***Key management personnel***

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis comprise the trustees of the charity. The trustees are not remunerated for their role.

**Charitable objectives**

The Foundation's charitable objective is to advance education, in particular by supporting Northwestern University in Evanston, Illinois, USA. Northwestern University uses the funds it receives from the Foundation for charitable purposes. For example, students benefit from monies used to create scholarships and those given to support specific areas of activity, such as the Kellogg School of Management.

The charity raises funds in order to provide grant support to Northwestern University. During the year, the charity raised cash donations of £248,557 including recoverable Gift Aid, and donated a total of £231,523 to Northwestern University.

**Review of the year**

During the fiscal year ended 31 August 2022, Northwestern University (USA) Foundation Limited granted £231,523 to Northwestern University. Below is a brief overview of the programs and schools supported within the University:

***ARCH Scholars Fund, Weinberg College of Arts and Sciences***

Arch Scholars at the Weinberg College of Arts and Sciences is a suite of free-standing but overlapping summer and early academic career bridge programs designed to welcome, engage, and more fully support and empower students from low-income households or who are the first in their families to attend college. Weinberg College strives to eliminate financial barriers for students and offers these programs free of charge, covering the costs of room and board and, often, transportation and a stipend.

***Bluhm Legal Clinic, Northwestern University Pritzker School of Law***

The Bluhm Legal Clinic at Northwestern University Pritzker School of Law - widely recognized as one of the most comprehensive and effective clinical programs in the country - allows students to gain direct experience representing clients and fine-tune their skills as advocates. Contributions allow the clinic to give students strong litigation, negotiation, and transactional skills; provide students with opportunities to work on live client cases; offer high-quality legal services to underserved and disadvantaged clients; empower students to evaluate and propose reforms for laws and legal institutions; and invest in the next generation of skilled, ethical, and reform-minded lawyers.

***Esteban Bullrich ALS Endowed Discovery Fund***

The Esteban Bullrich ALS Discovery Fund was established in 2020 to support the mission of the Les Turner ALS Center at Northwestern University Feinberg School of Medicine. The Les Turner ALS Center brings all ALS research, clinical, and education activities under one umbrella to enhance collaboration between investigators and clinicians to facilitate the development of new treatments and get closer to a cure.



## Trustees' report Year ended 31 August 2022

### Review of the year (continued)

#### ***Kellogg School of Management Annual Fund***

Gifts to the Kellogg School of Management Annual Fund allow the school to support Kellogg's areas of greatest need, including scholarships, faculty research, and curricular innovations, as well as generating impact on business worldwide well into the future.

#### ***Northwestern Annual Fund***

The Northwestern Annual Fund provides flexible, immediate, and essential funding for the University to address its most pressing priorities and areas of greatest need. Contributions to the fund enable Northwestern to allocate resources throughout the year to support priorities like student services, financial aid, and faculty recruitment.

#### ***Pallak and Faiza Seth Endowed Scholarship Fund***

The Pallak and Faiza Seth Endowed Scholarship provides financial assistance to Northwestern students from outside of the United States.

#### ***Northwestern University Pritzker School of Law Annual Fund***

The Law School Fund supports the Law School's annual operating budget, funding numerous activities and programs. Contributions help the Law School foster a culture of collaboration among highly-engaged students, in an environment that emphasizes collegiality over competition and addresses not only the skills required of successful students but those of dynamic professionals.

#### ***Trobman Family Scholarship, Northwestern University Pritzker School of Law***

The Trobman Family Scholarship provides scholarship support to Northwestern University Pritzker School of Law students who demonstrate financial need.

#### ***Weinberg College of Arts and Sciences Annual Fund***

The Weinberg College of Arts and Sciences Annual Fund enables Dean Adrian Randolph and senior leadership to support the college's mission and expand opportunities for everyone in the Northwestern community. Contributions help Weinberg address the immediate needs of the community, fulfill its commitment to diversity and inclusion, and realize Dean Randolph's strategic vision for the school.

