

THE HARGREAVES FOUNDATION

England & Wales · Charity number 1187297

Details

Status Registered

Legal form CIO

Registered 2020-01-10

Register [View on the Charity Commission register](#)

Contact

Address The Old Surgery
Swan Barton
Sherston
Malmesbury
Wiltshire
SN16 0LJ

Phone 07768935532

Website www.thehargreavesfoundation.org

Activities

Objects: 3.1 THE OBJECTS OF THE CIO ARE: (A) TO ADVANCE FOR THE PUBLIC BENEFIT THE PHYSICAL AND MENTAL HEALTH AND WELL-BEING OF INDIVIDUALS LIVING WITH DISABILITIES OF ANY DESCRIPTION, IN PARTICULAR BUT NOT EXCLUSIVELY BY PROVIDING GRANTS, ITEMS AND SERVICES TO INDIVIDUALS IN NEED, CHARITIES AND/OR ORGANISATIONS THAT PROVIDE OR ASSIST IN THE PROVISION OF:(I) INFORMATION, ADVICE, EDUCATION AND SUPPORT DESIGNED TO RAISE AWARENESS AND ENABLE INDIVIDUALS LIVING WITH DISABILITIES TO BE SELF-SUFFICIENT;(II) FINANCIAL ASSISTANCE FOR INDIVIDUALS LIVING WITH DISABILITIES;(III) MEDICAL TREATMENT, CARE AND REHABILITATION FOR INDIVIDUALS LIVING WITH DISABILITIES;(IV) EQUIPMENT, MOBILITY AIDS, PROSTHETICS, FACILITIES AND SERVICES FOR INDIVIDUALS LIVING WITH DISABILITIES;(V) RECREATIONAL, SPORTING AND LEISURE TIME ACTIVITIES AND FACILITIES WITH A VIEW TO IMPROVING THE CONDITIONS OF LIFE OF SUCH PERSONS;(B) TO ADVANCE IN LIFE AND HELP PEOPLE WHO HAVE NEED BY REASON OF THEIR YOUTH, INFIRMITY, POVERTY OR SOCIAL AND ECONOMIC CIRCUMSTANCES WITH A VIEW TO IMPROVING THE CONDITIONS OF LIFE OF SUCH PERSONS IN PARTICULAR BUT NOT EXCLUSIVELY BY PROVIDING GRANTS, ITEMS AND SERVICES TO INDIVIDUALS IN NEED, CHARITIES AND OTHER ORGANISATIONS THAT PROVIDE ADVICE, ASSISTANCE AND ORGANISE PROGRAMMES OF PHYSICAL, EDUCATIONAL AND OTHER ACTIVITIES AS A MEANS OF:(I) HELPING YOUNG PEOPLE BY DEVELOPING THEIR SKILLS, CAPACITIES AND CAPABILITIES TO ENABLE THEM TO PARTICIPATE IN SOCIETY AS INDEPENDENT, MATURE AND RESPONSIBLE INDIVIDUALS;(II) ADVANCING EDUCATION;(III) RELIEVING UNEMPLOYMENT; AND(IV) PROVIDING RECREATIONAL, SPORTING AND LEISURE TIME ACTIVITIES AND FACILITIES IN THE INTERESTS OF SOCIAL WELFARE AND COHESION.

Activities: Information to follow.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Buildings/facilities/open Space
- **What:** Education/training, Disability, The Prevention Or Relief Of Poverty, Amateur Sport, Recreation
- **Who:** Children/young People, People With Disabilities, Other Charities Or Voluntary Bodies

Geography

- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-01-31	£1,338,358	£4,231,601	£72,449,619	2
2024-01-31	£1,169,583	£3,024,530	£68,310,108	2
2023-01-31	£378,066	£1,677,046	-	-
2022-01-31	£2,424,000	£1,050,031	£67,342,655	1
2021-01-31	£91,546,500	£488,594	£83,907,406	1

Trustees

Name	Role	Appointed
PETER KENDAL HARGREAVES	Chair	2020-01-10
LOUISA ROSE HARGREAVES		2020-01-10
NIGEL JAMES BENCE		2020-01-10
Robert Kendal Hargreaves		2020-01-10
Rosemary Hargreaves		2022-01-07

THE HARGREAVES FOUNDATION

England & Wales - Charity number 1187297

Accounts



THE
HARGREAVES
FOUNDATION

Charitable Incorporated Organisation
Registered Number 1187297

**TRUSTEES' ANNUAL REPORT
AND FINANCIAL STATEMENTS**

For the year ended 31 January 2025

CONTENTS

CHAIR & EXECUTIVE COMMENT	1
TRUSTEES' REPORT OBJECTIVES AND ACTIVITIES	2
ACHIEVEMENTS & PERFORMANCE	3
HOW HAVE WE MET OUR OBJECTIVES?	4
IMPACT ANALYSIS	8
FINANCIAL REVIEW	12
STRUCTURE, GOVERNANCE AND MANAGEMENT	15
REFERENCE AND ADMINISTRATIVE DETAILS	15
RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS	16
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE HARGREAVES FOUNDATION FOR THE YEAR ENDED 31 JANUARY 2025	17
STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDED 31 JANUARY 2025	21
BALANCE SHEET AS AT 31 JANUARY 2025	22
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 JANUARY 2025	23
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2025	24

CHAIR & EXECUTIVE COMMENT

Our mission remains to encourage brighter futures for vulnerable children and young people by harnessing the transformative power of sport and education. These two pathways offer more than just opportunity – they build relationships, strengthen communities and open the doors to change.

Through our continued funding of grassroots initiatives, we've seen the real impact that targeted support can have. By funding community-led programmes that use either physical activity or deliver educational support, we're helping young people develop vital life skills, grow in confidence and overcome significant personal and social challenges.

As we look to the future, we remain focused on widening the number of grant recipients across the UK. We're committed to forming new partnerships that align with our values and objectives, while continuing to support existing initiatives already making a huge difference.

Peter Hargreaves

This year we've continued to build our relationship with long-standing grant recipients, leading to another notable increase in repeat funding.

The impact of our funding has been remarkable, with support reaching a diverse range of projects and initiatives across the UK. This impact continues to extend beyond the young people we aim to support but also positively influencing families, schools and entire communities.

We are always inspired by the work of the grassroots organisations we support, especially those operating with teams of dedicated volunteers.

Alexandra Butler



TRUSTEES' REPORT

OBJECTIVES AND ACTIVITIES

The charitable objectives of The Hargreaves Foundation as stated in our constitution document are:

- A. To advance for the public benefit the physical and mental health and well-being of individuals living with disabilities of any description, in particular but not exclusively by providing grants, items and services to individuals in need, charities and/or organisations that provide or assist in the provision of:
 - i. information, advice, education and support designed to raise awareness and enable individuals living with disabilities to be self-sufficient;
 - ii. financial assistance for individuals living with disabilities;
 - iii. medical treatment, care and rehabilitation for individuals living with disabilities;
 - iv. equipment, mobility aids, prosthetics, facilities and services for individuals living with disabilities;
 - v. recreational, sporting and leisure time activities and facilities with a view to improving the conditions of life of such persons.

- B. To advance in life and help people who have need by reason of their youth, infirmity, poverty or social and economic circumstances with a view to improving the conditions of life of such persons in particular but not exclusively by providing grants, items and services to individuals in need, charities and other organisations that provide advice, assistance and organize programmes of physical, educational and other activities as a means of:
 - i. helping young people by developing their skills, capacities and capabilities to enable them to participate in society as independent, mature and responsible individuals;
 - ii. advancing education;
 - iii. relieving unemployment; and
 - iv. providing recreational, sporting and leisure time activities and facilities in the interests of social welfare and cohesion.

The main activities undertaken to further the charity's purposes for the public benefit are grant making, Details of grants awarded are included in the achievements and performance section of this report.

The Trustees have had regard to the Charity Commission's guidance on public benefit.

ACHIEVEMENTS & PERFORMANCE

OVERVIEW



**This figure is based on approvals made within the year. It therefore does not include any grants approved in the previous years and paid in the current year for multi-year grants.*

HOW DO WE DECIDE?



We consider our application process to be light touch, whilst still providing detail. We only accept applications online meaning everyone must follow the same process and we have invested in technology to make managing applications as seamless as possible.

Our initial screening includes a full review of the application against our criteria, website review, Charities Commission check (if appropriate) and a check for news stories.

The Trustees have access to all the application data and make their final selections. They are looking for projects or initiatives that have the potential to inspire and make a significant impact on a young person's life.

If an application is shortlisted we request that a brief video is prepared by the organisation to showcase their project.

The closing stage is normally a meeting with the Trustees.

A final decision is communicated with the recipient after this.

HOW HAVE WE MET OUR OBJECTIVES?

We have five objectives which underpin our mission *"transforming young lives through sport and education"*. Our application form asks organisations to confirm which of our objectives their project supports and we then go on to assess which initiatives will make the biggest impact. We try to ensure that we fund a range of projects meeting as many of our objectives as possible. Often a project will meet more than one objective.

AN EXAMPLE OF SOME OF THE PROJECTS FUNDED AND THE OBJECTIVES MET:

The Hargreaves Foundation are happy to confirm funding for Love Rowing, a charity dedicated to creating accessible and inclusive programmes for communities that are currently under-represented in the sport. Love Rowing focuses on supporting minority communities, people with disabilities, young people from low-income backgrounds and socio-economically disadvantaged communities.

Their goal over the next 12 months is to transform the lives of 10,000 people, providing opportunities to discover the immense benefits that rowing brings to your physical and mental health, social skill development and community engagement.

In 2023, Love Rowing partnered with Tyne Amateur Rowing Club (TARC) to start a Newcastle Youth Rowing programme for children living in the west-end of Newcastle - an area that ranks in the most deprived 10% of neighbourhoods nationally. Evidence shows that young people living in this area face the worst inequalities in relation to healthcare access, employment opportunities, mental health support and many other serious challenges through no fault of their own making.

The 2023 pilot project has been an overwhelming success, and the plan is to grow this programme so that many more can prosper from the life-changing benefits that rowing brings. Funding from The Hargreaves Foundation will support Love Rowing's objective to provide 144 young people with the opportunity to try rowing in a non-threatening and friendly environment.

"Enables individuals to experience the mental and physical health benefits of participatory sport."



The Hargreaves Foundation are delighted to grant funding to Allsorts, a charity aspiring to create a community between families that have children with additional needs and disabilities to reduce loneliness and capture potential.

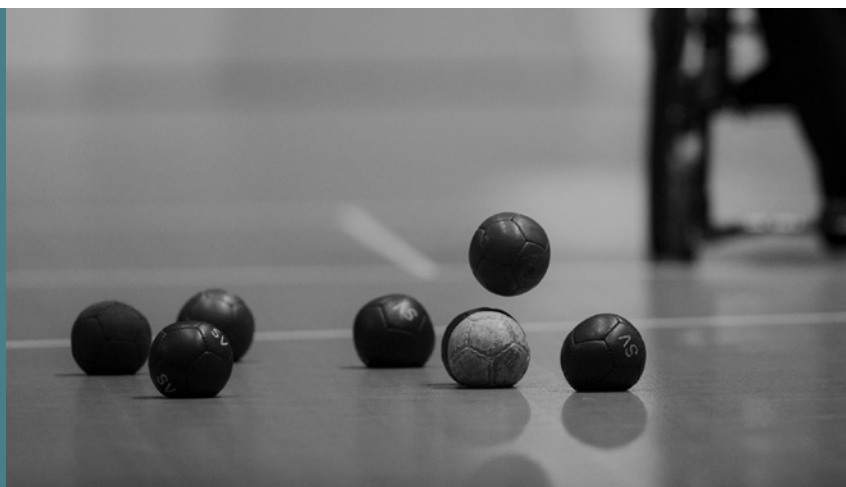
Providing activities and support for all members of the family, they deliver a range of activity sessions including sports, 'stay and play' sessions, and family and carer support groups. With a sensory room, a music room and a changing room with hoists, Allsorts have created a safe space for all. One parent said, "Thank you for all that you do. Allsorts is a great support to us and means that my son can have fun and access experiences that he would otherwise miss out on".

Encouraging children and young people to play competitive sport, Allsorts enters three teams to the Special Educational Needs and Disabilities (SEND) football tournaments yearly and even have several young people representing Great Britain in trampolining, swimming, and Boccia - in 2022-23, they provided 27 different sports welcoming an attendance of over 2000.

Funding from The Hargreaves Foundation will enable Allsorts to host weekly Boccia sessions for 42-weeks of the year and three tournaments, while also offering young people and children the chance to attend at a subsidised cost.

Boccia is a Paralympic sport where athletes throw, kick, or use a ramp to propel a ball onto the court with the aim of getting closest to a 'jack' ball. It is designed specifically for those with a disability affecting locomotor function, and most of the children and young people that play Boccia with Allsorts would find it impossible to play other sports due to their physical disabilities. Allsorts give these young people the chance to learn new skills like accuracy, resilience and competitiveness while also developing their confidence and self-esteem.

"Ensures participatory sport is accessible."



The Hargreaves Foundation are delighted to announce that funding has been awarded to Give. Help. Share, a charity committed to addressing food insecurity and fostering healthy lifestyles among disadvantaged individuals and families.

Funding will be allocated to support the costs of educational workshops and food parcels for hundreds of children and families residing in the Herts and North London boroughs. Workshops are taught in a series of six, each involving interactive activities that focus on promoting healthy eating habits, teaching basic nutrition principles, and empowering children to make healthier food choices. The portion of funding allocated to food parcels will be used to bulk buy nutritious food items at discounted rates, such as canned vegetables, pasta, fruit bars, and fresh fruits and vegetables.

The dual focus of providing both food parcels and educational workshops ensures that families can put into practice what the children are learning in school, creating a holistic approach to addressing food insecurity and empowering disadvantaged communities to lead healthier and more fulfilling lives.

"Provides sporting or educational activities that foster life skills."



The Hargreaves Foundation are pleased to announce that funding has been awarded to The Linacre Institute, a small social mobility charity based in Leeds, Yorkshire, aiming to improve academic engagement and attainment.

Over the past 10 years, Linacre has developed a strong reputation and proven track record for improving educational outcomes for young people who face some of the greatest barriers to learning and accessing a fair education across Yorkshire. In 2022, for example, 14% of students received offers from Oxbridge, and 80% from Russell Group institutions, both well above the regional average in the state school sector.

The funding from The Hargreaves Foundation will support their Reach Higher programme, which helps bright, but isolated, state school sixth formers in some of the most disadvantaged postcodes in and around Yorkshire, earn places at highly selective universities, where they are underrepresented; data from The Sutton Trust shows that typically less than 1% of students from state schools in Yorkshire receive places at Oxbridge.

The Linacre Institute's highly personalised and resource intensive programme is designed specifically to develop oracy skills and nurture intellectual curiosity, providing students with the academic inspiration, support and mentoring they require to acquire places at these universities.

Student case studies consistently demonstrate the impact of the Institute on these young people's perception of themselves and their capabilities. One student who earned a place to study at Cambridge University said, "I can't thank the Linacre Team enough for all of their support. The summer schools haven't only allowed me to explore my subject in depth far beyond what the a-level spec allows, but they have also inspired me to apply to a world class university and follow my dreams".

"Aims to improve academic engagement and attainment."



The Trustees of The Hargreaves Foundation are delighted to announce that Beyond Food has been awarded funding to support their intensive three-week programme that guides disadvantaged 14-18-year-olds across London into employment.

Offering life skills development, education, training and personal support, Beyond Food helps people whose lives have been unravelled; this includes exclusion from mainstream education, homelessness, mental health challenges and criminal records.

Using kitchen-based programmes, young people gain the skills to remain employable with the opportunity for work experience in Brigade, Beyond Food's social enterprise restaurant. Since 2005, Beyond Food have supported more than 8,000 people, providing over 593,000 hours of work experience.

Funding will support their 'Beyond the Classroom' project, where young people will complete 10 comprehensive programmes and gain up to six-weeks of work experience in the restaurant. Alongside modules covering the themes of life, employability, and industry skills, young people will access 1:1 support with the Support and Progression team to work on personal development targets and overcome barriers.

"Encourages the development of skills and personal attributes to aid future employability."



IMPACT ANALYSIS

PARTNERSHIPS – REED'S SCHOOL & EARLY INTERVENTION SCHEME

Reed's School

As part of The Hargreaves Foundation's commitment to improving academic engagement and attainment, the Trustees committed funding to cover the full cost of secondary education for multiple children at Reed's School.

Part of an ongoing partnership with Reed's that started in September 2021 and now includes several pupils in fulltime education. Each school year The Hargreaves Foundation will support further children as they start their education at Reed's through to the completion of Year 13.

The Andrew Reed Foundation is dedicated to supporting at least 10% of the population of Reed's School as Foundation pupils on funded bursaries. These pupils have lost the support of one or both parents and their family life is in crisis with some having sadly been exposed to a range of social issues including bereavement, domestic abuse and abandonment. In these cases, the need for strong pastoral care is as important today as it was 200 years ago when the Foundation was founded as the London Orphan School.

We remain committed to this important partnership and the lifechanging opportunities the school can provide.

Ashcombe Primary School

In July 2024 the 3 year partnership with Ashcombe Primary School in Weston-super-Mare concluded.

The EIS - Educate, Inspire, Support – programme was developed to address the link between education attainment at primary school and the likelihood of being in employment, education or training post secondary school.

Developed in conjunction with the school the EIS programme aimed to significantly improve the reading and writing attainment levels of disadvantaged pupils that leave Ashcombe in year 6.

The programme implemented new teaching strategies throughout the school, informed by the latest research in learning behaviour and best practice, while introducing targeted therapies and 1:1 support to address the additional barriers to learning experienced by disadvantaged children at Ashcombe.

The centrepiece of the project was the installation of a new purpose built literacy hub at Ashcombe. The woodland themed learning space, incorporating a stage, library and additional small group teaching space was designed to provide a creatively stimulating environment to foster children's interest and love for storytelling and books.

While the ambitious targets to elevate the reading and writing attainment of Year 6 children into the top 5% of the country within 3 years were not all achieved, the attainment levels at the end of the three year partnership were significantly higher than the years preceding the project.

A core objective of the project was to ensure that the children at Ashcombe school would continue to benefit from the partnership for years to come.

The EIS programme has provided the foundations for the way in which reading and writing will be taught at Ashcombe for the foreseeable future and while the funded element of the project has come to an end the relationship with Ashcombe is ongoing as we continue to monitor the long term impact of the programme.

FUNDING ANALYSIS BY UK REGION



FUNDING ANALYSIS BY SUPPORT



EDUCATION
26 GRANTS



**EXTRA
CIRRICULAR**
1 GRANT



HOLIDAY CLUB
1 GRANT



**PERSONAL
DEVELOPMENT**
2 GRANTS



**SPECIALIST
EQUIPMENT**
5 GRANTS



SPORT
56 GRANTS



THERAPY
2 GRANTS



VOCATIONAL
2 GRANTS

ANALYSIS BY FOUNDATION OBJECTIVES

The 95 grants awarded in 2024/25 were distributed across the 5 objectives as follows;

FOUNDATION OBJECTIVE	GRANTS AWARDED
Aims to improve academic engagement and attainment	18
Enables individuals to experience the mental and physical health benefits of participatory sport	30
Encourages the development of skills and personal attributes to aid future employability	11
Ensures participatory sport is accessible	11
Provides sporting or educational activities that foster life skills	25

IMPACT ASSESSMENTS

The terms and conditions of a grant award include the grant recipient agreeing to participate in an impact assessment.

The impact assessment process has been developed to better understand the impact that the grants are having and to support the decision-making process when assessing future grant applications.

Shortly after the awarding of the grant, the Foundation work with the recipient to clearly define what the grant will be spent on, the objectives of the grant and the outcomes and measures that will be used to determine the extent to which the grant objectives have been met.