### **Public benefit**

The trustees have had regard to the Charity Commission's guidance which sets out the requirements for charities to demonstrate that their aims and activities are for the public benefit.

### **Risk management**

The trustees have assessed the major risks to which the Foundation is exposed, in particular those relating to the operation of the charitable company and its finances. Given the nature of the charitable company's activities, the risks are limited. The trustees are aware of the need to monitor grant expenditure and manage foreign exchange risk. Monies are granted to a restricted number of recipients and the Foundation does not commit to making grants until income has been received to cover the grant.

## **Trustees' report** Year ended 31 August 2022

### **Financial review**

During the year ended 31 August 2022, the charity received donations (including recoverable Gift Aid and donated services) totalling £258,510.

Expenditure for the year totalled £245,114. £231,523 of this total related to grants made to Northwestern University.

The funds at the year end totalled £17,409 of which £127 were restricted and £17,282 were unrestricted.

### **Reserves policy**

The trustees have reviewed the requirement of the charity for reserves and have determined that the level of restricted funds allows the charity to undertake its future charitable activities as a grant giving entity. The trustees' policy is to distribute the majority of income received in the period and to hold a minimal level of reserves.

### **Fundraising policy**

The charity aims to achieve best practice in the way in which it communicates with donors and other supporters. It takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. It applies best practice to protect supporters' data and never sells data, it never swaps data and ensures that communication preferences can be changed at any time. The charity does not employ the services of professional fundraisers. The charity undertakes to react to and investigate any complaints regarding its fundraising activities. During the year to 31 August 2022, the charity received no complaints about its fundraising activities.

### **Statement of trustees' responsibilities**

The charitable company's trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the annual report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of Northwestern University (USA) Foundation Limited and of its income and expenditure for the financial period then ended. In preparing these financial statements, the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in 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 United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;

**Trustees' report** Year ended 31 August 2022

**Statement of trustees' responsibilities** (continued)

- ◆ state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- ◆ 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 maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Signed on behalf of the board of trustees:



R E McQuinn

Approved by the board of trustees on: 9 December 2022



## **Independent examiner's report 31 August 2022**

### **Independent examiner's report to the trustees of Northwestern University (USA) Foundation Limited**

I report to the charity trustees on my examination of the financial statements of Northwestern University (USA) Foundation Limited for the year ended 31 August 2022, which are set out on pages 9 to 16.

### **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)."

**Independent examiner's report** 31 August 2022

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.



Katharine Patel ACA  
Buzzacott LLP  
Chartered Accountants  
130 Wood Street  
London  
EC2V 6DL

20 December 2022

**Statement of financial activities** Years ended 31 August 2022 and 2021 (including income and expenditure account)

|  | Notes | Unrestricted funds<br>£ | Restricted funds<br>£ | 2022<br>Total<br>£ | 2021<br>Total<br>£ |
|--|-------|-------------------------|-----------------------|--------------------|--------------------|
| <b>Income from:</b>                                      |       |                         |                       |                    |                    |
| Donations (including Gift Aid recoverable)               |       | 26,414                  | 232,096               | 258,510            | 208,751            |
| <b>Total income</b>                                      |       | <u>26,414</u>           | <u>232,096</u>        | <u>258,510</u>     | <u>208,751</u>     |
| <b>Expenditure on:</b>                                   |       |                         |                       |                    |                    |
| Charitable expenditure                                   | 1     | 13,081                  | 232,033               | 245,114            | 206,696            |
| <b>Total expenditure</b>                                 |       | <u>13,081</u>           | <u>232,033</u>        | <u>245,114</u>     | <u>206,696</u>     |
| <b>Net income for the year and net movement in funds</b> |       | 13,333                  | 63                    | 13,396             | 2,055              |
| <b>Reconciliation of funds</b>                           |       |                         |                       |                    |                    |
| Fund balances brought forward at 1 September 2021        |       | 3,949                   | 64                    | 4,013              | 1,958              |
| <b>Fund balances carried forward at 31 August 2022</b>   |       | <u>17,282</u>           | <u>127</u>            | <u>17,409</u>      | <u>4,013</u>       |

All of the charity's operations related to continuing activities during the above two financial periods.