At an agreed future date, determined by the nature of the grant and using the outcomes and measures defined above, the grant recipient completes a report detailing the results achieved, including details of the number of children supported.

The Foundation's impact assessor, independent of the funding panel, will review the submission and may request further details or evidence of impact before grading the impact of the grant and providing a report.

The completed impact reports are not only used to steer future decisions around grant making, but also should the application choose to re-apply for repeat funding.

Case Study – Foyle Down Syndrome Trust

The Foyle Down Syndrome Trust were awarded a grant of £10,000 to fund their 'Down Right Fit' health and fitness programme.

The programme supported 21 young people with Down Syndrome to plan and facilitate fitness and sport sessions across 15 primary schools in Belfast.

The programme was an overwhelming success, with the young team delivering sports sessions to over 550 school children.

The project not only made a lasting positive impact on the team that implemented the programme but also on the schools hosting the sessions who reported how their pupils learnt about Down Syndrome and benefitted from engaging with people with a disability.

A celebration event at the Belfast Guildhall was attended by the Mayor of Belfast along with all the schools that participated in the project.

Following the success of the grant further funding has been secured to continue and expand the number of schools that the Foyle Down Syndrome Trust work with.

Case Study – Achieve More Scotland

A grant of £29,000 was awarded to Achieve More Scotland to provide early intervention and diversionary based sports activities in economically deprived areas of Glasgow.

The 391 supported children all benefitted from the regular sports sessions and workshops where they learnt about social and personal issues such as alcohol and drug misuse, health and well being.

The success and importance of the project was borne out by the number of participants who became volunteers for Achieve More Scotland. This enabled them to increase the number of sessions provided and to support 100 more young people during the funding period than was originally envisaged.

The relationships developed and support that the Achieve More Scotland team provided to the young people in their community enabled them to help a number of the supported young people into employment, further education and apprenticeships, an unanticipated and very positive outcome.

Case Study – Bloomsbury Football Foundation

Following a successful pilot project, funded by The Hargreaves Foundation, the Bloomsbury Football Foundation were awarded a grant of £128,000 to launch their 'Changing the Game' programme.

In the 12 month funding period a total of 450 children and young people, took part in a range of football programmes in some of the most economically disadvantaged and underserved areas of London. The programmes ensured that the vast majority of participating children exceeded the Governments recommended daily exercise targets, while the mental health and well being of participants is above national averages and social health targets were also achieved.

The positive impact of the of the football programmes is reflected in the following view of the Childhood Trust;

"Many children living in poverty in the capital are leading sedentary lives, which risks negative physical and mental health outcomes. Bloomsbury Football is at the forefront of levelling the playing field for these children."

The Bloomsbury Football Foundation have since been awarded a 3 year grant to further expand their football programmes.

FINANCIAL REVIEW

Income from investments in the year amounted to £1,338k (2024: £1,170k). Expenditure on charitable activities was £3,578k (2024: £2,473k) including grants and donations of £3,366k (2024: £2,271k), investment management fees were £653k resulting in net expenditure before investment gains and losses of £2,893k (2024: net expenditure £1,854k).

After net realised/unrealised gains/(losses) on investments of £7,033k (2024: £3,816k) funds increased by £4,140k (2024: £1,961k) resulting in unrestricted funds at the year end of £72,450k (2024: £68,310k).

RESERVES POLICY

The Trustees will endeavour to ensure that suitable cash balances are maintained at all times to ensure the smooth operation of the Foundation and appropriate liquidity at all times.

Alexandra Butler will maintain a close watching eye on the running balance in the Lloyds account at all times and can request a transfer of additional cash balances.

INVESTMENTS POLICY

The Hargreaves Foundation has been funded entirely by donations provided by the Chair of the Trustees, Peter Hargreaves.

The Board of Trustees appointed an external Investment Manager to oversee the investment portfolio.

The basis of the Investment Policy is a balanced portfolio within the risk tolerance set by the Trustees, invested in a broad range of asset classes and any cash maintained in money market funds.

The income generated by the invested portfolio is used to fund operating costs and charitable distributions.

Investment Objectives

The objectives for the money committed to Pictet as our discretionary investment manager will be as follows:

1. Preserve, and if possible, through capital growth, enhance the value of the invested funds so they enhance their value in real terms against the RPI inflation rate over any five-year period.
2. Generate a reliable income yield to supply the Hargreaves Foundation with regular income for the Foundation to use to cover its costs and charitable giving.
3. Maintain a sensible spread of risk by investing across different geographic area and underlying investments.

Risk Profile and Asset Allocation

The Trustees of the Hargreaves Foundation have decided to accept a 'medium-high' risk position for our long-term capital investments. The Trustees were mindful of the following points when making their decision:

1. The Foundation has a large surplus capital balance beyond our projected short-term spending that we don't anticipate using for many years into the future. We have no anticipated need to raise additional funds through fundraising in the future. We can therefore take a long-term approach to our investments and we can tolerate short-term falls in the value of the sums we are investing in exchange for the greater potential that the equity type investments offer.
2. The Chairman of the Trustees has extensive investment experience having founded Hargreaves Lansdown Plc and grown it to become a FTSE100 company. The Trustees are well versed in taking a long term approach and are well placed to monitor the investment portfolio on an ongoing basis.
3. Pictet have shown that although their model portfolios can be volatile in the short term, over the longer term that volatility has produced potential for superior investment returns.
4. The capital provided to launch the Foundation was given on the condition that it was maintained in a single stock (Hargreaves Lansdown Plc) for a period of two years. This represented an initial 'high risk' strategy. We feel it is now right to take forward the principle of equity investment but in a more diversified portfolio to achieve a greater spread of risk across both different asset classes and across different underlying investments. We have therefore decided to move to a less volatile position by adopting a 'medium-high' risk approach across multiple diverse assets and asset classes.

Restrictions set by the Trustees

- No initial investment may exceed 5% of the total funds under management at the strike date excluding government-issued securities with a rating equal to or above AA.
- No holding shall exceed 7.5% of the total value of the fund at any time, excluding collective investments and government-issued securities with a rating equal to or above AA.
- Hedge funds are permitted, but direct investment derivatives are not permitted (other than those that may be useful for hedging purposes, such as FX forwards/swaps).

Environmental, Social and Governance investment (ESG)

The Hargreaves Foundation is mindful of the benefits of investing in environmentally or socially beneficial projects (ESG investing) and welcomes investment into these areas. However, we do not believe it would be appropriate at this stage to set specific criteria or limits on ESG considerations as these can be highly subjective and could prohibitively impact on investment performance. The Trustees will keep ESG considerations under review on an ongoing basis.

Pictet will avoid investing in Companies which have material concentrated interests in tobacco, gambling, pornography and controversial weapons.

Benchmarking & Performance

For broad reference purposes, the trustees may periodically consider the performance of the portfolio invested with Pictet with reference to a simple composite reference benchmark, comprised of two broad indices:

1. MSCI World index (in GBP, unhedged)
2. Barclays Global Aggregate Corporate index (total return, GBP hedged)

Over the first 5 years the reference benchmark will reflect the gradual buildup of the private equity allocation, such that the following reference benchmark will apply:

- Year 1: 50% MSCI World index and 50% Barclays Global Aggregate Corporate index
- Year 2: 55% MSCI World index and 45% Barclays Global Aggregate Corporate index
- Year 3: 60% MSCI World index and 40% Barclays Global Aggregate Corporate index
- Year 4: 65% MSCI World index and 35% Barclays Global Aggregate Corporate index
- Year 5 and thereafter: 70% MSCI World index and 30% Barclays Global Aggregate Corporate index

Whilst a reference benchmark may be applied to the Portfolio for reference purposes, the trustees note that Pictet is under no obligation to comply with any conventional management style, nor to be constrained by this (or indeed any other) benchmark.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document:	The Foundation is a Charitable Incorporated Organisation (CIO) with a written constitution dated 10 January 2020.
Appointment of Trustees:	The trustee body has the power to appoint new trustees. If new or additional trustees are appointed they will be encouraged to receive appropriate training depending on their qualifications and experience.
Investment Powers:	The CIO has power to do anything which is calculated to further its object or is conducive or incidental to doing so.

REFERENCE AND ADMINISTRATIVE DETAILS

Name of Charity: The Hargreaves Foundation
Charity No. 1187297

Trustees: Nigel James Bence
Peter Kendal Hargreaves
Louisa Rose Hargreaves
Robert Kendal Hargreaves
Rosemary Jane Hargreaves

Principal Office Address: The Old Surgery
Swan Barton
Sherston
Malmesbury
Wiltshire
SN16 0LJ

**Bankers
Investment Managers:** Lloyds Bank Plc
Pictet & Cie (Europe) S.A.,
London Branch
5 Stratton Street
London
W1J 8LA

Auditors: PKF Francis Clark
Centenary House
Peninsula Park
Rydon Lane
Exeter
EX2 7XE

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008.

The law applicable to charities in England & Wales 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 incoming resources and application of resources of the charity for that period. 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 the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008. They 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.

Signed:

Date: 03/11/2025

Peter Hargreaves

On behalf of the Trustees

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE HARGREAVES FOUNDATION FOR THE YEAR ENDED 31 JANUARY 2025

OPINION

We have audited the financial statements of The Hargreaves Foundation (the "Charity") for the year ended 31 January 2025 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 January 2025 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually, or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

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

OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

RESPONSIBILITIES OF THE TRUSTEES

The trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under S144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereafter. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

As part of our audit planning we obtained an understanding of the legal and regulatory framework that is applicable to the Charity. The key laws and regulations relevant to the Charity were identified as being Charity law and the General Data Protection Regulation.

We also considered opportunities and incentives for fraud, which might arise in the understatement of expenditure, or incurring expenditure for non-charitable purposes, in the payment of fraudulent grants or management bias in accounting estimates.

Based on this we designed our audit procedures to identify irregularities. Our audit procedures involved the following:

- Enquiries with Trustees, regarding their knowledge of any non-compliance or potential non-compliance with laws and regulations that could affect the financial statements;
- Review of trustees' meeting minutes;
- Review of the controls in relation to GDPR and enquiries to Management as to the occurrence and outcome of any reportable breaches;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business; and
- Review financial statement disclosures and testing to support documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate omissions, collusion, forgery, misrepresentations, or the override of internal controls. We are also less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements.

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

USE OF OUR REPORT

This report is made solely to the Charity's trustees, as a body, in accordance with Part 4 of the Charities (Account and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

PKF Francis Clark

Statutory Auditor

Centenary House

Peninsula Park

Rydon Lane

EXETER

EX2 7XE

Date

PKF Francis Clark is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 JANUARY 2025

	Note	Unrestricted Funds £	2025 Total £	Unrestricted Funds £	2024 Total £
Income and endowments					
Investments	3	1,338,358	1,338,358	1,169,583	1,169,583
Total income		<u>1,338,358</u>	<u>1,338,358</u>	<u>1,169,583</u>	<u>1,169,583</u>
Expenditure on:					
Raising funds					
- Investment managers fees		653,470	653,470	551,091	551,091
Charitable activities	4	3,578,131	3,578,131	2,473,439	2,473,439
Total expenditure		<u>4,231,601</u>	<u>4,231,601</u>	<u>3,024,530</u>	<u>3,024,530</u>
Net income/(expenditure) before net gains/(losses) on investments					
		(2,893,243)	(2,893,243)	(1,854,947)	(1,854,947)
Net gains/(losses) on Investments		7,032,754	7,032,754	3,815,840	3,815,840
Net income/(expenditure) Net movement in funds		<u>4,139,511</u>	<u>4,139,511</u>	<u>1,960,893</u>	<u>1,960,893</u>
		4,139,511	4,139,511	1,960,893	1,960,893
Reconciliation of funds					
Total funds brought forward		<u>68,310,108</u>	<u>68,310,108</u>	<u>66,349,215</u>	<u>66,349,215</u>
Total funds carried forward		<u><u>72,449,619</u></u>	<u><u>72,449,619</u></u>	<u><u>68,310,108</u></u>	<u><u>68,310,108</u></u>

BALANCE SHEET

AS AT 31 JANUARY 2025

		2025 Total	2024 Total
	Note	£	£
Fixed assets			
Investments at market value	2	73,146,982	68,786,799
Current assets			
Investment bank account		1,472,199	614,740
Cash at Bank		181,166	132,400
Debtors		5,756	5,240
		<u>1,659,121</u>	<u>752,380</u>
Current liabilities			
Creditors: amounts falling due within one year			
	5		
Creditors - Grants awarded		908,028	694,452
Other creditors and accruals		26,353	22,903
		<u>934,381</u>	<u>717,355</u>
Net current assets		<u>724,740</u>	35,025
Creditors: amounts falling due after more than one year	6	1,422,103	511,716
Net assets		<u>72,449,619</u>	<u>68,310,108</u>
Allocation of the charity net assets:			
The net assets are held for the various funds as follows:-			
Unrestricted income funds		<u>72,449,619</u>	68,310,108
Total charity funds		<u>72,449,619</u>	<u>68,310,108</u>

Approved by the trustees on 03/11/2025 and signed on their behalf by

Peter Hargreaves

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JANUARY 2025

		2025 Total	2024 Total
	Note	£	£
Net cash used in operating activities	10	(3,104,704)	(2,742,169)
Cash flow from investing activities:			
Dividends and interest from investments		1,338,358	1,169,583
Additions to investments		(35,589,839)	(41,488,038)
Proceeds from sale of investments		38,262,410	42,990,441
Net cash used in investing activities		4,010,929	2,671,986
Change in cash and cash equivalents in the reporting period		906,225	(70,183)
Cash and cash equivalents brought forward		747,140	817,323
Cash and cash equivalents carried forward		1,653,365	747,140
Representing:			
Investment managers' bank accounts		1,472,199	614,740
Cash at bank		181,166	132,400
		1,653,365	747,140

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2025

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

A. BASIS OF PREPARATION

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011. There are no material departures from FRS 102.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) regulations 2008 only to the extent required to provide a 'true and fair view'. The departure has involved following Accounting and Reporting applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has been withdrawn.

The Charity meets the definition of a public benefit entity under FRS102.

The financial statements have been prepared on a going concern basis and the Trustees are not aware of any material uncertainties that would cast doubt on the Charity's ability to continue as a going concern.

The accounts are prepared in Sterling, which is the functional currency. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention as modified by the revaluation of investments.

B. FUND ACCOUNTING

Unrestricted Income Fund - The Unrestricted Income Fund comprises those Funds which the Trustees are free to use in accordance with the charitable objects.

C. INCOME

Dividend and other similar investment income is shown gross and recognised on an accruals basis.

D. INVESTMENTS

Investments, where listed on a recognised stock exchange, are included in the accounts at their market value at the balance sheet date. Other investments include private equity investments which are included at cost and forward contracts which are valued at the forward rate applicable at the future date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

E. GRANTS PAYABLE

Grants are included in the accounts on an accruals basis, and unconditional grant commitments payable within one year after the balance sheet date are included in the Statement of Financial Activities.

F. RESOURCES EXPENDED

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Governance costs are the costs associated with the governance arrangements of the charity which relate to the general running of the Charity as opposed to those costs associated with fundraising or charitable activity. The costs will normally include internal and external audit, legal advice for trustees and costs associated with constitutional and statutory requirements e.g. the cost of trustee meetings and preparing statutory accounts. Included within this category are any costs associated with the strategic as opposed to day to day management of the charity's activities.

G. REALISED GAINS AND LOSSES

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of 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. EXPENDITURE

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

- Expenditure on charitable activities includes costs of grants awarded during the year.

I. DEBTORS

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

J. CASH AND CASH EQUIVALENTS

Cash and cash equivalents 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.

K. CREDITORS AND PROVISIONS

Creditors and provisions are recognised when 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 recognized at their settlement amount after allowing for any discounts due.

2. FIXED ASSET INVESTMENTS

	2025 £	2024 £
Market value at 1 February 2024	68,786,799	66,473,362
Additions	35,589,839	41,488,038
Disposal proceeds	(38,262,410)	(42,990,441)
Net gain/ (loss) on revaluation	7,032,754	3,815,840
Market value at 31 January 2025	<u>73,146,982</u>	<u>68,786,799</u>
Summary of investments held:	£	£
Fixed income	23,677,823	21,002,798
Equities	41,518,711	35,439,152
Cash (short term deposits and forwards)	856,701	7,298,892
Alternative investments	7,093,747	5,045,957
	<u>73,146,982</u>	<u>68,786,799</u>

The majority of the reported turnover (Additions and Disposals) within the Foundation's portfolio arise from two sources:

1. Active management of the Foundation's exposure to fixed income and credit instruments (bonds), an activity which is undertaken on a discretionary basis by the Foundation's investment managers. Transactions in instruments of this nature (bonds) represent approximately 48% of reported Additions and approximately 40% of reported Disposals.
2. Investment (and disinvestment) in short-term money market funds and/or short-dated government bills for the purpose of efficient short-term cash management. Transactions in instruments of this nature represent approximately 36% of reported Additions and approximately 48% of reported Disposals. This activity is consistent with the Foundation's investment strategy and the pursuit of its return, income, risk and liquidity objectives.

3. INVESTMENT INCOME

	2025 £	2024 £
Dividends	511,797	472,123
Interest	826,561	697,460
	<u>1,338,358</u>	<u>1,169,583</u>

4. CHARITABLE ACTIVITIES

	2025 £	2024 £
Grants approved	3,366,280	2,271,102
Support and Governance costs (below)	211,851	202,337
	<u>3,578,131</u>	<u>2,473,439</u>
Support costs		
Subscriptions	35	35
Wages and salaries	162,682	147,333
Staff NIC (employers)	11,917	17,822
Staff pensions (Defined contribution)	7,146	4,436
Rent and rates	3,200	3,120
Telephone and internet	574	574
Insurance	1,324	1,499
IT cost	9,034	9,454
Sundry expenses	1,659	1,372
Publishing	1,680	1,680
Governance costs - Auditors remuneration	10,100	10,712
Governance costs - Accountancy	2,500	4,300
	<u>211,851</u>	<u>202,337</u>

The charity employed two members of staff during the period (2024: 2). The number of employees with total benefits (excluding employer pension costs) exceeding £60,000 was:

	2025 No.	2024 No.
In the band £90,001 - £100,000	-	1
In the band £110,001 - £120,000	1	-

Key management personnel comprise the two members of staff and total remuneration is shown above.

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Grants awarded	908,028	694,452
Pension	450	210
PAYE & NI	19,911	16,701
Accruals	5,992	5,992
	<u>934,381</u>	<u>717,355</u>

6. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2025	2024
	£	£
Grants awarded	1,422,103	511,716
	<u>1,422,103</u>	<u>511,716</u>

7. RELATED PARTIES

There have been no related party transactions in the year requiring disclosure.

8. TRUSTEES REMUNERATION AND EXPENSES

During the year trustees have not received remuneration and were not reimbursed for any expenses.

9. GRANT COMMITMENTS

As at 31 January 2025 binding grant commitments were £2,330,131 (2024: £1,206,168).

10. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASHFLOW FROM OPERATING ACTIVITIES

	2025	2024
	£	£
Net movement in funds	4,139,511	1,960,893
Deduct investment income	(1,338,358)	(1,169,583)
Deduct gains/add back losses on investments	(7,032,754)	(3,815,840)
(Increase)/decrease in debtors	(516)	(237)
(Decrease)/Increase in creditors	1,127,413	282,598
	<u>(3,104,704)</u>	<u>(2,742,169)</u>

11. GRANTS MADE

During the year the trustees made institutional grants totaling £3,366,280.

There are no support costs attributed to grants made. Governance costs comprise all costs incurred by the charity and no apportionment is made between grant making activities and running of the charity.

The Trustees made the following institutional grants during the year:

	2025 £	2024 £
Grant commitments brought forward	(694,452)	(550,830)
Grants paid in the year	1,730,601	1,615,764
Grant commitments carried forward:		
Due within one year	908,028	694,452
Due after one year	1,422,103	511,716
Total grants approved	<u>3,366,280</u>	<u>2,271,102</u>

The analysis of grants approved in the year is below:

	2025 £	2024 £
1625 Independent People	11,431	-
9UP	9,555	-
Ablaze	6,000	-
Access Adventures	10,000	-
Access Sport	25,000	-
Achieve More Scotland	31,600	29,000
Action for Kids	931	25,000
Action Tutoring	23,970	-
Active Fusion	14,784	-
Ashcombe Project	-	90,044
Ark	30,000	-
Auditory Verbel UK	91,720	-
Aura Up	9,450	-
Autism Berkshire	-	10,000
Autistic Children & Carers Together	-	7,500
Basecamp Adventure Trust	-	8,385
Bedminster Down School	6,500	-
Berkshire Vision	12,320	-
Berkshire Youth	-	7,506
Beyond Food Foundation	21,350	-
Blackburn Youth Zone	7,500	-
Blackpool FC Community Trust	19,090	16,000

Bloomsbury football foundation	-	128,000
Boccia England	10,000	-
Bolton Lads & Girls Club	20,200	30,000
Boxing Futures	11,464	-
Boxing Clever	85,000	140,000
Brent Adolescent Centre	-	20,944
Brighter Opportunities for Special People	-	7,703
Brighton Table Tennis Club	41,773	-
Bristol Inclusive Thrill Seekers	-	8,000
British Racing School	-	81,003
Bromley By Bow Community Organisation	12,446	-
Care to Dance	18,975	18,975
Cerebra	-	29,000
Chances by Educational Support Services	50,000	-
Chapter One	25,000	-
City of Bristol Rowing Club	16,672	-
Coach Core Foundation	7,000	-
Combe Pafford School	-	6,000
Debate Mate	10,000	-
Diverse Abilities	-	46,626
Down Syndrome Cheshire	26,810	-
Downright Excellent	-	15,000
Durham Agency Against Crime	-	14,000
EKOTA	15,100	-
Ellen Macarthur Cancer Trust	20,000	-
Empire Fighting Chance	68,160	200,520
Estudiantes	51,814	7,620
Fight for Peace International	35,560	37,150
Foyle Down Syndrome Trust	30,140	9,704
Fulham Reach Boat club	16,428	-
GASP Motor Project	-	39,455
Get Set 4 Tennis	9,297	-
Give Help Share	9,240	-
Give It Your Max	-	9,576
Greenhouse Sports	-	32,480
Growing2gether	18,871	-
Gympanzees	80,000	20,000
Haddington Athletic Community Football Club	7,300	-
Herefordshire RDA	20,000	-
Hestia Housing & Support	15,000	-
High Hopes Riding for the Disabled	15,000	-
Inverness Rowing Club	20,935	-

Just Kidz London	-	6,000
KEEN London	34,720	-
Lawrence Weston Community Farm	8,853	-
Level Water	-	34,441
Love Rowing	-	18,000
Mentoring Plus BANES	15,510	-
Newlife	38,800	-
NICE Centre for Movement Disorders	17,031	-
Opportunity Sports Foundation	36,988	36,440
Our Way Our Say	-	13,960
Out of Class	7,000	-
Pakeman Primary School	7,145	-
Rackets Cubed	90,720	-
Reed's School	1,000,098	337,975
Ride High	17,295	23,920
Ride2Success	9,984	9,480
ROKT Foundation	15,900	-
Royal National Children's Springboard Foundation	-	50,000
Royal Society for Blind Children	-	10,000
Sandwell Asian Development Foundation	-	9,100
SCAMPPS in Surrey	5,500	6,000
Seamab School	-	100,000
SELFA Grant	15,000	-
Sirona Horsemanship	-	9,660
SocietyLinks Tower Hamlets	20,000	16,000
SOFEA Grant	20,000	-
Solidarity Sports Grant	23,975	-
South Bristol Youth	10,000	10,000
Sparkle (South Wales)	8,103	-
Special Olympics GB	-	46,427
Sport4Life	16,600	-
Square Food Foundation	27,865	15,437
Step by Step London	12,000	-
Stepney Bank Stables	-	14,389
Strength and Learning Through Horses	10,000	-
Stride UK	21,992	-
Team Oasis	21,600	-
The Andrew Simpson Foundation	10,500	9,870
The Horse Rangers	21,060	17,146
The Jack Hazeldine Foundation	29,220	63,679
The Jon Egging Trust	60,000	9,907
The Linacre Institute	20,000	-

The Literacy Pirates	90,000	-
The Lord's Taverners	50,000	25,000
The Outward Bound Trust	30,000	-
The Polar Academy	25,000	25,000
The Rowdown Foundation	10,000	10,000
The Salmon Youth Centre	49,169	49,196
The Tim Henman Foundation	12,000	12,000
The Ups of Downs	13,000	-
The Wave Project	-	46,000
The Wheels Project	-	30,000
Tutors United	10,000	-
Whizz Kidz	316,561	51,300
Wolverhampton Wanderers Foundation	-	16,500
Small grants < £5k	19,705	43,084
Grant repayment	(12,000)	
	3,366,280	2,271,102

THE HARGREAVES FOUNDATION

England & Wales - Charity number 1187297

Accounts



THE
HARGREAVES
FOUNDATION

Charitable Incorporated Organisation
Registered Number 1187297

**TRUSTEES' ANNUAL REPORT
AND FINANCIAL STATEMENTS**

For the year ended 31 January 2024

CONTENTS

CHAIR & EXECUTIVE COMMENT	1
TRUSTEES' REPORT OBJECTIVES AND ACTIVITIES	2
ACHIEVEMENTS & PERFORMANCE	3
HOW HAVE WE MET OUR OBJECTIVES?	4
THE HARGREAVES FOUNDATION EARLY INTERVENTION SCHEME	8
IMPACT ANALYSIS	10
FINANCIAL REVIEW	14
STRUCTURE, GOVERNANCE AND MANAGEMENT	16
REFERENCE AND ADMINISTRATIVE DETAILS	16
RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS	17
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE HARGREAVES FOUNDATION FOR THE YEAR ENDED 31 JANUARY 2024	18
STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDED 31 JANUARY 2024	22
BALANCE SHEET AS AT 31 JANUARY 2024	23
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 JANUARY 2024	24
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2024	25

CHAIR & EXECUTIVE COMMENT

We remain committed to our vision of supporting vulnerable children and young people through sport and education. We believe that these two pillars empower individuals, encourage personal development and accountability and create positive change in communities.

Through our ongoing funding initiatives, we have been able to make a tangible and lasting impact on the lives of those under the age of 18. By supporting organisations who offer life changing sports and education based projects within their communities, we have been able to drive aspiration, resilience and self-esteem. Our aim is to continue to support nationwide initiatives that help children and young people thrive.

We remain committed to actively seeking out new opportunities and partnerships that align with our mission and objectives, whilst continuing to leverage our existing relationships by providing repeat funding.

Peter Hargreaves

We have continued to build our relationships with existing grant recipients and this year has seen a significant increase in repeat funding.

As ever, the impact of our funding has been significant and far-reaching covering a range of projects across the UK, transforming not only young lives, but positively impacting families, schools and communities.

It is a joy to hear more about the inspirational initiatives we support, in particular some of the grass roots, volunteer led organisations who so often transform the lives of children, young people and their communities.

Alexandra Butler



TRUSTEES' REPORT

OBJECTIVES AND ACTIVITIES

The charitable objectives of The Hargreaves Foundation as stated in our constitution document are:

- A. To advance for the public benefit the physical and mental health and well-being of individuals living with disabilities of any description, in particular but not exclusively by providing grants, items and services to individuals in need, charities and/or organisations that provide or assist in the provision of:
 - i. information, advice, education and support designed to raise awareness and enable individuals living with disabilities to be self-sufficient;
 - ii. financial assistance for individuals living with disabilities;
 - iii. medical treatment, care and rehabilitation for individuals living with disabilities;
 - iv. equipment, mobility aids, prosthetics, facilities and services for individuals living with disabilities;
 - v. recreational, sporting and leisure time activities and facilities with a view to improving the conditions of life of such persons

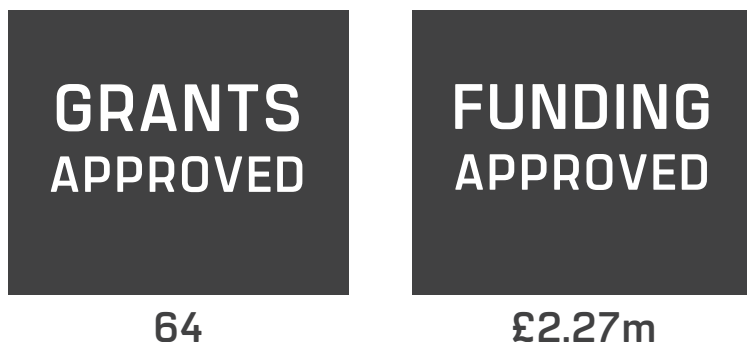
- B. To advance in life and help people who have need by reason of their youth, infirmity, poverty or social and economic circumstances with a view to improving the conditions of life of such persons in particular but not exclusively by providing grants, items and services to individuals in need, charities and other organisations that provide advice, assistance and organize programmes of physical, educational and other activities as a means of:
 - i. helping young people by developing their skills, capacities and capabilities to enable them to participate in society as independent, mature and responsible individuals;
 - ii. advancing education;
 - iii. relieving unemployment; and
 - iv. providing recreational, sporting and leisure time activities and facilities in the interests of social welfare and cohesion.

The main activities undertaken to further the charity's purposes for the public benefit are grant making. Details of grants awarded are included in the achievements and performance section of this report.

The Trustees have had regard to The Charity Commission's guidance on public benefit.

ACHIEVEMENTS & PERFORMANCE

OVERVIEW



HOW DO WE DECIDE?



We consider our application process to be light touch, whilst still providing detail. We only accept applications online meaning everyone must follow the same process and we have invested in technology to make managing applications as seamless as possible.

Our initial screening includes a full review of the application against our criteria, website review, Charity Commission check (if appropriate) and a check for news stories.

The Trustees have access to all the application data and make their final selections. They are looking for projects or initiatives that have the potential to inspire and make a significant impact on a young person's life.

If an application is shortlisted we request that a brief video is prepared by the organisation to showcase their project.

The closing stage is normally a meeting with the Trustees which is currently being carried out remotely.

A final decision is communicated with the recipient after this.

HOW HAVE WE MET OUR OBJECTIVES?

We have five objectives which underpin our mission *"transforming young lives through sport and education"*. Our application form asks organisations to confirm which of our objectives their project supports and we then go on to assess which initiatives will make the biggest impact. We try to ensure that we fund a range of projects meeting as many of our objectives as possible. Often a project will meet more than one objective.

AN EXAMPLE OF SOME OF THE PROJECTS FUNDED AND THE OBJECTIVES MET:

A collaboration with Empire Fighting Chance, backing their innovative sport-based programs that meld boxing and psychology to create a profound impact on the lives of vulnerable young people. Born on Bristol's streets in 2006, the charity's transformative approach helps young individuals overcome the challenges posed by poverty.

Empire Fighting Chance's flagship program, BoxChampions, combines boxing with psychologically informed mentoring, utilising the street credibility of the sport to recruit 200 vulnerable young people annually. With the funding over three years, participants will engage in structured weekly sessions, learning boxing techniques while receiving support to set and achieve personal goals.

The holistic 20-week program incorporates evidence-based psychological principles, addressing the complex issues faced by the target group, including Adverse Childhood Experiences (ACEs). By providing a safe and welcoming environment in Easton, inner-city Bristol, the program aims to achieve improved mental health, reduced negative behaviours, healthier relationships, enhanced physical health, improved attitudes, and increased engagement for young participants aged 8-18.

The Hargreaves Foundation recognises the timely importance of Empire Fighting Chance's work, especially in the wake of the COVID-19 pandemic and economic challenges. The Foundation's support will play a crucial role in empowering young individuals to navigate and overcome these obstacles, fostering positive change in their lives.

"Enables individuals to experience the mental and physical health benefits of participatory sport."



The Hargreaves Foundation are pleased to confirm funding for Autism Berkshire, a charity delivering quality specialist services to autistic people throughout Berkshire.

Providing services such as helplines, leisure activities, autism-specific training, and educational support, Autism Berkshire are currently supporting more than 1,100 families. The positive impact of the charity's support on autistic people and their families has been recognised through the Platinum Excellence Award granted on behalf of the Slough Quality Protects Programme in 2018.

To continually enhance the quality of life for autistic people, Autism Berkshire received a grant to fund trampolining sessions at the Bracknell Trampoline Centre. These sessions aim to increase children's level of exercise, strengthen their motor skills and co-ordination, and support social interactions. Parents and carers will be able to be present at the sessions, giving them an opportunity to receive mutual support and make friends in a safe environment.

Funding is particularly vital for this project as Autism Berkshire aim to avoid asking families for financial contributions, recognising the financial pressures many families face due to the additional costs of having a child with disabilities.

"Ensures participatory sport is accessible."



The Trustees of The Hargreaves Foundation are pleased to announce that funding has been granted to Seamab, a charity providing sector-leading residential care and education to vulnerable children across Scotland, many of whom have suffered abuse and neglect.

The school's origins date back over 80 years and they have been providing specialised care, therapeutic support, and education to meet children's needs. Until recently the school was registered to teach children from 5 to 13. They now have registration to teach children up to 18 years.

Currently operating from a 40-year-old converted residential house, Seamab are challenged by the lack of facilities necessary to deliver the Scottish Curriculum for Excellence. Seamab will use the funding to support their 'Building our Future' project involving the construction of a new school, and they invited the Hargreaves Foundation to fund the new gym hall.

With the current school not having a gym hall or suitably sized indoor space, the children have a serious lack of access to participatory sport and as such are missing out on critical opportunities to develop motor skills, balance, co-ordination, and fitness. The new gym hall is planned to be the size of a badminton court, enabling multi-functional use. Assemblies, concerts, sporting activities and dining will all take place in the new facility.

The funding will not only benefit the children attending the school, but also the wider community who will have access to the gym hall via community groups, fitness, and private hires. As there is no other similar sized facility in the local area, it is estimated that funding this gym hall will benefit 60-100 users in the first year.

"Provides sporting or educational activities that foster life skills."



The Trustees of The Hargreaves Foundation are pleased to announce that the Wheels Project has been granted funding to support the cost of entering three teams to compete in the British Schools' Karting Championship in 2024.

Based in Bristol, the Wheels Project deliver education programmes in motor vehicle studies to disadvantaged and disaffected teenagers in the Bristol, Bath, and South Gloucestershire area. Running a range of activities which comprise progressive courses on a range of vehicles, including the stripping and rebuilding of a bicycle or go-kart, they aim to ignite a desire to learn and improve attainment levels.

'We work with schools and other agencies across the West of England as one of just 4 part-time accredited Alternative Learning Providers and hold a Queens Award for Voluntary Service.'

Funding will be used to send three teams, each with four members, to compete in the British Schools Karting Championship – a championship proven to boost interest and motivation amongst students. Acquired costs include workshop sessions, karting fees, and the administration of the groups.

The Wheels Project are seeking this funding as the opportunity to compete in karting can impact an individual's personal development. Some predicted outcomes of participation include increased attendance due to the incentive of competing in the championship, improved numeracy and literacy through analysing race results, and improved social skills through teamwork.

Beneficiaries will be students aged 13-17 from deprived areas across the West of England, who will have disengaged from or been excluded from school, usually put down to poor attendance and disruptive behaviour. Applicable students will be referred by full time Alternative Learning Providers and mainstream schools.

"Aims to improve academic engagement and attainment."



The Trustees of The Hargreaves Foundation are proud to announce that funding has been provided to The Polar Academy in Scotland, an organisation that works with 30 children a year that are struggling with poor mental health and lack self-esteem, and provides a programme including a 10 month intensive training course, and an immersion into the wilds of Greenland for 10 days. The funding provided by the Hargreaves Foundation will go towards the training in Scotland for participants living in poverty.

Individuals targeted are those that are seemingly 'invisible' in their communities, that juggle multiple traumas, suffer abuse, struggle with their self confidence and have a clouded view of a way out of their situation.

The Polar Academy has become an invaluable resource, that has helped alleviate the pressure on mental health services around Scotland and has provided employment opportunities for graduates as guides for future intakes. Furthermore, following the programme, the participants speak to 3,000 young people in their area, reaching up to 90,000 people total. The skills and confidence, along with the connection with the outdoors that the participants will form will last a lifetime.

"Encourages the development of skills and personal attributes to aid future employability."



THE HARGREAVES FOUNDATION EARLY INTERVENTION SCHEME

The premise of the EIS programme is the belief that the biggest difference we can make to the future health, wealth and happiness of disadvantaged children is to ensure they are literate when they leave primary school.

"To be literate is to gain a voice and to participate meaningfully and assertively in the decisions that affect one's life."

Y Kassam

- 80% of 16-24 year olds not in employment, education or training left school without 5 good GCSEs
- The single biggest factor predicting results at age 16 is the prior attainment of students whilst at primary school
- Fewer than 1 in 6 children from low income families not achieving the expected level by the age of 7 go on to get 5 good GCSEs

Social Mobility and Child Poverty Commission 2014

134 disadvantaged children (67% of disadvantaged children) at Ashcombe Primary School are below the expected level for reading, 146 (72%) are below the expected level in writing.

These statistics would suggest c117 of these children are unlikely to get 5 good GCSE's significantly increasing the likelihood they will join the population of 16-24 year olds not in employment, education or training.

EIS PROGRAMME GOAL

By the end of the 2023/24 school year, 80% of disadvantaged children will leave Ashcombe Primary School in year 6 at the expected standard in both reading and writing and 40% will leave exceeding the expected standard.

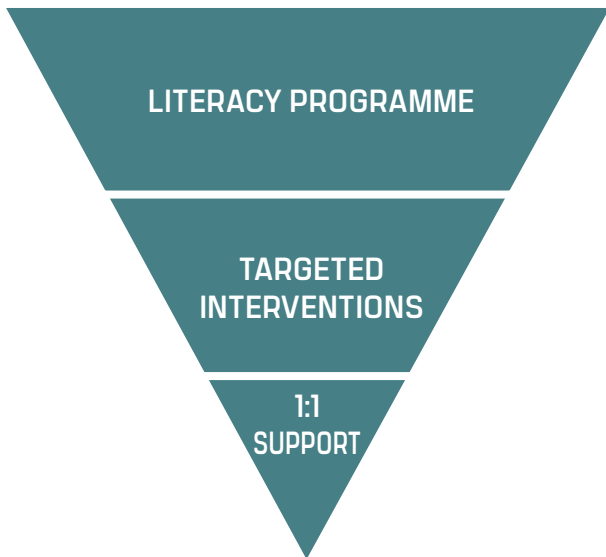
This will place the school in the top 5% nationally in terms of primary school performance for disadvantaged children, as measured by FFT, an independent school performance and research organisation.

The aim beyond 2023/24 is to maintain a top 5% position within FFT benchmarking.

To achieve this ambitious target we will support the school in the development and delivery of a world class literacy programme, building on the work that the school is already undertaking and utilising the latest research in learning behaviour and teaching methods.

We recognise that many disadvantaged children will experience additional barriers to accessing excellent teaching no matter how well designed or delivered.

We will ensure every disadvantaged child can access the literacy programme and remove those barriers through targeted interventions, therapies and where appropriate personalised 1:1 support.



Available to all. Teacher training, new literacy hub fostering a creative, enjoyable, reading and writing environment, pupil assessments.

Targeted at disadvantaged children. Speech and language, reading interventions, therapies, emotional wellbeing, parental engagement

Extremely vulnerable children, at risk of exclusion, exposure to Adverse Childhood Experience. Mentoring, counselling in addition to targeted interventions.