The charity has no recognised gains and losses other than those shown above.

**Statement of financial activities** Years ended 31 August 2021 and 2020  
(including income and expenditure account)

|  | Notes | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | 2021<br>Total<br>£ | 2020<br>Total<br>£ |
|--|-------|----------------------------|--------------------------|--------------------|--------------------|
| <b>Income from:</b>  |       |                            |                          |                    |                    |
| Donations (including Gift Aid recoverable)                             |       | 17,423                     | 191,328                  | 208,751            | 142,935            |
| <b>Total income</b>  |       | <b>17,423</b>              | <b>191,328</b>           | <b>208,751</b>     | <b>142,935</b>     |
| <b>Expenditure on:</b>   |       |                            |                          |                    |                    |
| Charitable expenditure   | 1     | 13,774                     | 192,922                  | 206,696            | 186,318            |
| <b>Total expenditure</b>   |       | <b>13,774</b>              | <b>192,922</b>           | <b>206,696</b>     | <b>186,318</b>     |
| <b>Net income (expenditure) for the year and net movement in funds</b> |       | <b>3,649</b>               | <b>(1,594)</b>           | <b>2,055</b>       | <b>(43,383)</b>    |
| <b>Reconciliation of funds</b>   |       |                            |                          |                    |                    |
| Fund balances brought forward at 1 September 2020                      |       | 300                        | 1,658                    | 1,958              | 45,341             |
| <b>Fund balances carried forward at 31 August 2021</b>                 |       | <b>3,949</b>               | <b>64</b>                | <b>4,013</b>       | <b>1,958</b>       |

All of the charity's operations related to continuing activities during the above financial period.

The charity has no recognised gains and losses other than those shown above.

## Balance sheets 31 August 2022 and 2021

|   | Notes | 2022<br>£      | 2021<br>£       |
|---|-------|----------------|-----------------|
| <b>Current assets</b>                                 |       |                |                 |
| Debtors   | 4     | 7,801          | 11,371          |
| Cash at bank and in hand                              |       | 17,409         | 4,013           |
|   |       | <u>25,210</u>  | <u>15,384</u>   |
| <b>Creditors: amounts falling due within one year</b> | 5     | <u>(7,800)</u> | <u>(11,370)</u> |
| <b>Net current assets</b>                             |       | <u>17,410</u>  | <u>4,014</u>    |
| <b>Total net assets</b>                               |       | <u>17,410</u>  | <u>4,014</u>    |
| <b>Represented by:</b>                                |       |                |                 |
| Called up share capital                               | 6     | 1              | 1               |
| <b>Funds</b>  |       |                |                 |
| Restricted funds                                      | 7     | 127            | 64              |
| Unrestricted general funds                            |       | 17,282         | 3,949           |
|   |       | <u>17,410</u>  | <u>4,014</u>    |

For the year ended 31 August 2022 the charitable company was entitled to exemption from audit under section 477 of the Companies Act ("the Act") relating to small companies. The members have not required the company to obtain an audit of its financial statements for the financial year in question in accordance with section 476 of the Act. The trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements. These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Company registration number: 11514191 (England & Wales)

Approved by the board of trustees  
and signed on its behalf by:



R E McQuinn

Approved by the board of trustees on:

9 December 2022



## **Principal accounting policies 31 August 2022**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

### **Basis of preparation**

These financial statements have been prepared for the year ended 31 August 2022 with comparative information provided for the year ended 31 August 2021.

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 accounting policies below or the notes to the financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and applicable laws.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

### **Critical accounting estimates and areas of judgement**

There are no significant accounting estimates and areas of judgment that affect items in the financial statements.

### **Assessment of going concern**

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment with respect to a period of one year from the date of approval of these financial statements.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

### **Income**

Income is recognised in the period in which the charity is entitled to receipt, the amount can be measured with reasonable certainty and it is probable that the funds will be received.