Programme Overview

EDUCATE

- Teacher Training
- Speech & Language
- Reading and writing intervention
- Spelling intervention
- Classroom books
- Assessment

INSPIRE

An immersive literacy hub at the heart of the school for reading, creative writing and performance.

SUPPORT

- Sensory room and therapy
- Art and play therapy
- Domestic violence counselling
- Emotional wellbeing support
- Mini police and primary futures
- Parental support to promote independence

Roll Out & Educate

EDUCATE

- Teacher Training
- Speech & Language
- Reading and writing intervention
- Spelling intervention
- Classroom books
- Assessment

Rolled out from September 2021 onwards – term 1, year 1

- Mentoring
- DART
- Mini Police
- Primary Futures
- Seasons for Growth
- Drawing & Talking

Support

Rolled out from September 2021 onwards – term 1, year 1

- Literacy Hub
- Literacy interventions
- Author visits

Established Summer 2022/2023

- Sensory room
- Art & Play Therapy
- Parent engagement & family link

On hold pending plans for school building replacement

Programme duration and review

The proposed duration of the EIS programme is 3 years.

This builds contingency into the goal and sufficient time for Ashcombe Primary school to assimilate new working practises and ensure ongoing success in achieving the goal set by the programme.

A performance review of each programme component will be undertaken annually and programme components amended as required to achieve the programme goal.

A full programme review will be undertaken in year 3 to determine the next stage of the EIS programme.

IMPACT ANALYSIS

PARTNERSHIPS – REED'S SCHOOL & EARLY INTERVENTION SCHEME

Reed's School

As part of The Hargreaves Foundation's commitment to improving academic engagement and attainment, the Trustees committed funding to cover the full cost of secondary education for multiple children at Reed's School.

Part of an ongoing partnership with Reed's that started in September 2021 and now includes several pupils in full time education. Each school year The Hargreaves Foundation will support further children as they start their education at Reed's through to the completion of Year 13. Next year will see our first sixth form student join the school.

The Andrew Reed Foundation is dedicated to supporting at least 10% of the population of Reed's School as Foundation pupils on funded bursaries. These pupils have lost the support of one or both parents and their family life is in crisis with some having sadly been exposed to a range of social issues including bereavement, domestic abuse and abandonment. In these cases, the need for strong pastoral care is as important today as it was 200 years ago when the Foundation was founded as the London Orphan School.

We remain committed to this important partnership and the lifechanging opportunities the school can provide.

Ashcombe Primary School

In September 2021 an ambitious 3 year programme was launched in partnership with Ashcombe Primary School in Weston-super-Mare.

The EIS - Educate, Inspire, Support – programme was developed to address the link between education attainment at primary school and the likelihood of being in employment, education or training post secondary school.

Developed in conjunction with the school the EIS programme aims to significantly improve the reading and writing attainment levels of disadvantaged pupils that leave Ashcombe in year 6 from the bottom 50% of schools in 2020/21 to top 5% by 2023/24.

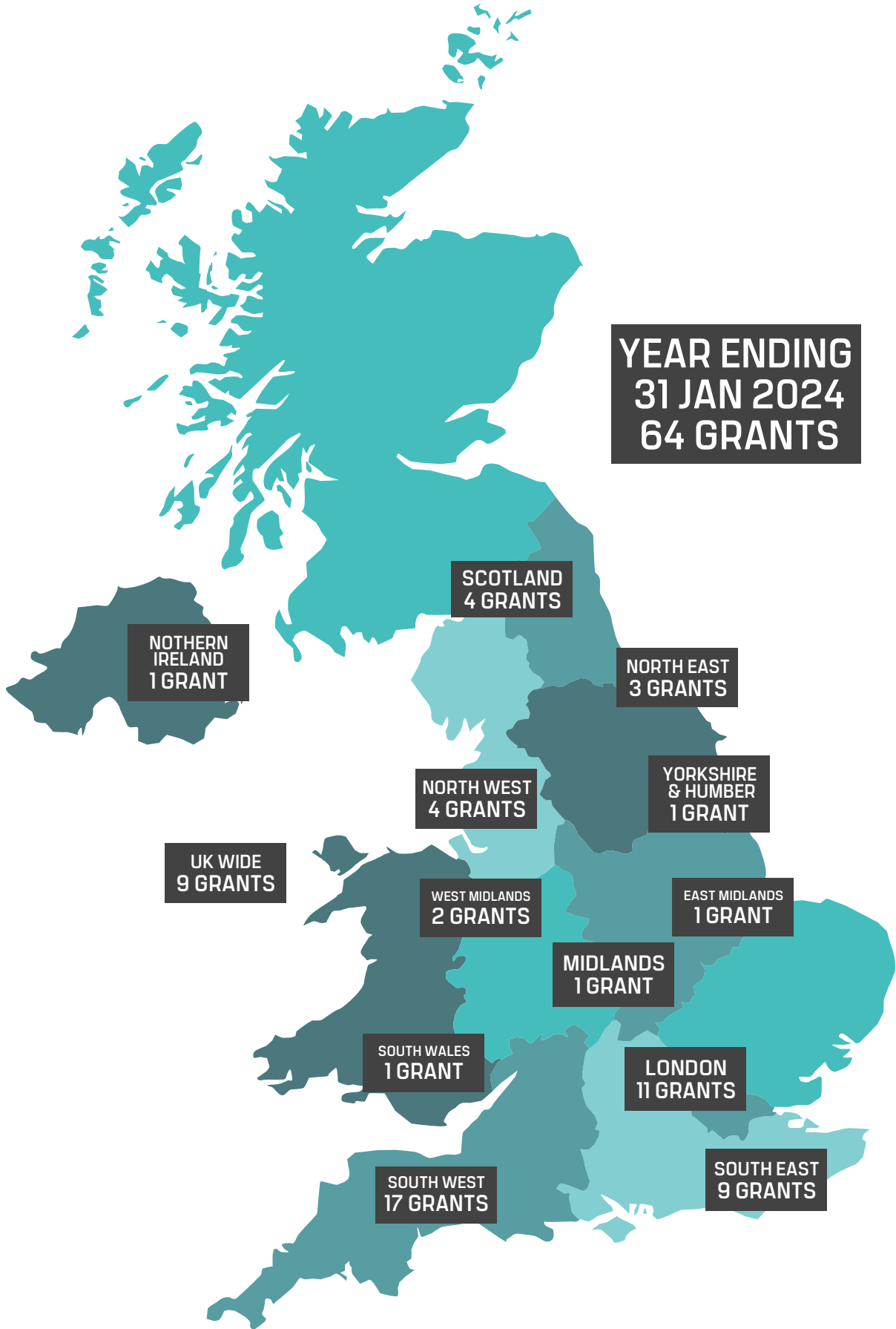
In Year 1 the programme supported the school in the development and delivery of world class classroom teaching. This was embedded through both the provision of new teaching resources and training and development provided by one of the leading practitioners in teaching children to read and write.

To address the additional barriers to learning experienced by disadvantaged children at Ashcombe, targeted interventions, therapies and 1:1 support, such as mentoring, were also rolled out in Year 1.

The target for Year 6 reading attainment was achieved in the first year of the programme and writing results also achieved significant improvement.

2023 also saw the installation of a new literacy hub at Ashcombe. The woodland themed learning space, incorporating a stage, library and additional small group teaching space was designed to provide a creatively stimulating environment to foster children's interest and love for storytelling and books.

FUNDING ANALYSIS BY UK REGION



FUNDING ANALYSIS BY SUPPORT



EQUIPMENT
6 GRANTS



EDUCATION
16 GRANTS



SPORT
40 GRANTS



THERAPY
1 GRANT



CONSTRUCTION
1 GRANT



SEND SUPPORT

Of the 64 grants detailed above 32 grants were providing SEND support.

ANALYSIS BY FOUNDATION OBJECTIVES

The 64 grants awarded in 2023 were distributed across the 5 objectives as follows;

FOUNDATION OBJECTIVE	GRANTS AWARDED
Aims to "improve" academic engagement and attainment	11
Enables individuals to experience the mental and physical health benefits of participatory sport	20
Encourages the development of skills and personal attributes to aid future employability	7
Ensures participatory sport is accessible	15
Provides sporting or educational activities that foster life skills	11

IMPACT ASSESSMENTS

The terms and conditions of a grant award include the grant recipient agreeing to participate in an impact assessment.

The impact assessment process has been developed to better understand the impact that the grants are having and to support the decision-making process when assessing future grant applications.

Shortly after the awarding of the grant, the Foundation work with the recipient to clearly define what the grant will be spent on, the objectives of the grant and the outcomes and measures that will be used to determine the extent to which the grant objectives have been met.

At an agreed future date, determined by the nature of the grant and using the outcomes and measures defined above, the grant recipient completes a report detailing the results achieved, including details of the number of children supported.

The Foundation's impact assessor, independent of the funding panel, will review the submission and may request further details or evidence of impact before grading the impact of the grant and providing a report.

The completed impact reports are not only used to steer future decisions around grant making, but also should the applicant choose to re-apply for repeat funding.

Case Study – The Polar Academy

The Polar Academy were awarded a grant of £20,000 to fund their polar expedition programme. The programme supports young people struggling with their mental health and aims to develop their confidence and self belief to positively empower them for the future.

The grant supported 30 young people as they underwent an intensive 10 month training programme, culminating in a 10 day expedition to Greenland.

The positive impact to the physical and mental health of these young participants is best illustrated by the feedback they provide as demonstrated in the following quote;

"I am so grateful to the Polar Academy for saving my life. I was in a bad place with my mental health when Polar Academy came into my school, and they SAW me at a time I couldn't see myself. After completing Polar Academy, I truly now believe I can achieve whatever I want in life."

This is a life changing and in some instances a life saving programme and we're pleased to report that the success of the grant has led to further funding for the 2024 expedition.

Case Study – The British Racing School

A grant of £25,000 was awarded to The British Racing School to support their Flexible Learning Programme (FLP).

The FLP supports disadvantaged young people with an alternative pathway to further education or a career in horse racing.

The programme supports students completing vocational qualifications while providing valuable industry experience and through their extensive networks are able help graduates find employment at the end of the programme.

Of the 8 participants that graduated from the 2 year programme in 2023, 7 are now employed by Racing Stables around the country and one graduate has already won their first race!

Case Studies - Alder Hey Children's Hospital

In 2022 a grant of £103,000 was awarded to support the construction and furnishing of the new Alder Hey Children's Hospital's Mental Health Hub.

Construction was completed in October 2022 and the 12 bed in-patient centre, Sunflower House, was opened for occupancy in May 2023.

The two classrooms fully equipped by the Hargreaves Foundation grant are now in use and are supporting the hospital in helping children back to better mental health through the provision of educational activities that replicate daily routines outside of hospital.

FINANCIAL REVIEW

Income from investments in the year amounted to £1,170k (2023: £378k). Expenditure on charitable activities was £2,473k (2023: £1,507k) including grants and donations of £2,271k (2023: £1,327k), investment management fees were £551k resulting in net expenditure before investment gains and losses of £1,854k (2023: net expenditure £1,299k).

After net realised/unrealised gains/(losses) on investments of £3,816k (2023: £305k) funds increased by £1,961k (2023: decreased by £993k) resulting in unrestricted funds at the year end of £68,310k (2023: £66,349k).

RESERVES POLICY

The Trustees will endeavour to ensure that suitable cash balances are maintained at all times to ensure the smooth operation of the Foundation and appropriate liquidity at all times.

Alexandra Butler will maintain a close watching eye on the running balance in the Lloyds account at all times and can request a transfer of additional cash balances.

INVESTMENTS POLICY

The Hargreaves Foundation has been funded entirely by donations provided by the Chair of the Trustees, Peter Hargreaves.

The Board of Trustees appointed an external Investment Manager to oversee the investment portfolio. The basis of the Investment Policy is a balanced portfolio within the risk tolerance set by the Trustees, invested in a broad range of asset classes and any cash maintained in money market funds.

The income generated by the invested portfolio is used to fund operating costs and charitable distributions.

Investment Objectives

The objectives for the money committed to Pictet as our discretionary investment manager will be as follows:

1. Preserve, and if possible, through capital growth, enhance the value of the invested funds so they enhance their value in real terms against the RPI inflation rate over any five-year period.
2. Generate a reliable income yield to supply the Hargreaves Foundation with regular income for the Foundation to use to cover its costs and charitable giving.
3. Maintain a sensible spread of risk by investing across different geographic areas and underlying investments.

Risk Profile and Asset Allocation

The Trustees of The Hargreaves Foundation have decided to accept a 'medium-high' risk position for our long-term capital investments. The Trustees were mindful of the following points when making their decision:

1. The Foundation has a large surplus capital balance beyond our projected short-term spending that we don't anticipate using for many years into the future. We have no anticipated need to raise additional funds through fundraising in the future. We can therefore take a long-term approach to our investments and we can tolerate short-term falls in the value of the sums we are investing in exchange for the greater potential that the equity type investments offer.
2. The Chairman of the Trustees has extensive investment experience having founded Hargreaves Lansdown Plc and grown it to become a FTSE100 company. The Trustees are well versed in taking a long term approach and are well placed to monitor the investment portfolio on an ongoing basis.

3. Pictet have shown that although their model portfolios can be volatile in the short term, over the longer term that volatility has produced potential for superior investment returns.
4. The capital provided to launch the Foundation was given on the condition that it was maintained in a single stock (Hargreaves Lansdown Plc) for a period of two years. This represented an initial 'high risk' strategy. We feel it is now right to take forward the principle of equity investment but in a more diversified portfolio to achieve a greater spread of risk across both different asset classes and across different underlying investments. We have therefore decided to move to a less volatile position by adopting a 'medium-high' risk approach across multiple diverse assets and asset classes.

Restrictions set by the Trustees

- No initial investment may exceed 5% of the total funds under management at the strike date excluding government-issued securities with a rating equal to or above AA.
- No holding shall exceed 7.5% of the total value of the fund at any time, excluding collective investments and government-issued securities with a rating equal to or above AA.
- Hedge funds are permitted, but direct investment derivatives are not permitted (other than those that may be useful for hedging purposes, such as FX forwards/swaps).

Environmental, Social and Governance investment (ESG)

The Hargreaves Foundation is mindful of the benefits of investing in environmentally or socially beneficial projects (ESG investing) and welcomes investment into these areas. However, we do not believe it would be appropriate at this stage to set specific criteria or limits on ESG considerations as these can be highly subjective and could prohibitively impact on investment performance. The Trustees will keep ESG considerations under review on an ongoing basis.

Pictet will avoid investing in Companies which have material concentrated interests in tobacco, gambling, pornography and controversial weapons.

Benchmarking & Performance

For broad reference purposes, the trustees may periodically consider the performance of the portfolio invested with Pictet with reference to a simple compositive reference benchmark, comprised of two broad indices:

1. MSCI World index (in GBP, unhedged)
2. Barclays Global Aggregate Corporate index (total return, GBP hedged)

Over the first 5 years the reference benchmark will reflect the gradual buildup of the private equity allocation, such that the following reference benchmark will apply:

- Year 1: 50% MSCI World index and 50% Barclays Global Aggregate Corporate index
- Year 2: 55% MSCI World index and 45% Barclays Global Aggregate Corporate index
- Year 3: 60% MSCI World index and 40% Barclays Global Aggregate Corporate index
- Year 4: 65% MSCI World index and 35% Barclays Global Aggregate Corporate index
- Year 5 and thereafter: 70% MSCI World index and 30% Barclays Global Aggregate Corporate index

Whilst a reference benchmark may be applied to the Portfolio for reference purposes, the trustees note that Pictet is under no obligation to comply with any conventional management style, nor to be constrained by this (or indeed any other) benchmark.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document:	The Foundation is a Charitable Incorporated Organisation (CIO) with a written constitution dated 10 January 2020.
Appointment of Trustees:	The trustee body has the power to appoint new trustees. If new or additional trustees are appointed they will be encouraged to receive appropriate training depending on their qualifications and experience.
Investment Powers:	The CIO has power to do anything which is calculated to further its object or is conducive or incidental to doing so.

REFERENCE AND ADMINISTRATIVE DETAILS

Name of Charity: The Hargreaves Foundation
Charity No. 1187297

Trustees: Nigel James Bence
Peter Kendal Hargreaves
Louisa Rose Hargreaves
Robert Kendal Hargreaves
Rosemary Jane Hargreaves

Principal Office Address: The Old Surgery
Swan Barton
Sherston
Malmesbury
Wiltshire
SN16 0LJ

Bankers Lloyds Bank Plc
25 Gresham Street,
London
EC2V 7HN

Investment Managers: Pictet & Cie (Europe) S.A.,
London Branch
5 Stratton Street
London
W1J 8LA

Auditors: PKF Francis Clark
Centenary House
Peninsula Park
Rydon Lane
Exeter
EX2 7XE

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008.

The law applicable to charities in England & Wales 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 incoming resources and application of resources of the charity for that period. 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 the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008. They 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.

Signed:

Date: 29/11/2024

Peter Hargreaves

On behalf of the Trustees

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE HARGREAVES FOUNDATION FOR THE YEAR ENDED 31 JANUARY 2024

OPINION

We have audited the financial statements of The Hargreaves Foundation (the "Charity") for the year ended 31 January 2024 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 January 2024 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually, or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

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

OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

RESPONSIBILITIES OF THE TRUSTEES

The trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under S144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereafter. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

As part of our audit planning we obtained an understanding of the legal and regulatory framework that is applicable to the Charity. The key laws and regulations relevant to the Charity were identified as being Charity law and the General Data Protection Regulation.

We also considered opportunities and incentives for fraud, which might arise in the understatement of expenditure, or incurring expenditure for non-charitable purposes, in the payment of fraudulent grants or management bias in accounting estimates.

Based on this we designed our audit procedures to identify irregularities. Our audit procedures involved the following:

- Enquiries with Trustees, regarding their knowledge of any non-compliance or potential non-compliance with laws and regulations that could affect the financial statements;
- Review of trustees' meeting minutes;
- Review of the controls in relation to GDPR and enquiries to Management as to the occurrence and outcome of any reportable breaches;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business; and
- Review financial statement disclosures and testing to support documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements.

This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements as we are less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission, or misrepresentation.

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

USE OF OUR REPORT

This report is made solely to the Charity's trustees, as a body, in accordance with Part 4 of the Charities (Account and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

PKF Francis Clark
Statutory Auditor
Centenary House
Peninsula Park
Rydon Lane
EXETER
EX2 7XE

Date: 29/11/2024

PKF Francis Clark is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 JANUARY 2024

	Note	Unrestricted Funds	2024 Total	Unrestricted Funds	2023 Total
			£	£	£
Income and endowments					
Investments	3	1,169,583	1,169,583	378,066	378,066
Total income		<u>1,169,583</u>	<u>1,169,583</u>	<u>378,066</u>	<u>378,066</u>
Expenditure on:					
Raising funds					
- Investment managers fees		551,091	551,091	169,939	169,939
Charitable activities	4	2,473,439	2,473,439	1,507,107	1,507,107
Total expenditure		<u>3,024,530</u>	<u>3,024,530</u>	<u>1,677,046</u>	<u>1,677,046</u>
Net income/(expenditure) before net gains/(losses) on investments					
		(1,854,947)	(1,854,947)	(1,298,980)	(1,298,980)
Net gains/(losses) on Investments		3,815,840	3,815,840	305,540	305,540
Net income/(expenditure)		<u>1,960,893</u>	<u>1,960,893</u>	<u>(993,440)</u>	<u>(993,440)</u>
Net movement in funds		<u>1,960,893</u>	<u>1,960,893</u>	<u>(993,440)</u>	<u>(993,440)</u>
Reconciliation of funds					
Total funds brought forward		<u>66,349,215</u>	<u>66,349,215</u>	<u>67,342,655</u>	<u>67,342,655</u>
Total funds carried forward		<u><u>68,310,108</u></u>	<u><u>68,310,108</u></u>	<u><u>66,349,215</u></u>	<u><u>66,349,215</u></u>

BALANCE SHEET

AS AT 31 JANUARY 2024

		2024 Total	2023 Total
	Note	£	£
Fixed assets			
Investments at market value	2	68,786,799	66,473,362
Current assets			
Investment bank account		614,740	743,845
Cash at Bank		132,400	73,478
Debtors		5,240	5,003
		<u>752,380</u>	<u>822,326</u>
Current liabilities			
Creditors: amounts falling due within one year			
	5		
Creditors - Grants awarded		694,452	550,830
Other creditors and accruals		22,903	18,622
		<u>717,355</u>	<u>569,452</u>
Net current assets		<u>35,025</u>	252,874
Creditors: amounts falling due after more than one year	6	511,716	377,021
Net assets		<u>68,310,108</u>	<u>66,349,215</u>
Allocation of the charity net assets:			
The net assets are held for the various funds as follows:-			
Unrestricted income funds		<u>68,310,108</u>	66,349,215
Total charity funds		<u>68,310,108</u>	<u>66,349,215</u>

Approved by the trustees on 29/11/2024 and signed on their behalf by

Peter Hargreaves

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JANUARY 2024

		2024 Total	2023 Total
	Note	£	£
Net cash used in operating activities	10	(2,742,169)	(1,194,366)
Cash flow from investing activities:			
Dividends and interest from investments		1,169,583	378,066
Additions to investments		(41,488,038)	(121,779,310)
Proceeds from sale of investments		42,990,441	80,113,087
Net cash used in investing activities		2,671,986	(41,288,157)
Change in cash and cash equivalents in the reporting period		(70,183)	(42,482,523)
Cash and cash equivalents brought forward		817,323	43,299,846
Cash and cash equivalents carried forward		747,140	817,323
Representing:			
Investment managers' bank accounts		614,740	743,845
Cash at bank		132,400	73,478
		747,140	817,323

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2024

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

A. BASIS OF PREPARATION

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011. There are no material departures from FRS 102.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) regulations 2008 only to the extent required to provide a 'true and fair view'. The departure has involved following Accounting and Reporting applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has been withdrawn.

The Charity meets the definition of a public benefit entity under FRS102.

The financial statements have been prepared on a going concern basis and the Trustees are not aware of any material uncertainties that would cast doubt on the Charity's ability to continue as a going concern.

The accounts are prepared in Sterling, which is the functional currency. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention as modified by the revaluation of investments.

B. FUND ACCOUNTING

Unrestricted Income Fund - The Unrestricted Income Fund comprises those Funds which the Trustees are free to use in accordance with the charitable objects.

C. INCOME

Dividend and other similar investment income is shown gross and recognised on an accruals basis.

D. INVESTMENTS

Investments, where listed on a recognised stock exchange, are included in the accounts at their market value at the balance sheet date. Other investments include private equity investments which are included at cost and forward contracts which are valued at the forward rate applicable at the future date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

E. GRANTS PAYABLE

Grants are included in the accounts on an accruals basis, and unconditional grant commitments are included in the Creditors.

F. RESOURCES EXPENDED

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Governance costs are the costs associated with the governance arrangements of the charity which relate to the general running of the Charity as opposed to those costs associated with fundraising or charitable activity. The costs will normally include internal and external audit, legal advice for trustees and costs associated with constitutional and statutory requirements e.g. the cost of trustee meetings and preparing statutory accounts. Included within this category are any costs associated with the strategic as opposed to day to day management of the charity's activities.

G. REALISED GAINS AND LOSSES

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and 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. EXPENDITURE

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

- Expenditure on charitable activities includes costs of grants awarded during the year.

I. DEBTORS

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

J. CASH AND CASH EQUIVALENTS

Cash and cash equivalents 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.

K. CREDITORS AND PROVISIONS

Creditors and provisions are recognised when 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 recognized at their settlement amount after allowing for any discounts due.

2. FIXED ASSET INVESTMENTS

	2024	2023
	£	£
Market value at 1 February 2023	66,473,362	24,501,599
Additions	41,488,038	121,779,310
Disposal proceeds	(42,990,441)	(80,113,087)
Net gain/ (loss) on revaluation	3,815,840	305,540
Market value at 31 January 2024	<u>68,786,799</u>	<u>66,473,362</u>
Summary of investments held:	£	£
Fixed income	21,002,798	19,686,160
Equities	35,439,152	32,668,190
Cash (short term deposits and forwards)	7,298,892	10,233,830
Alternative investments	5,045,957	3,885,182
	<u>68,786,799</u>	<u>66,473,362</u>

The majority of the reported turnover (Additions and Disposals) within the Foundation's portfolio arise from two sources:

1. Active management of the Foundation's exposure to fixed income and credit instruments (bonds), an activity which is undertaken on a discretionary basis by the Foundation's investment managers. Transactions in instruments of this nature (bonds) represent approximately 47% of reported Additions and approximately 40% of reported Disposals.
2. Investment (and disinvestment) in short-term money market funds and/or short-dated government bills for the purpose of efficient short-term cash management. Transactions in instruments of this nature represent approximately 45% of reported Additions and approximately 49% of reported Disposals.

This activity is consistent with the Foundation's investment strategy and the pursuit of its return, income, risk and liquidity objectives.

3. INVESTMENT INCOME

	2024	2023
	£	£
Dividends	472,123	161,055
Interest	697,460	217,011
	<u>1,169,583</u>	<u>378,066</u>

4. CHARITABLE ACTIVITIES

	2024 £	2023 £
Grants approved	2,271,102	1,326,924
Support and Governance costs (below)	202,337	180,183
	2,473,439	1,507,107
Support costs		
Legal charges	-	8,678
Consultancy fees	-	3,590
Subscriptions	35	35
Wages and salaries	147,333	123,333
Staff NIC (employers)	17,822	15,566
Staff pensions (Defined contribution)	4,436	3,609
Rent and rates	3,120	3,120
Telephone and internet	574	686
Insurance	1,499	1,294
IT cost	9,454	9,865
Sundry expenses	1,372	933
Publishing	1,680	1,554
Governance costs - Auditors remuneration	10,712	7,920
Governance costs - Accountancy	4,300	-
	202,337	180,183

The charity employed two members of staff during the period (2023: 2). The number of employees with total benefits (excluding employer pension costs) exceeding £60,000 was:

	2024 No.	2023 No.
In the band £90,001 - £100,000	1	1

Key management personnel comprise the two members of staff and total remuneration is shown above.

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Grants awarded	694,452	550,830
Other creditors	-	-
Pension	210	2,997
PAYE & NI	16,701	9,633
Accruals	5,992	5,992
	<u>717,355</u>	<u>569,452</u>

6. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2024	2023
	£	£
Grants awarded	511,716	377,021
	<u>511,716</u>	<u>377,021</u>

7. RELATED PARTIES

There have been no related party transactions in the year requiring disclosure.

8. TRUSTEES REMUNERATION AND EXPENSES

During the year trustees have not received remuneration and were not reimbursed for any expenses.

9. GRANT COMMITMENTS

As at 31 January 2024 binding grant commitments were £1,206,168 (2023: £927,851).

10. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASHFLOW FROM OPERATING ACTIVITIES

	2024	2023
	£	£
Net movement in funds	1,960,893	(993,440)
Deduct investment income	(1,169,583)	(378,066)
Deduct gains/add back losses on investments	(3,815,840)	(305,540)
(Increase)/decrease in debtors	(237)	1,590
(Decrease)/Increase in creditors	282,598	481,090
	<u>(2,742,169)</u>	<u>(1,194,366)</u>

11. GRANTS MADE

During the year the trustees made institutional grants totalling £2,271,102.

There are no support costs attributed to grants made. Governance costs comprise all costs incurred by the charity and no apportionment is made between grant making activities and running of the charity.

The Trustees made the following institutional grants during the year:

	2024	2023
	£	£
Grant commitments brought forward	(550,830)	(452,678)
Grants paid in the year	1,615,764	851,751
Grant commitments carried forward:		
Due within one year	694,452	550,830
Due after one year	511,716	377,021
Total grants approved	<u>2,271,102</u>	<u>1,326,924</u>

The analysis of grants approved in the year is below:

	2024	2023
	£	£
Achieve More Scotland	29,000	-
Action for Kids	25,000	25,000
Ashcombe Project	90,044	224,174
Auditory Verbel UK	-	25,000
Autism Berkshire	10,000	-
Autistic Children & Carers Together	7,500	-
Basecamp Adventure Trust	8,385	-
Berkshire Youth	7,506	-
Birtenshaw	-	46,400
Blackpool FC Community Trust	16,000	-
Bloomsbury football foundation	128,000	16,200
Bolton Lads & Girls Club	30,000	-
Boxing Clever	140,000	18,000
Brent Adolescent Centre	20,944	17,360
Brighter Opportunities for Special People	7,703	-
Bristol Down Syndrome Trust	-	15,560
Bristol Inclusive Thrill Seekers	8,000	-
British Racing School	81,003	24,728
Care to Dance	18,975	-
Cerebra	29,000	-
Challney High School For Girls	-	13,371
CP Sport	-	10,000
Combe Pafford School	6,000	-

Diverse Abilities	46,626	-
Down Syndrome Cheshire	-	9,999
Downright Excellent	15,000	-
Durham Agency Against Crime	14,000	-
East Fife Community Football Club	-	8,000
Empire Fighting Chance	200,520	-
Estudiantes	7,620	-
Fight for Peace International	37,150	-
Foyle Down Syndrome Trust	9,704	-
GASP Motor Project	39,455	11,459
Give It Your Max	9,576	-
Greater Manchester Youth Network	-	29,040
Greenhouse Sports	32,480	31,242
Growing Resilience in Teens (GRIT)	-	20,000
Gympanzees	20,000	20,000
Horizons (Plymouth)	-	9,129
Just Kidz London	6,000	-
KEEN London	-	27,759
Level Water	34,441	-
Love Rowing	18,000	-
Northside Youth Community Connections	-	42,000
Opportunity Sports Foundation	36,440	27,000
Our Way Our Say	13,960	-
Out of Class	-	10,000
Reed's School	337,975	155,765
Ride High	23,920	-
Ride2Success	9,480	9,930
Royal National Children's Springboard Foundation	50,000	-
Royal Society for Blind Children	10,000	-
Sandwell Asian Development Foundation	9,100	-
Salmon Youth Centre	-	50,000
SCAMPPS in Surrey	6,000	-
Seamab School	100,000	-
Sirona Horsemanship	9,660	8,909
SocietyLinks Tower Hamlets	16,000	-
South Bristol Youth	10,000	-
Special Olympics GB	46,427	-
Square Food Foundation	15,437	-
Stepney Bank Stables	14,389	-
Strength and Learning Through Horses	-	10,000
Tall Ships	-	311,438

The Andrew Simpson Foundation	9,870	9,720
The Chronicle Sunshine Fund	-	5,307
The Dales School	-	30,000
The Horse Rangers	17,146	-
The Jack Hazeldine Foundation	63,679	-
The Jon Egging Trust	9,907	-
The Lord's Taverners	25,000	-
The Polar Academy	25,000	20,000
The Rowdown Foundation	10,000	-
The Salmon Youth Centre	49,196	-
The Tim Henman Foundation	12,000	-
The Wave Project	46,000	-
The Wheels Project	30,000	-
Wallace & Gromit's Children's Foundation (The Grand Appeal)	-	6,310
Whizz Kidz	51,300	-
Wolverhampton Wanderers Foundation	16,500	15,000
Small grants < £5k	43,084	13,124
	<u>2,271,102</u>	<u>1,326,924</u>

THE HARGREAVES FOUNDATION

England & Wales - Charity number 1187297

Accounts



THE
HARGREAVES
FOUNDATION

Charitable Incorporated Organisation
Registered Number 1187297

TRUSTEES' ANNUAL REPORT
AND FINANCIAL STATEMENTS

For the year ended 31 January 2023

CONTENTS

CHAIR & EXECUTIVE COMMENT	1
TRUSTEES' REPORT OBJECTIVES AND ACTIVITIES	2
ACHIEVEMENTS & PERFORMANCE	3
HOW HAVE WE MET OUR OBJECTIVES?	4
THE HARGREAVES FOUNDATION EARLY INTERVENTION SCHEME	8
IMPACT ANALYSIS	11
FINANCIAL REVIEW	15
STRUCTURE, GOVERNANCE AND MANAGEMENT	18
REFERENCE AND ADMINISTRATIVE DETAILS	19
RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS	20
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE HARGREAVES FOUNDATION FOR THE YEAR ENDED 31 JANUARY 2023	21
STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDED 31 JANUARY 2023	25
BALANCE SHEET AS AT 31 JANUARY 2023	26
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 JANUARY 2023	27
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2023	28

CHAIR & EXECUTIVE COMMENT

Throughout the past year we have continued to work towards our vision of supporting vulnerable children and young people through sport and education. The initiatives we have funded will transform the lives of countless under 18s, providing them with optimism, support, and opportunities to thrive.

As we reflect on the achievements of the past year, we also recognise the challenges that lie ahead. The current global landscape is unprecedented. We remain resolute in our determination to continue funding projects and initiatives delivering positive change.

Peter Hargreaves

The past year has seen numerous successes and a number of challenges, but our commitment to supporting disadvantaged children and young people through sport and education remains steadfast.

The impact of our funding has been significant and far-reaching. Through various programmes and initiatives, we have been able to positively impact the lives of those most in need.

Education remains a cornerstone of our work, and our Early Intervention Scheme highlights our dedication to supporting learning; we are investing in the future, equipping young minds with the skills they need to build a bright road ahead.

Alexandra Butler



TRUSTEES' REPORT

OBJECTIVES AND ACTIVITIES

The charitable objectives of The Hargreaves Foundation as stated in our constitution document are:

- A. To advance for the public benefit the physical and mental health and well-being of individuals living with disabilities of any description, in particular but not exclusively by providing grants, items and services to individuals in need, charities and/or organisations that provide or assist in the provision of:
 - i. information, advice, education and support designed to raise awareness and enable individuals living with disabilities to be self-sufficient;
 - ii. financial assistance for individuals living with disabilities;
 - iii. medical treatment, care and rehabilitation for individuals living with disabilities;
 - iv. equipment, mobility aids, prosthetics, facilities and services for individuals living with disabilities;
 - v. recreational, sporting and leisure time activities and facilities with a view to improving the conditions of life of such persons

- B. To advance in life and help people who have need by reason of their youth, infirmity, poverty or social and economic circumstances with a view to improving the conditions of life of such persons in particular but not exclusively by providing grants, items and services to individuals in need, charities and other organisations that provide advice, assistance and organise programmes of physical, educational and other activities as a means of:
 - i. helping young people by developing their skills, capacities and capabilities to enable them to participate in society as independent, mature and responsible individuals;
 - ii. advancing education;
 - iii. relieving unemployment; and
 - iv. providing recreational, sporting and leisure time activities and facilities in the interests of social welfare and cohesion.

The main activities undertaken to further the charity's purposes for the public benefit are grant making. Details of grants awarded are included in the achievements and performance section of this report.

The Trustees have had regard to The Charity Commission's guidance on public benefit.

ACHIEVEMENTS & PERFORMANCE

OVERVIEW

GRANTS APPROVED DURING THE YEAR £1,326,924

HOW DO WE DECIDE?



We consider our application process to be light touch, whilst still providing detail. We only accept applications online meaning everyone must follow the same process and we have invested in technology to make managing applications as seamless as possible.

Our initial screening includes a full review of the application against our criteria, website review, Charity Commission check (if appropriate) and a check for news stories.

The Trustees have access to all the application data and make their final selections. They are looking for projects or initiatives that have the potential to inspire and make a significant impact on a young person's life.

If an application is shortlisted we request that a brief video is prepared by the organisation to showcase their project.

The closing stage is normally a meeting with the Trustees which is currently being carried out remotely.

A final decision is communicated with the recipient after this.

HOW HAVE WE MET OUR OBJECTIVES?

We have five objectives which underpin our mission *“transforming young lives through sport and education”*. Our application form asks organisations to confirm which of our objectives their project supports and we then go on to assess which initiatives will make the biggest impact. We try to ensure that we fund a range of projects meeting as many of our objectives as possible. Often a project will meet more than one objective.

AN EXAMPLE OF SOME OF THE PROJECTS FUNDED AND THE OBJECTIVES MET:

The Trustees are pleased to confirm funding for Access Sport to enable up to 225 individuals in Bristol to benefit from cycling equipment, training and facilities. Access Sport delivers an award-winning cycling inclusion programme with the backing of Sport England, British Cycling, the London Marathon Charitable Trust and Bristol City Council. To date, the charity has opened four cycling facilities in the most deprived communities in Bristol.

In addition, their schools outreach programme works with 60 schools and community groups across Bristol to engage the most physically inactive young people in school, those growing up in poverty, and ethnically diverse young people. In Bristol, 3 out of 4 people from ethnic minorities or those at risk of deprivation never cycle; and only 2% of all children cycle to school.

The funding will extend the programme to cover new sites and activities in Bristol. Notably, it will fund the purchase of additional bikes and helmets, extend the schools outreach work, and provide additional support to 50 young people to become regular members of their home club at Stockwood or Hartcliffe.

This significant donation from The Hargreaves Foundation shows the charity's commitment to transforming young lives through sport.

“Enables individuals to experience the mental and physical health benefits of participatory sport.”



The Trustees of The Hargreaves Foundation are pleased to confirm funding has been awarded to Cerebra to support children with brain conditions to experience the mental and physical health benefits of water sports.

Cerebra is a charity dedicated to helping families who have a child with a brain condition to discover a better life together. 'Brain condition' includes any condition that affects the developing brain including Autism, ADHD, Down Syndrome, learning disabilities, Cerebral Palsy, Epilepsy and developmental delay. In the UK today there are over 500,000 children with such conditions.

The funding will ensure that four specialist surfboards can be built by the Cerebra Innovation Centre. A team of talented engineers and designers design and build innovative, bespoke products to help disabled children discover the world around them. The design of the surfboard includes a supportive seat for the child and plenty of space on the back for an experienced surfer to steer it in the right direction. This design results in these children enjoying new experiences that wouldn't otherwise be possible and allows them to enjoy the thrill of catching waves.

"Ensures participatory sport is accessible."



The Trustees are pleased to confirm that funding has been awarded to Chailey Heritage Foundation to purchase "Eye Gaze" equipment. Chailey Heritage Foundation is a pioneering charity which provides education, care and transition services for children and young people with complex physical disabilities and health needs.

Each year they support over 270 young people and their carers. Their provision includes a non-maintained special school for 2–19 year-olds; residential and short stays provision; a life skills centre; therapeutic horse riding; a therapy farm; holiday clubs; fitness sessions in their adapted gym; cookery and art workshops; and support at home for the young people and their families. The specialist teachers and highly trained teaching assistants are dedicated to providing the very best education and opportunities for learners.

The School currently uses "Eye Gaze" equipment in the classrooms. This equipment enables pupils who do not have control of their hands, and often cannot communicate verbally, to operate a computer by eye movement alone to access a wide range of specialist educational and communicational software. The computer is fitted with an eye tracker; this follows eye movements so that the eyes effectively become a virtual computer mouse.

One of the limitations of the equipment is that it currently uses desktop computers and as such, it isn't portable. The funding will provide for mobile "Eye Gaze" equipment that the children will be able to use outside of the classrooms, for example in the school's therapeutic farm. This will allow the children to ask questions and indicate choices whilst out and about, promoting their independence and maximising learning opportunities.

"Provides sporting or educational activities that foster life skills."