## **Principal accounting policies 31 August 2022**

### **Income (continued)**

Donations and the Gift Aid thereon is recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. 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.

### **Expenditure**

Expenditure is included in the statement of financial activities when incurred and includes attributable VAT which cannot be recovered.

Expenditure is on charitable activities which comprise grants payable in promoting charitable work, the cost of administering the grant programme and governance costs. Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the donation and has satisfied all related conditions. Grants approved but not paid at the end of the financial year are accrued for. Grants where the beneficiary has not been informed or has to meet certain conditions before the grant is released are not accrued for but are noted as financial commitments in the notes to the financial statements.

Governance costs include costs which are directly attributable to the organisational procedures and the necessary legal procedures for compliance with statutory requirements. They are included as a constituent part of charitable activities.

### **Debtors**

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

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

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

### **Creditors and provisions**

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt.

## **Principal accounting policies 31 August 2022**

### **Fund accounting**

The unrestricted general funds represent funds available for the general charitable purposes of the charity at the discretion of the trustees.

Restricted funds comprise monies raised for, or their use restricted to a specific purpose or contribution subject to donor imposed conditions.

### **Foreign currency translation**

Transactions denominated in foreign currencies are translated at the exchange rate prevailing on the date of the transaction. Assets denominated in foreign currency held at the balance sheet date are translated at the exchange rate at the year end date.

## Notes to the financial statements 31 August 2022

### 1 Charitable expenditure

|   | 2022<br>£      | 2021<br>£      |
|---|----------------|----------------|
| Grants payable (see below)                                | 231,523        | 191,371        |
| Administrative support costs                              | 6,053          | 6,650          |
| Bank charges  | 3,930          | 3,138          |
| Governance - Independent examination and accountancy fees | 3,900          | 3,900          |
| Foreign exchange (gains) losses                           | (292)          | 1,637          |
|   | <u>245,114</u> | <u>206,696</u> |

During the year, the Foundation made the following grants:

| Recipient               | 2022<br>£ | 2021<br>£ |
|-------------------------|-----------|-----------|
| Northwestern University | 231,523   | 191,371   |

### 2 Staff costs, trustees' remuneration and the remuneration of key management personnel

The charity employed no members of staff during the year ended 31 August 2022 (2021 – none).

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprises the trustees. No trustee received any remuneration or expenses in respect of their services as trustees or reimbursed expenses during the years ended 31 August 2021 and 2022.

### 3 Taxation

Northwestern University (USA) Foundation Limited is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

### 4 Debtors

|               | 2022<br>£    | 2021<br>£     |
|---------------|--------------|---------------|
| Other debtors | 7,801        | 11,371        |
|               | <u>7,801</u> | <u>11,371</u> |

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

|          | 2022<br>£    | 2021<br>£     |
|----------|--------------|---------------|
| Accruals | 7,800        | 11,370        |
|          | <u>7,800</u> | <u>11,370</u> |

## Notes to the financial statements 31 August 2022

### 6 Called up share capital

|  | 2022 and<br>2021<br>£ |
|--|-----------------------|
| 1 Ordinary shares of £1 – authorised and called up | 1                     |

The £1 share capital is wholly owned by Northwestern University, an organisation based in Evanston, Illinois, USA.

### 7 Restricted funds

During the year ended 31 August 2022, the Foundation received restricted donations (including Gift Aid recoverable) of £232,096 (2021 - £191,328) to be granted on to Northwestern University for specific purposes, including scholarships. From these funds and the opening restricted funds of the Foundation at 1 September 2021, grants of £231,523 (2021 - £191,371) have been made to the University. In addition, £510 has been charged to restricted funds as a result of foreign exchange losses (2021 – credit of £1,551 of foreign exchange gains) and a balance of £127 (2021 - £64) remains within restricted funds at 31 August 2022.

### 8 Related party transactions

One trustee made donations amounting to £15,126 (2021 – one trustee donated £14,951) to the charity during the year ended 31 August 2022. The charity has subsequently claimed Gift Aid on these donations.

There are no further related party transactions to report.