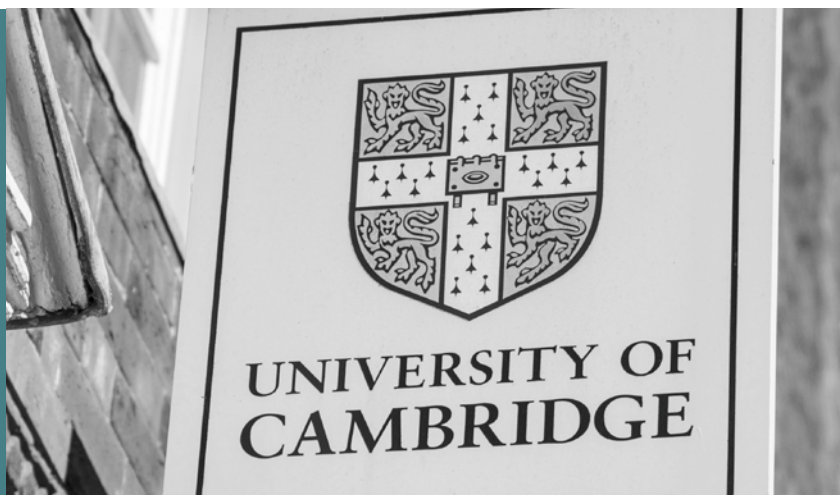
The Trustees are delighted to confirm that funding has been awarded to Tiverton Primary School to give the opportunity to 6 high achieving students to go on a trip to Cambridge University. In addition to the university visit, the students will get the opportunity to visit museums and tour around the area. The aim of the trip is to raise the ambition and aspirations of the students to enable them to realise what is possible for them in their own lives and to widen their horizons.

The trip will also inspire the students to push themselves academically and to improve their academic engagement and attainment.

The children going on this inspirational and exciting trip will not be the only beneficiaries; they will return to school afterwards and run an assembly to share what they have learned. This will highlight the idea of going to university to many students who would not otherwise have considered it.

Tiverton Primary School is located in Tottenham in London. Many of the students who attend the School are from deprived backgrounds and would be the first in their families to attend university. This trip will enable conversations to take place across year groups about the potential role of higher education in their lives.

"Aims to improve academic engagement and attainment."



The Trustees of the Hargreaves Foundation are pleased to announce funding for GASP Motor Project – a Surrey based charity supporting some of the hardest to reach, 'at risk' and disadvantaged young people in the country through engagement with motor mechanics and basic engineering. GASP aim to improve academic engagement and attainment and to give disenfranchised young people an improved sense of worth, supporting their progress towards training and employment. Engagement with motor mechanics and basic engineering has been proven to re-engage young people with learning, provide them with vocational opportunities and to reach their full potential.

Activities at GASP are hands on, encouraging the students to challenge themselves, increase their confidence and to work as a team with others to gain a positive sense of self. Each course is tailored to the individual's needs, targeting those otherwise at risk of social and educational exclusion, by utilising trained tutors, establishing trust, mutual respect and communication.

A predicted 80% of those attending will achieve at least 2 AQA certificates; qualifications that will see them through life and will broaden the opportunities available to them. Projects like GASP are important, now more than ever, as the pandemic has only exacerbated the challenges disadvantaged young people face.

"Encourages the development of skills and personal attributes to aid future employability."



THE HARGREAVES FOUNDATION EARLY INTERVENTION SCHEME

The premise of the EIS programme is the belief that the biggest difference we can make to the future health, wealth and happiness of disadvantaged children is to ensure they are literate when they leave primary school.

"To be literate is to gain a voice and to participate meaningfully and assertively in the decisions that affect one's life."

Y Kassam

- 80% of 16-24 year olds not in employment, education or training left school without 5 good GCSEs
- The single biggest factor predicting results at age 16 is the prior attainment of students whilst at primary school
- Fewer than 1 in 6 children from low income families not achieving the expected level by the age of 7 go on to get 5 good GCSEs

Social Mobility and Child Poverty Commission 2014

At the start of the project 134 disadvantaged children (67% of disadvantaged children) at Ashcombe Primary School were below the expected level for reading, 146 (72%) were below the expected level in writing.

These statistics would suggest c117 of these children are unlikely to get 5 good GCSE's significantly increasing the likelihood they will join the population of 16-24 year olds not in employment, education or training.

EIS PROGRAMME GOAL

By the end of the 2023/24 school year, 80% of disadvantaged children will leave Ashcombe Primary School in year 6 at the expected standard in both reading and writing and 40% will leave exceeding the expected standard.

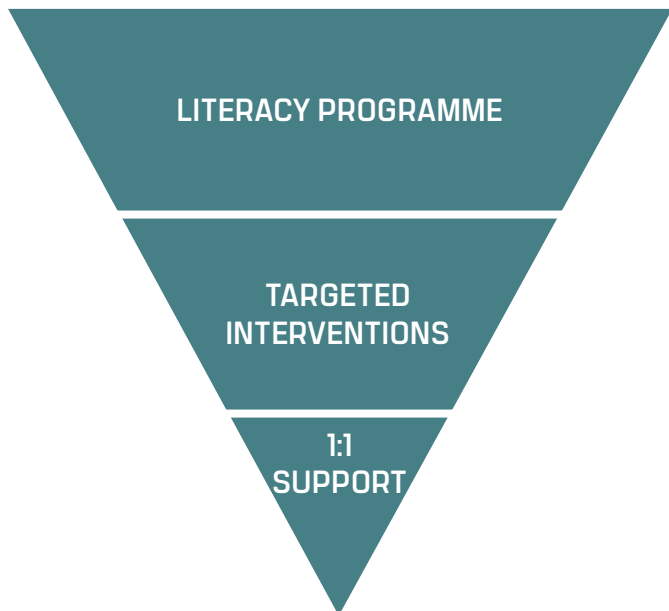
This will place the school in the top 5% nationally in terms of primary school performance for disadvantaged children, as measured by FFT, an independent school performance and research organisation.

The aim beyond 2023/24 is to maintain a top 5% position within FFT benchmarking.

To achieve this ambitious target we will support the school in the development and delivery of a world class literacy programme, building on the work that the school is already undertaking and utilising the latest research in learning behaviour and teaching methods.

We recognise that many disadvantaged children will experience additional barriers to accessing excellent teaching no matter how well designed or delivered.

We will ensure every disadvantaged child can access the literacy programme and remove those barriers through targeted interventions, therapies and where appropriate personalised 1:1 support.



Available to all. Teacher training, new literacy hub fostering a creative, enjoyable, reading and writing environment, pupil assessments.

Targeted at disadvantaged children. Speech and language, reading interventions, therapies, emotional wellbeing, parental engagement

Extremely vulnerable children, at risk of exclusion, exposure to Adverse Childhood Experience. Mentoring, counselling in addition to targeted interventions.

Programme Overview

EDUCATE

1. Teacher Training
2. Speech & Language
3. Reading and writing intervention
4. Spelling intervention
5. Classroom books
6. Assessment

INSPIRE

An immersive literacy hub at the heart of the school for reading, creative writing and performance.

SUPPORT

- Sensory room and therapy
- Art and play therapy
- Domestic violence counselling
- Emotional wellbeing support
- Mini police and primary futures
- Parental support to promote independence

Roll Out

Educate

EDUCATE

- Teacher Training
- Speech & Language
- Reading and writing intervention
- Spelling intervention
- Classroom books
- Assessment

Rolled out from September 2021 onwards – term 1, year 1

Support

- Mentoring
- DART
- Mini Police
- Primary Futures
- Seasons for Growth
- Drawing & Talking

Rolled out from September 2021 onwards – term 1, year 1

- Literacy Hub
- Literacy interventions
- Author visits

**Established
Summer
2022/2023**

- Sensory room
- Art & Play Therapy
- Parent engagement & family link

**On hold pending
plans for school
building
replacement**

Programme duration and review

The proposed duration of the EIS programme is 3 years.

This builds contingency into the goal and sufficient time for Ashcombe Primary School to assimilate new working practises and ensure ongoing success in achieving the goal set by the programme.

A performance review of each programme component will be undertaken annually and programme components amended as required to achieve the programme goal.

A full programme review will be undertaken in year 3 to determine the next stage of the EIS programme.

IMPACT ANALYSIS

PARTNERSHIPS – REED'S SCHOOL & EARLY INTERVENTION SCHEME

Reed's School

As part of The Hargreaves Foundation's commitment to improving academic engagement and attainment, the Trustees committed funding to cover the full cost of secondary education for a second child at Reed's School.

Part of an ongoing partnership with Reed's that started in September 2021 and now includes two pupils in fulltime education. Each school year The Hargreaves Foundation will support further children as they start their education at Reed's through to the completion of Year 13.

The Andrew Reed Foundation is dedicated to supporting at least 10% of the population of Reed's School as Foundation pupils on funded bursaries. These pupils have lost the support of one or both parents and their family life is in crisis with some having sadly been exposed to a range of social issues including bereavement, domestic abuse and abandonment. In these cases, the need for strong pastoral care is as important today as it was 200 years ago when the Foundation was founded as the London Orphan School.

We look forward to developing this important partnership.

Ashcombe Primary School

In September 2021 an ambitious 3 year programme was launched in partnership with Ashcombe Primary School in Weston-super-Mare.

The EIS - Educate, Inspire, Support – programme was developed to address the link between education attainment at primary school and the likelihood of being in employment, education or training post secondary school.

Developed in conjunction with the school, the EIS programme aims to significantly improve the reading and writing attainment levels of disadvantaged pupils that leave Ashcombe in Year 6 from the bottom 50% of schools in 2020/21 to top 5% by 2023/24.

In Year 1 the programme supported the school in the development and delivery of world class classroom teaching. This was embedded through both the provision of new teaching resources and training and development provided by one of the leading practitioners in teaching children to read and write.

To address the additional barriers to learning experienced by disadvantaged children at Ashcombe, targeted interventions, therapies and 1:1 support, such as mentoring, were also rolled out in Year 1.

The target for Year 6 reading attainment was achieved in the first year of the programme and writing results also achieved significant improvement.

Year 2 of the programme will continue to build on the achievements of the first year with additional focus on writing.

Year 2 will also see the installation of a new literacy hub at Ashcombe. The woodland themed learning space, incorporating a stage, library and additional small group teaching space, will provide a creatively stimulating environment to foster children's interest and love for storytelling and books.

FUNDING ANALYSIS BY UK REGION



FUNDING ANALYSIS BY SUPPORT



EQUIPMENT
5 GRANTS



EDUCATION
9 GRANTS



SPORTS
26 GRANTS



THERAPY
2 GRANTS



SEND SUPPORT

Of the 42 grants, 20 were providing SEND support.
Funding for organisations providing SEND support was £273k

ANALYSIS BY FOUNDATION OBJECTIVES

FOUNDATION OBJECTIVE	GRANTS AWARDED
Aims to "improve" academic engagement and attainment	6
Enables individuals to experience the mental and physical health benefits of participatory sport	12
Encourages the development of skills and personal attributes to aid future employability	5
Ensures participatory sport is accessible	8
Provides sporting or educational activities that foster life skills	11

IMPACT ASSESSMENTS

The terms and conditions of a grant award include the grant recipient agreeing to participate in an impact assessment.

The impact assessment process has been developed to better understand the impact that the grants are having and to support the decision-making process when assessing future grant applications.

Shortly after the awarding of the grant, the Foundation work with the recipient to clearly define what the grant will be spent on, the objectives of the grant and the outcomes and measures that will be used to determine the extent to which the grant objectives have been met.

At an agreed future date, determined by the nature of the grant and using the outcomes and measures defined above, the grant recipient completes a report detailing the results achieved, including details of the number of children supported.

The Foundation's impact assessor, independent of the funding panel, will review the submission and may request further details or evidence of impact before grading the impact of the grant and providing a report.

The completed impact reports are not only used to steer future decisions around grant making, but also should the Applicant choose to re-apply for repeat funding.

YEAR GRANT AWARDED	COMPLETED ASSESSMENTS	CHILDREN SUPPORTED
2020	8	540
2021	26	2403
2022	1	10

Impact Assessments are typically completed 12 months after the award of a grant.

Impact Assessment Case Studies

Cerebra were awarded a grant of c£8k to supply 4 adapted surfboards for children with limited mobility and brain conditions. Over 120 children used the boards through the summer of 2022 and the impact assessment provided some of the most powerful testimony on the impact a grant can make to families.

"I can honestly say from the point of view of a parent with a child with multiple and complex needs and 2 other able bodied siblings this was one of the most magical moments I have ever experienced with all my children. Watching them all engage with the same activity along side each other on a level playing field was just totally wonderful."

"While watching this beautiful moment where my son who has Down Syndrome and his older sister fully and inclusively experience pure JOY surfing together made me smile and my heart burst."

The Change Foundation were awarded a grant of £117k to launch a 'Netball 4 Change' programme in Bristol.

The grant is supporting the programme for 3 years and aims to use netball to engage with 300 girls and young women aged 10-18 and teach them how to stay safe online and engage with social media in a way that does not compromise their mental health, confidence and self-esteem.

Despite the impact of COVID restrictions 170 girls had taken part in the 10 week programme in both primary and secondary schools across Bristol by September 2022 and the team are on track to achieve its targets in the final year of funding support.

Feedback from the girls participating has been very positive as the following examples illustrate;

"This has taught me how to be safe on social media and has also let us have fun."

"I have loved netball for change. It has taught me to be careful online and to not compare myself with others."

"I think its something every young person should experience."

FINANCIAL REVIEW

Income from investments in the year amounted to £378k (2022: £2,424k). Expenditure on investment manager fees was £170,000 (2022: £nil), expenditure on charitable activities was £1,507k (2022: £1,050k) including grants and donations of £1,327k (2022: £923k), resulting in net (expenditure)/income before investment gains and losses of £(1,299)k (2022: £1,374k).

After net realised/unrealised gains/(losses) on investments of £305k (2022: £(17,939)k) funds decreased by £993k (2022: decreased by £16,565k) resulting in unrestricted funds at the year end of £66,349k (2022: £67,343k).

RESERVES POLICY

The Trustees will endeavour to ensure that suitable cash balances are maintained at all times to ensure the smooth operation of the Foundation and appropriate liquidity at all times.

Alexandra Butler will maintain a close watching eye on the running balance in the Lloyds account at all times and can request a transfer of additional cash balances.

INVESTMENTS POLICY

In 2022, the Trustees of the Hargreaves Foundation conducted an extensive review of potential investment firms to work with and concluded that our interests would be best served by appointing Pictet & Cie (Europe) SA (Pictet) to manage our long-term capital balances on a discretionary basis.

The Trustees believe that appointing Pictet as our external manager should ensure continual professional management of the sums invested which should, in turn, give the best opportunity for the capital to grow and finance the Foundation well into the future.

Investment Objectives

The objectives for the money committed to Pictet as our discretionary investment manager will be as follows:

1. Preserve, and if possible, through capital growth, enhance the value of the invested funds so they enhance their value in real terms against the RPI inflation rate over any five-year period.
2. Generate a reliable income yield to supply the Hargreaves Foundation with regular income for the Foundation to use to cover its' costs and charitable giving.
3. Maintain a sensible spread of risk by investing across different geographic areas and underlying investments.

Risk Profile and Asset Allocation

The Trustees of the Hargreaves Foundation have decided to accept a 'medium-high' risk position for our long-term capital investments. The Trustees were mindful of the following points when making this decision:

1. The Foundation has a large surplus capital balance beyond our projected short-term spending that we don't anticipate using for many years into the future. We have no anticipated need to raise additional funds through fundraising in the future. We can therefore take a long-term approach to our investments and we can tolerate short term volatility and short-term falls in the value of the sums we are investing in exchange for the greater potential that equity type investments offer.

2. The Chairman of the Trustees has extensive investment experience having founded Hargreaves Lansdown Plc and grown it to become a FTSE100 company. The Trustees are well versed in taking a long term approach and are well placed to monitor the investment portfolio on an ongoing basis.
3. Pictet have shown that although their model portfolios can be volatile in the short term, over the longer term that volatility has produced potential for superior investment returns.
4. The capital provided to launch the Foundation was given on the condition that it was maintained in a single stock (Hargreaves Lansdown Plc) for a period of two years. This represented an initial 'high risk' strategy. We feel it is now right to take forward the principle of equity investment but in a more diversified portfolio to achieve a greater spread of risk across both different asset classes and across different underlying investments. We have therefore decided to move to a less volatile position by adopting a 'medium-high' risk approach across multiple diverse assets and asset classes.

Restrictions set by the Trustees

- No initial investment may exceed 5% of the total funds under management at the strike date, excluding government-issued securities with a rating equal to or above AA.
- No holding shall exceed 7.5% of the total value of the fund at any time, excluding collective investments and government-issued securities with a rating equal to or above AA.
- Hedge funds are permitted, but direct investment in derivatives are not permitted (other than those that may be used for hedging purposes, such as FX forwards/swaps).

Performance reviews

The performance of the Investment Manager will be formally reviewed by the Trustees annually, paying specific attention to:

- Performance
- Relationship
- Reporting

Environmental, Social and Governance investing (ESG)

The Hargreaves Foundation is mindful of the benefits of investing in environmentally or socially beneficial projects (ESG investing) and welcomes investment into these areas. However, we do not believe it would be appropriate at this stage to set specific criteria or limits on ESG considerations as these can be highly subjective and could prohibitively impact on investment performance. The Trustees will keep ESG considerations under review on an ongoing basis.

Pictet will avoid investing in companies which have material concentrated interests in tobacco, gambling, pornography and controversial weapons.

Benchmarking & Performance

For broad reference purposes, the Trustees may periodically consider the performance of the portfolio invested with Pictet with reference to a simple compositive reference benchmark, comprised of two broad indices:

1. MSCI World index (in GBP, unhedged)
2. Barclays Global Aggregate Corporate index (total return, GBP hedged)

Over the first 5 years the reference benchmark will reflect the gradual buildup of the private equity allocation, such that the following reference benchmark will apply:

- Year 1: 50% MSCI World index and 50% Barclays Global Aggregate Corporate index
- Year 2: 55% MSCI World index and 45% Barclays Global Aggregate Corporate index
- Year 3: 60% MSCI World index and 40% Barclays Global Aggregate Corporate index
- Year 4: 65% MSCI World index and 35% Barclays Global Aggregate Corporate index
- Year 5 and thereafter: 70% MSCI World index and 30% Barclays Global Aggregate Corporate index

Whilst a reference benchmark may be applied to the Portfolio for reference purposes, the Trustees note that Pictet is under no obligation to comply with any conventional management style, nor to be constrained by this (or indeed any other) benchmark.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document:	The Foundation is a Charitable Incorporated Organisation (CIO) with a written constitution dated 10 January 2020.
Appointment of Trustees:	The trustee body has the power to appoint new trustees. If new or additional trustees are appointed they will be encouraged to receive appropriate training depending on their qualifications and experience.
Investment Powers:	The CIO has power to do anything which is calculated to further its object or is conducive or incidental to doing so.

REFERENCE AND ADMINISTRATIVE DETAILS

Name of Charity: The Hargreaves Foundation
Charity No. 1187297

Trustees: Nigel James Bence
Peter Kendal Hargreaves
Louisa Rose Hargreaves
Robert Kendal Hargreaves
Rosemary Jane Hargreaves

Principal Office Address: The Old Surgery
Swan Barton
Sherston
Malmesbury
Wiltshire
SN16 0LJ

Bankers Lloyds Bank Plc

Investment Managers: Pictet & Cie (Europe) S.A.,
London Branch
5 Stratton Street
London
W1J 8L

Auditors: PKF Francis Clark
Centenary House
Peninsula Park
Rydon Lane
Exeter
EX2 7XE

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

The trustees are responsible for preparing the 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 & Wales 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 incoming resources and application of resources of the charity for that period. 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 the Charities SORP
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008. They 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.

Signed:

Date: 29/11/2023

Peter Hargreaves

On behalf of the Trustees

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE HARGREAVES FOUNDATION FOR THE YEAR ENDED 31 JANUARY 2023

OPINION

We have audited the financial statements of The Hargreaves Foundation (the "Charity") for the year ended 31 January 2023 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 January 2023 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually, or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

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

OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

RESPONSIBILITIES OF THE TRUSTEES

The trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under S144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereafter. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

As part of our audit planning we obtained an understanding of the legal and regulatory framework that is applicable to the Charity. The key laws and regulations relevant to the Charity were identified as being Charity law and the General Data Protection Regulation.

We also considered opportunities and incentives for fraud, which might arise in the understatement of expenditure, or incurring expenditure for non-charitable purposes, in the payment of fraudulent grants or management bias in accounting estimates.

Based on this we designed our audit procedures to identify irregularities. Our audit procedures involved the following:

- Enquiries with Trustees, regarding their knowledge of any non-compliance or potential non-compliance with laws and regulations that could affect the financial statements;
- Review of trustees' meeting minutes;
- Review of the controls in relation to GDPR and enquiries to Management as to the occurrence and outcome of any reportable breaches;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business; and
- Review financial statement disclosures and testing to support documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements.

This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements as we are less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission, or misrepresentation.

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

USE OF OUR REPORT

This report is made solely to the Charity's trustees, as a body, in accordance with Part 4 of the Charities (Account and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

PKF Francis Clark
Statutory Auditor
Centenary House
Peninsula Park
Rydon Lane
EXETER
EX2 7XE

Date: 29/11/2023

PKF Francis Clark is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 JANUARY 2023

	Note	Unrestricted Funds	2023 Total £	Unrestricted Funds £	2022 Total £
Income and endowments					
Investments	3	378,066	378,066	2,424,000	2,424,000
Total income		<u>378,066</u>	<u>378,066</u>	<u>2,424,000</u>	<u>2,424,000</u>
Expenditure on:					
Investment managers fees		169,939	169,939	-	-
Charitable activities	4	1,507,107	1,507,107	1,050,031	1,050,031
Total expenditure		<u>1,677,046</u>	<u>1,677,046</u>	<u>1,050,031</u>	<u>1,050,031</u>
Net income/(expenditure) before net gains/(losses) on investments					
		(1,298,980)	(1,298,980)	1,373,969	1,373,969
Net gains/(losses) on Investments		305,540	305,540	(17,938,720)	(17,938,720)
Net income/(expenditure) Net movement in funds		<u>(993,440)</u>	<u>(993,440)</u>	<u>(16,564,751)</u>	<u>(16,564,751)</u>
Reconciliation of funds		67,342,655	67,342,655	83,907,406	83,907,406
Total funds brought forward					
Total funds carried forward		<u><u>66,349,215</u></u>	<u><u>66,349,215</u></u>	<u><u>67,342,655</u></u>	<u><u>67,342,655</u></u>

BALANCE SHEET

AS AT 31 JANUARY 2023

		2023 Total	2022 Total
	Note	£	£
Fixed assets			
Investments at market value	2	66,473,362	24,501,599
Current assets			
Investment bank account		743,845	43,251,934
Cash at Bank		73,478	47,912
Debtors		5,003	6,593
		822,326	43,306,439
Current liabilities			
Creditors: amounts falling due within one year			
	5		
Creditors - Grants awarded		550,830	240,570
Other creditors and accruals		18,622	12,705
		569,452	253,275
Net current assets		252,874	43,053,164
Creditors: amounts falling due after more than one year			
	6		
		377,021	212,108
Net assets		66,349,215	67,342,655
Allocation of the charity net assets:			
The net assets are held for the various funds as follows:-			
Unrestricted income funds		66,349,215	67,342,655
Total charity funds		66,349,215	67,342,655

Approved by the trustees on 29/11/2023 and signed on their behalf by

..... Trustee

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JANUARY 2023

		2023 Total	2022 Total
	Note	£	£
Net cash used in operating activities	10	(1,194,366)	(766,511)
Cash flow from investing activities:			
Dividends and interest from investments		378,066	2,424,000
Cash used to purchase investments		(121,779,310)	-
Proceeds from sale of investments		80,113,087	39,555,681
Net cash provided by investing activities		(41,288,157)	4,979,681
Change in cash and cash equivalents in the reporting period		(42,482,523)	4,213,170
Cash and cash equivalents brought forward		43,299,846	2,086,676
Cash and cash equivalents carried forward		817,323	43,299,846
Representing:			
Investment managers' bank accounts		743,845	43,251,934
Cash at bank		73,478	47,912
		817,323	43,299,846

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2023

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

A. BASIS OF PREPARATION

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011. There are no material departures from FRS 102.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) regulations 2008 only to the extent required to provide a 'true and fair view'. The departure has involved following Accounting and Reporting applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has been withdrawn.

The Charity meets the definition of a public benefit entity under FRS102.

The financial statements have been prepared on a going concern basis and the Trustees are not aware of any material uncertainties that would cast doubt on the Charity's ability to continue as a going concern.

The accounts are prepared in Sterling, which is the functional currency. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention as modified by the revaluation of investments.

B. FUND ACCOUNTING

Unrestricted Income Fund - The Unrestricted Income Fund comprises those Funds which the Trustees are free to use in accordance with the charitable objects.

C. INCOME

Dividend and other similar investment income is shown gross and recognised on an accruals basis.

D. INVESTMENTS

Investments, where listed on a recognised stock exchange, are included in the accounts at their market value at the balance sheet date. Other investments include private equity investments which are included at cost and forward contracts which are valued at the forward rate applicable at the future date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

E. GRANTS PAYABLE

Grants are included in the accounts on an accruals basis, and unconditional grant commitments payable within one year after the balance sheet date are included in the Statement of Financial Activities.

F. RESOURCES EXPENDED

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Governance costs are the costs associated with the governance arrangements of the charity which relate to the general running of the Charity as opposed to those costs associated with fundraising or charitable activity. The costs will normally include internal and external audit, legal advice for trustees and costs associated with constitutional and statutory requirements e.g. the cost of trustee meetings and preparing statutory accounts. Included within this category are any costs associated with the strategic as opposed to day to day management of the charity's activities.

G. REALISED GAINS AND LOSSES

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of 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. EXPENDITURE

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

- Expenditure on charitable activities includes costs of grants awarded during the year

I. DEBTORS

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

J. CASH AND CASH EQUIVALENTS

Cash and cash equivalents 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.

K. CREDITORS AND PROVISIONS

Creditors and provisions are recognised when 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 recognized at their settlement amount after allowing for any discounts due.

2. FIXED ASSET INVESTMENTS

	2023 £	2022 £
Opening market value	24,501,599	81,996,000
Additions	121,779,310	-
Disposal proceeds	(80,113,087)	(39,555,681)
Net gain/ (loss) on revaluation	305,540	(17,938,720)
Closing Market value	<u>66,473,362</u>	<u>24,501,599</u>
Summary of investments held:	£	£
Fixed income	19,686,160	-
Equities	32,668,190	24,501,599
Cash (short term deposits and forwards)	10,233,830	-
Alternative investments	3,885,182	-
	<u>66,473,362</u>	<u>24,501,599</u>

3. INVESTMENT INCOME

	2023 £	2022 £
Dividends	161,055	2,424,000
Interest	217,011	-
	<u>378,066</u>	<u>2,424,000</u>

4. CHARITABLE ACTIVITIES

	2023 £	2022 £
Grants approved	1,326,924	923,337
Support and Governance costs (below)	180,183	126,694
	<u>1,507,107</u>	<u>1,050,031</u>
Support costs		
Legal charges	8,678	-
Consultancy fees	3,590	18,380
Subscriptions	35	305
Wages and salaries	123,333	80,833
Staff NIC (employers)	15,566	9,936
Staff pensions (Defined contribution)	3,609	2,425
Rent and rates	3,120	3,120
Telephone and internet	686	-
Insurance	1,294	1,294
IT cost	9,865	2,950
Sundry expenses	933	251
Publishing	1,554	-
Governance costs - Auditors remuneration	7,920	7,200
	<u>180,183</u>	<u>126,694</u>

The charity employed two members of staff during the period (in 2022 x 1 employee). The number of employees with total benefits (excluding employer pension costs) exceeding £60,000 was:

	2023 No.	2022 No.
In the band £80,001 - £90,000	-	1
In the band £90,001 - £100,000	1	-

Key management personnel comprise the two members of staff and total remuneration is shown above.

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Grants approved	550,830	240,570
Other creditors	-	99
Pension	2,997	2,556
PAYE & NI	9,633	1,450
Accruals	5,992	8,600
	<u>569,452</u>	<u>253,275</u>

6. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£	£
Grants approved	377,021	212,108
	<u>377,021</u>	<u>212,108</u>

7. RELATED PARTIES

There have been no related party transactions in the year requiring disclosure.

8. TRUSTEES REMUNERATION AND EXPENSES

During the year trustees have not received remuneration and were not reimbursed for any expenses.

9. GRANT COMMITMENTS

As at 31 January 2023 future grant commitments were £927,851 [2022: £452,678].

10. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASHFLOW FROM OPERATING ACTIVITIES

	2023	2022
	£	£
Net movement in funds	(993,440)	(16,564,751)
Deduct investment income	(378,066)	(2,424,000)
Deduct gains/add back losses on investments	(305,540)	17,938,720
(Increase)/decrease in debtors	1,590	(6,593)
(Decrease)/Increase in creditors	481,090	290,113
	<u>(1,194,366)</u>	<u>(766,511)</u>

11. GRANTS MADE

During the year the trustees made institutional grants totalling £1,326,924. There are no support costs attributed to grants made. Governance costs comprise all costs incurred by the charity and no apportionment is made between grant making activities and running of the charity. The Trustees made the following institutional grants during the year:

	2023 £	2022 £
Grant commitments brought forward	(452,678)	(165,764)
Grants paid in the year	851,751	623,718
Grant commitments carried forward:		
Due within one year	550,830	253,275
Due after one year	377,021	212,108
Total grants approved	<u>1,326,924</u>	<u>923,337</u>

The analysis of grants approved in the year is below:

	2023 £	2022 £
Ability Consultancy	-	5,220
Access Sport	-	22,500
Action for Kids	25,000	30,715
Alder Hey Children's Charity	-	103,000
Ashcombe project	224,174	148,826
Auditory Verbal UK	25,000	-
Bidwell Brook School	-	9,860
Birtenshaw	46,400	-
Bloomsbury Football Foundation	16,200	-
Boxing Clever	18,000	-
Brent Centre	17,360	17,971
Bristol Down Syndrome Trust	15,560	25,500
Bryntail Cottage	-	12,000
Cerebra	-	7,760
Chailey Heritage Foundation	-	29,946
Challney High School for Girls	13,371	-
Cleethorpes Community & Education	-	10,000
Connie Rothman Learning Trust	-	10,000
CP Sport	10,000	-
Diverse Abilities	-	21,500
Down Syndrome Cheshire	9,999	-
Dreams Come True	-	13,400
East Fife Community Football Club	8,000	-
Estudiantes	-	8,500
GASP Motor Project	11,459	-
Greater Manchester Youth Network	29,040	-

Greenhouse Sports	31,242	-
Growing Resilience in Teens (GRIT)	20,000	-
Gympanzees	20,000	9,015
Hérons Dale Primary School	-	10,000
Horizons (Plymouth)	9,129	-
KEEN London	27,759	-
Kendleshire Kids Foundation	-	20,000
Level Water	-	29,028
Mountfield School	-	6,670
Normandy Community Therapy Garden	-	20,000
Northside Youth and Community Connections	42,000	-
Opportunity Sports Foundation	27,000	-
Out Of Class	10,000	10,000
Real Action	-	10,000
Reed's School	155,765	180,694
Rett UK	-	6,722
Ride2Success	9,930	-
Salmon Youth Centre	50,000	-
Sirona Therapeutic Horsemanship	8,909	-
Strength & Learning Through Horses	10,000	-
Tall Ships	311,438	-
The Andrew Simpson Foundation	9,720	-
The British Racing School	24,728	-
The Chronicle Sunshine Fund	5,307	-
The Dales School	30,000	-
The Horse Rangers	-	16,250
The Literacy Pirates	-	90,000
The Polar Academy	20,000	-
Wallace & Gromit's Children's Foundation (The Grand Appeal)	6,310	-
Wolverhampton Wanderers Foundation	15,000	-
Youth Action Alliance	-	24,119
Individual grants < £5k	13,124	14,141
	1,326,924	923,337

THE HARGREAVES FOUNDATION

England & Wales - Charity number 1187297

Accounts



THE
HARGREAVES
FOUNDATION

Charitable Incorporated Organisation
Registered Number 1187297

**TRUSTEES' ANNUAL REPORT
AND FINANCIAL STATEMENTS**

For the year ended 31 January 2022

CONTENTS

CHAIR & EXECUTIVE COMMENT	1
OBJECTIVES & ACTIVITIES	2
ACHIEVEMENTS & PERFORMANCE	3
HOW HAVE WE MET OUR OBJECTIVES?	4
THE HARGREAVES FOUNDATION EARLY INTERVENTION SCHEME	7
IMPACT ANALYSIS	10
FINANCIAL REVIEW	11
STRUCTURE, GOVERNANCE & MANAGEMENT	12
REFERENCE & ADMINISTRATION DETAILS	13
RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS	14
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES	15
STATEMENT OF FINANCIAL ACTIVITIES	19
BALANCE SHEET	20
STATEMENT OF CASH FLOWS	21
NOTES TO THE FINANCIAL STATEMENTS	22

CHAIR & EXECUTIVE COMMENT

Moving into our second year and much remains the same: we are committed to transforming young lives through sport and education.

The volume of requests we receive for charitable grants is substantial. We therefore have a rigorous process to ensure our awards improve the lives of young people in the areas of greatest need.

I am pleased with the Foundation's progress at selectively finding the most worthwhile causes and identifying areas where we can make a real difference to young people's lives and their futures.

Peter Hargreaves

The past twelve months has been as busy as ever and I am thrilled by some of the outcomes we are seeing from our earlier funding. As we build relationships with existing grant recipients and broaden out further with new projects, we know the Foundation's funding is making a difference.

Our in-house Early Intervention Scheme is building momentum. This year has also seen some sizeable financial commitments in both education and mental health.

I am delighted we were joined by new Trustee, Rosemary Hargreaves, during the year.

I look forward to the next year with enduring enthusiasm. Post-pandemic and on the periphery of some tough times we shall continue our mission to transform young lives.

Alexandra Butler

TRUSTEES' REPORT

OBJECTIVES AND ACTIVITIES

The charitable objectives of The Hargreaves Foundation as stated in our constitution document are:

- A. To advance for the public benefit the physical and mental health and well-being of individuals living with disabilities of any description, in particular but not exclusively by providing grants, items and services to individuals in need, charities and/or organisations that provide or assist in the provision of:
 - i. information, advice, education and support designed to raise awareness and enable individuals living with disabilities to be self-sufficient;
 - ii. financial assistance for individuals living with disabilities;
 - iii. medical treatment, care and rehabilitation for individuals living with disabilities;
 - iv. equipment, mobility aids, prosthetics, facilities and services for individuals living with disabilities;
 - v. recreational, sporting and leisure time activities and facilities with a view to improving the conditions of life of such persons

- B. To advance in life and help people who have need by reason of their youth, infirmity, poverty or social and economic circumstances with a view to improving the conditions of life of such persons in particular but not exclusively by providing grants, items and services to individuals in need, charities and other organisations that provide advice, assistance and organize programmes of physical, educational and other activities as a means of:
 - i. helping young people by developing their skills, capacities and capabilities to enable them to participate in society as independent, mature and responsible individuals;
 - ii. advancing education;
 - iii. relieving unemployment; and
 - iv. providing recreational, sporting and leisure time activities and facilities in the interests of social welfare and cohesion.

The main activities undertaken to further the charity's purposes for the public benefit are grant making, details of grants awarded are included in the achievements and performance section of this report.

The Trustees have had regard to the Charity Commission's guidance on public benefit.

ACHIEVEMENTS & PERFORMANCE

OVERVIEW



*This does not include funding for the Early Intervention Scheme project.

HOW DO WE DECIDE?



We consider our application process to be light touch, whilst still providing detail. We only accept applications online meaning everyone must follow the same process and we have invested in technology to make managing applications as seamless as possible.

Our initial screening includes a full review of the application against our criteria, website review, Charities Commission check (if appropriate) and a check for news stories.

The Trustees have access to all the application data and make their final selections. They are looking for projects or initiatives that have the potential to inspire and make a significant impact on a young person's life.

If an application is shortlisted we request that a brief video is prepared by the organisation to showcase their project.

The closing stage is normally a meeting with the Trustees which is currently being carried out remotely.

A final decision is communicated with the recipient after this.

HOW HAVE WE MET OUR OBJECTIVES?

We have five objectives which underpin our mission “transforming young lives through sport and education”. Our application form asks organisations to confirm which of our objectives their project supports and we then go on to assess which initiatives will make the biggest impact. We try to ensure that we fund a range of projects meeting as many of our objectives as possible. Often a project will meet more than one objective.

AN EXAMPLE OF SOME OF THE PROJECTS FUNDED AND THE OBJECTIVES MET:

“Enables individuals to experience the mental and physical health benefits of participatory sport.”

The Trustees of The Hargreaves Foundation are pleased to have awarded £17,971 to the Sport & Thought programme delivered by the Brent Centre.

The Brent Centre is an internationally renowned psychoanalytic therapeutic centre for young people in North West London.

The programme will support 15 adolescent boys who are on the fringes of school life, displaying severe emotional/behavioural issues and at high risk of exclusion. A third of young people supported by the Brent Centre are dealing with the effects of abuse, violence at home, bullying, past traumas and at least 80% have experienced family disruption.

During Sport & Thought sessions young people take part in football training drills and matches with others. The therapist will also join in, talking about football and behaviour.

The sessions aim to help young people understand their actions, and how they can make changes to avoid trouble in school or with friends. Sessions can also help young people feel more positive about their future, and help them to make the most of their time at school.

“We know that sometimes one to one therapy can be daunting. The Sport & Thought programme uses football to breakdown those fears, allowing young people to engage, experience participatory sport, strengthen their mental health and nurture better relationships and behaviour.”



"Ensures participatory sport is accessible."

The Trustees of The Hargreaves Foundation are pleased to have awarded £9860.03 to fund the purchase of 19 bicycles – a range of two wheelers, recumbents and adapted bikes – for the children at Bidwell Brook School in Devon.

Bidwell Brook looks after students aged between 3 and 19 with severe, complex and multiple learning disabilities.

Pupils receive a meaningful education so that they can make a positive contribution to their own local community and the wider society.

"Cycling is a fun, stimulating way to provide exercise, boost mental wellbeing and develop confidence. We hope the children will enjoy getting out and about, making the most of their beautiful surroundings."



"Provides sporting or educational activities that foster life skills."

The Trustees of The Hargreaves Foundation are pleased to have awarded £20,000 to Kendleshire Kids Foundation.

Using the Kendleshire Golf Club's facilities, the Kendleshire Kids Foundation's programme uses golf for the development of young people who have experienced adversity and trauma. With the support of PGA golf coaches and specialist mentoring support, the young people are provided with golf coaching, mentoring, equipment, food and drink.

The programme supports young people who have experienced violence, abuse, neglect, racial, social, emotional or health inequalities, helping them to develop resilience and self-esteem whilst fostering teamwork and teaching life skills.

"We are delighted to support Kendleshire Kids Foundation in their drive to help young people who have encountered adverse childhood experiences improve their lives, develop their skills and capabilities and encourage them to participate in society as mature and responsible adults."



"Aims to improve academic engagement and attainment."

The Trustees of The Hargreaves Foundation are delighted to be working with Reed's School.

From September 2021 funding will provide a life-changing education for a vulnerable child at Reed's School. Funding has been earmarked to cover the full cost of the child's education until completion of Year 13.

The Andrew Reed Foundation is committed to supporting at least 10% of the population of Reed's School as Foundation pupils on funded bursaries. These pupils have lost the support of one or both parents and their family life is in crisis with some having sadly been exposed to a range of social issues including bereavement, domestic abuse and abandonment. In these cases, the need for strong pastoral care is as important today as it was 200 years ago when the Foundation was founded as the London Orphan School.

"We are pleased to support a child who will benefit enormously from the education, support and pastoral care that Reed's School will offer. We are looking forward to following his progress through school and being part of a life-changing journey."



"Encourages the development of skills and personal attributes to aid future employability."

The Trustees of The Hargreaves Foundation are pleased to have awarded £10,000 to Out of Class.

A small charity dedicated to changing the lives of disadvantaged young people, particularly those who are less likely to receive help elsewhere, such as those who have committed an offence and are trying to better themselves.

Working with a specific group of young offenders, those on the course have also been identified as being particularly vulnerable. Out of Class works differently to the standard education system route, teaching young people practical business skills and entrepreneurship. They learn that hard work, lateral thinking and dedication pays off.

Out of Class uses horses to help students explore behavioural habits. Horses not only have their own way of being, they often mirror the behaviour and mood of the humans around them. Observing these behaviours in another being is considered a less confrontational way to learn.

Out of Class actively encourages the young people on the project to get involved in working directly with the horses as a base for practical, reflective practise. Horses are big and strong, yet gentle. It's rare to find a student who doesn't quickly feel some kind of connection.

"We are pleased to help those who may have struggled with their education in the past learn more about entrepreneurship, including the development of their own business ideas. Horses are used to help the young people better understand their own behaviours, actions and emotions. We support the aim of the project to reduce re-offending and encourage exploring self-employment opportunities."



THE HARGREAVES FOUNDATION EARLY INTERVENTION SCHEME

The premise of the EIS programme is the belief that the biggest difference we can make to the future health, wealth and happiness of disadvantaged children is to ensure they are literate when they leave primary school.

"To be literate is to gain a voice and to participate meaningfully and assertively in the decisions that affect one's life."

Y Kassam

- 80% of 16-24 year olds not in employment, education or training left school without 5 good GCSEs
- The single biggest factor predicting results at age 16 is the prior attainment of students whilst at primary school
- Fewer than 1 in 6 children from low income families not achieving the expected level by the age of 7 go on to get 5 good GCSEs

Social Mobility and Child Poverty Commission 2014

134 disadvantaged children (67% of disadvantaged children) at Ashcombe Primary School are below the expected level for reading, 146 (72%) are below the expected level in writing.

These statistics would suggest c117 of these children are unlikely to get 5 good GCSE's significantly increasing the likelihood they will join the population of 16-24 year olds not in employment, education or training.

EIS PROGRAMME GOAL

By the end of the 2023/24 school year, 80% of disadvantaged children will leave Ashcombe Primary School in year 6 at the expected standard in both reading and writing and 40% will leave exceeding the expected standard.

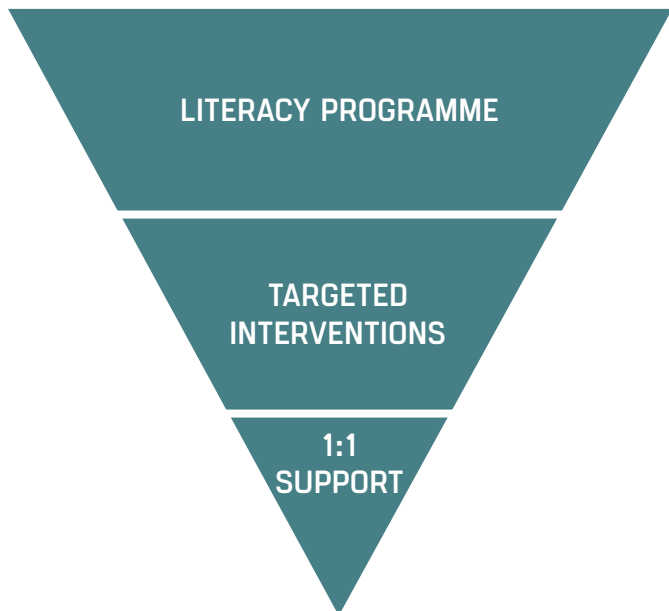
This will place the school in the top 5% nationally in terms of primary school performance for disadvantaged children, as measured by FFT, an independent school performance and research organisation.

The aim beyond 2023/24 is to maintain a top 5% position within FFT benchmarking.

To achieve this ambitious target we will support the school in the development and delivery of a world class literacy programme, building on the work that the school is already undertaking and utilising the latest research in learning behaviour and teaching methods.

We recognise that many disadvantaged children will experience additional barriers to accessing excellent teaching no matter how well designed or delivered.

We will ensure every disadvantaged child can access the literacy programme and remove those barriers through targeted interventions, therapies and where appropriate personalised 1:1 support.



Available to all. Teacher training, new literacy hub fostering a creative, enjoyable, reading and writing environment, pupil assessments.

Targeted at disadvantaged children. Speech and language, reading interventions, therapies, emotional wellbeing, parental engagement

Extremely vulnerable children, at risk of exclusion, exposure to Adverse Childhood Experience. Mentoring, counselling in addition to targeted interventions.

Programme Overview

EDUCATE

1. Teacher Training
2. Speech & Language
3. Reading and writing intervention
4. Spelling intervention
5. Classroom books
6. Assessment

INSPIRE

An immersive literacy hub at the heart of the school for reading, creative writing and performance.

SUPPORT

- Sensory room and therapy
- Art and play therapy
- Domestic violence counselling
- Emotional wellbeing support
- Mini police and primary futures
- Parental support to promote independence

Roll Out

Educate

EDUCATE

- Teacher Training
- Speech & Language
- Reading and writing intervention
- Spelling intervention
- Classroom books
- Assessment

Rolled out from September 2021 onwards – term 1, year 1

- Mentoring
- DART
- Mini Police
- Primary Futures
- Seasons for Growth
- Drawing & Talking

Support

Rolled out from September 2021 onwards – term 1, year 1

Literacy Hub

- Literacy interventions
- Author visits

**Est. Summer
2022/2023**

- Sensory room
- Art & Play Therapy
- Parent engagement & family link

**On hold pending
plans for school
building
replacement**

Programme duration and review

The proposed duration of the EIS programme is 3 years.

This builds contingency into the goal and sufficient time for Ashcombe Primary school to assimilate new working practises and ensure ongoing success in achieving the goal set by the programme.

A performance review of each programme component will be undertaken annually and programme components amended as required to achieve the programme goal.

A full programme review will be undertaken in year 3 to determine the next stage of the EIS programme.

IMPACT ANALYSIS

The impact assessment report has been introduced this year to better understand the impact of the grants awarded and to support the decision-making process when assessing future grant applications.

To achieve this, we have devised a report consisting of two parts.

The first part asks grant recipients to specify what the grant will be spent on and to detail what a successful outcome would look like when the grant has been used.

Part one then asks which measures will be used to tell us whether that outcome has been achieved and for an appropriate timeframe to apply those measures.

The second part of the form is the actual impact assessment which details what has been achieved and includes the results of the measures detailed in part one. The impact assessment is completed according to the timeframe set in part one.

The second part of the report also includes space for a comment by the Hargreaves Foundation and a RAG rating determined by how well the grant has met its success criteria.

In September 2021 we began the process of contacting the organisations that had been awarded grants prior to the introduction of the impact assessment, asking them to complete part one of the report and set the timeframes for completing the impact assessment at an appropriate time.

On December 1st 2021 the online application form was changed to incorporate the questions in part one of the impact assessment ensuring the parameters of the impact assessment are established before the grant is awarded.

To date 5 are complete, 14 have part 1 complete and are ready to be assessed at the appropriate time set in part 1 and a further 16 continue to be worked on with grant recipient.

Completed Assessments:

Tall Ships

Sirona Therapeutic Horsemanship

Bidwell Brook School

The Literacy Pirates

The Connie Rothman Trust

FINANCIAL REVIEW

Income from investments in the year amounted to £2.424m (2021: £2.4m). Expenditure on charitable activities was £1.05m (2021: £489k) including grants and donations of £923k (2021: £335k), resulting in net income before investment gains and losses of £1.374m (2021: £91.058m). The prior year result included a donation of shares of £89.147m.

After net realised/unrealised losses on investments of £17.939m (2021: £7.151m) funds decreased by £16.565m (2021: increased by £83.907m) resulting in unrestricted funds at the year end of £67.343m (2021: £83.907m).

During the financial year ending 31 January 2022 the Trustees decided to liquidate the Foundation's holding in Hargreaves Lansdown PLC shares.

This transaction has proved fortuitous. The shares were realised throughout January 2022 and February 2022 at an average price of c.£13.32. This transaction should be viewed in the light of the current share price of Hargreaves Lansdown, c.£8.92 (13th September 2022), some 33% lower than the price obtained during the realisation. The proceeds will be phased into a wide range of appropriate investments. This process has commenced and currently 25% has been committed.”

RESERVES POLICY

The Trustees will endeavour to ensure that suitable cash balances are maintained at all times to ensure the smooth operation of the Foundation and appropriate liquidity at all times.

Alexandra Butler will maintain a close watching eye on the running balance in the Lloyds account at all times and can request a transfer of additional cash balances.

INVESTMENTS POLICY

The Hargreaves Foundation has been funded entirely by donations provided by the Chair of the Trustees, Peter Hargreaves.

Those donations were in the form of existing shares in Hargreaves Lansdown plc which Mr Hargreaves had owned for many years. Although the shares were gifted in full to The Hargreaves Foundation, when Mr Hargreaves made the donation he stipulated that he would like The Hargreaves Foundation to hold those shares for a minimum period of two years and to use the dividend income generated to fund the Foundation's operating costs and charitable giving.

In January 2022 the Board of Trustees made the decision to diversify the investment portfolio and initiated the sale of the shares in Hargreaves Lansdown plc.

The Board of Trustees are in the process of appointing an external Investment Manager to oversee the investment portfolio.

The basis of the Investment Policy will likely be a balanced portfolio within the risk tolerance set by the Trustees, invested in a broad range of asset classes and any cash maintained in money market funds. The income generated by the invested portfolio will be used to fund operating costs and charitable distributions.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document:	The Foundation is a Charitable Incorporated Organisation (CIO) with a written constitution dated 10 January 2020.
Appointment of Trustees:	The trustee body has the power to appoint new trustees. If new or additional trustees are appointed they will be encouraged to receive appropriate training depending on their qualifications and experience.
Investment Powers:	The CIO has power to do anything which is calculated to further its object or is conducive or incidental to doing so.

REFERENCE AND ADMINISTRATIVE DETAILS

Name of Charity: The Hargreaves Foundation
Charity No. 1187297

Trustees: Nigel James Bence
Peter Kendal Hargreaves
Louisa Rose Hargreaves
Robert Kendal Hargreaves
Rosemary Jane Hargreaves

Principal Office Address: The Old Surgery
Swan Barton
Sherston
Malmesbury
Wiltshire
SN16 0LJ

Bankers and Investment Managers: Lloyds Bank
Hargreaves Lansdown
One College Square South
Anchor Road
Bristol
BS1 5HL

Auditors: PKF Francis Clark
Centenary House
Peninsula Park
Rydon Lane
Exeter
EX2 7XE

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008.

The law applicable to charities in England & Wales 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 incoming resources and application of resources of the charity for that period. 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 the Charities SORP
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008. They 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.

Signed:

Date: 04/11/2022

Peter Hargreaves

On behalf of the Trustees

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE HARGREAVES FOUNDATION FOR THE YEAR ENDED 31 JANUARY 2022

OPINION

We have audited the financial statements of The Hargreaves Foundation (the "Charity") for the year ended 31 January 2022 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 January 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually, or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

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

OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

RESPONSIBILITIES OF THE TRUSTEES

The trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under S144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereafter. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

As part of our audit planning we obtained an understanding of the legal and regulatory framework that is applicable to the Charity. The key laws and regulations relevant to the Charity were identified as being Charity law and the General Data Protection Regulation.

We also considered opportunities and incentives for fraud, which might arise in the understatement of expenditure, or incurring expenditure for non-charitable purposes, in the payment of fraudulent grants or management bias in accounting estimates.

Based on this we designed our audit procedures to identify irregularities. Our audit procedures involved the following:

- Enquiries with Trustees, regarding their knowledge of any non-compliance or potential non-compliance with laws and regulations that could affect the financial statements;
- Review of trustees' meeting minutes;
- Review of the controls in relation to GDPR and enquiries to Management as to the occurrence and outcome of any reportable breaches;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business; and
- Review financial statement disclosures and testing to support documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements.

This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements as we are less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission, or misrepresentation.

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

USE OF OUR REPORT

This report is made solely to the Charity's trustees, as a body, in accordance with Part 4 of the Charities (Account and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

PKF Francis Clark
Statutory Auditor
Centenary House
Peninsula Park
Rydon Lane
EXETER
EX2 7XE

Date: 04/11/2022

PKF Francis Clark is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 JANUARY 2022

	Note	Unrestricted Funds	2022 Total £	Unrestricted Funds £	2021 Total £
Income and endowments					
Donation		-	-	89,146,500	89,146,500
Investments	3	2,424,000	2,424,000	2,400,000	2,400,000
Total income		<u>2,424,000</u>	<u>2,424,000</u>	<u>91,546,500</u>	<u>91,546,500</u>
Expenditure on:					
Charitable activities	4	1,050,031	1,050,031	488,594	488,594
Total expenditure		<u>1,050,031</u>	<u>1,050,031</u>	<u>488,594</u>	<u>488,594</u>
Net income/(expenditure) before net gains/(losses) on investments					
		1,373,969	1,373,969	91,057,906	91,057,906
Net gains/(losses) on Investments		(17,938,720)	(17,938,720)	(7,150,500)	(7,150,500)
Net income/(expenditure)		<u>(16,564,751)</u>	<u>(16,564,751)</u>	<u>83,907,406</u>	<u>83,907,406</u>
Net movement in funds		<u>(16,564,751)</u>	<u>(16,564,751)</u>	<u>83,907,406</u>	<u>83,907,406</u>
Reconciliation of funds					
Total funds brought forward		<u>83,907,406</u>	<u>83,907,406</u>	<u>-</u>	<u>-</u>
Total funds carried forward		<u>67,342,655</u>	<u>67,342,655</u>	<u>83,907,406</u>	<u>83,907,406</u>

BALANCE SHEET

AS AT 31 JANUARY 2022

		2022 Total	2021 Total
	Note	£	£
Fixed assets			
Investments at market value	2	24,501,599	81,996,000
Current assets			
Investment bank account		43,251,934	2,072,250
Cash at Bank		47,912	14,426
Debtors		6,593	-
		<u>43,306,439</u>	<u>2,086,676</u>
Current liabilities			
Creditors: amounts falling due within one year			
	5		
Creditors - Grants awarded		240,570	106,676
Other creditors and accruals		12,705	9,506
		<u>253,275</u>	<u>116,182</u>
Net current assets		<u>43,053,164</u>	<u>1,970,494</u>
Creditors: amounts falling due after more than one year	6	212,108	59,088
Net assets		<u>67,342,655</u>	<u>83,907,406</u>
Allocation of the charity net assets:			
The net assets are held for the various funds as follows:-			
Unrestricted income funds		67,342,655	83,907,406
Total charity funds		<u>67,342,655</u>	<u>83,907,406</u>

Approved by the trustees on 04/11/2022

and signed on their behalf by

..... Trustee

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 JANUARY 2022

		2022 Total	2021 Total
	Note	£	£
Net cash used in operating activities	10	(766,511)	(313,324)
Cash flow from investing activities:			
Dividends and interest from investments		2,424,000	2,400,000
Proceeds from sale of investments		39,555,681	-
Net cash provided by investing activities		41,979,681	2400,000
Change in cash and cash equivalents in the reporting period		41,213,170	2,086,676
Cash and cash equivalents brought forward		2,086,676	-
Cash and cash equivalents carried forward		43,299,846	2,086,676
Representing:			
Investment managers' bank accounts		43,251,934	2,072,250
Cash at bank		47,912	14,426
		43,299,846	2,086,676

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2022

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

A. BASIS OF PREPARATION

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011. There are no material departures from FRS 102.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) regulations 2008 only to the extent required to provide a 'true and fair view'. The departure has involved following Accounting and Reporting applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has been withdrawn.

The Charity meets the definition of a public benefit entity under FRS102.

The financial statements have been prepared on a going concern basis and the Trustees are not aware of any material uncertainties that would cast doubt on the Charity's ability to continue as a going concern.

The accounts are prepared in Sterling, which is the functional currency. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention as modified by the revaluation of investments.

B. FUND ACCOUNTING

Unrestricted Income Fund - The Unrestricted Income Fund comprises those Funds which the Trustees are free to use in accordance with the charitable objects. This includes the donation of shares to the Foundation in the previous accounting period.

C. INCOME

Dividend and other similar investment income is shown gross and recognised on an accruals basis.

D. INVESTMENTS

All investments held are listed on a recognised stock exchange and are included in the accounts at their market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

E. GRANTS PAYABLE

Grants are included in the accounts on an accruals basis, and unconditional grant commitments payable within one year after the balance sheet date are included in the Statement of Financial Activities.

F. RESOURCES EXPENDED

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Governance costs are the costs associated with the governance arrangements of the charity which relate to the general running of the Charity as opposed to those costs associated with fundraising or charitable activity. The costs will normally include internal and external audit, legal advice for trustees and costs associated with constitutional and statutory requirements e.g. the cost of trustee meetings and preparing statutory accounts. Included within this category are any costs associated with the strategic as opposed to day to day management of the charity's activities.

G. REALISED GAINS AND LOSSES

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of 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. EXPENDITURE

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

- Expenditure on charitable activities includes costs of grants awarded during the year

I. DEBTORS

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

J. CASH AND CASH EQUIVALENTS

Cash and cash equivalents 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.

K. CREDITORS AND PROVISIONS

Creditors and provisions are recognised when 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 recognized at their settlement amount after allowing for any discounts due.

2. FIXED ASSET INVESTMENTS

	2022	2021
	£	£
Market value at 1 February 2021	81,996,000	-
Additions	-	89,146,500
Disposal proceeds	(39,555,681)	-
Net loss on revaluation	(17,938,720)	(7,150,500)
	<hr/>	<hr/>
Market value at 31 January 2022	<u>24,501,599</u>	<u>81,996,000</u>

3. INVESTMENT INCOME

Investment income of £2,424,000 (2021: £2,400,000) was received during the year from investments listed in the UK.

4. CHARITABLE ACTIVITIES

	2022	2021
	£	£
Grants and donations (note 11)	923,337	335,341
Support and Governance costs (below)	126,694	153,253
	<hr/>	<hr/>
	<u>1,050,031</u>	<u>488,594</u>
Support costs		
Legal charges	-	18,000
Consultancy fees	18,380	6,000
Subscription to Association of Charitable Foundations	305	299
Wages and salaries (1 Employee - key management personnel)	80,833	78,500
Staff NIC (Employers)	9,936	9,724
Staff pensions (Defined contribution)	2,425	2,356
Rent and rates	3,120	7,521
Telephone and internet	-	62
Insurance	1,294	1,294
IT cost	2,950	21,014
Sundry expenses	251	2,483
Governance costs		
Auditors' remuneration	7,200	6,000
	<hr/>	<hr/>
	<u>126,694</u>	<u>153,253</u>

The charity employed one member of staff during the reporting period.

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

		2022	2021
		£	£
Grants awarded	12	240,570	106,676
Other creditors		99	207
Pension		2,556	2,068
PAYE & NI		1,450	1,231
Accruals		8,600	6,000
		<u>253,275</u>	<u>116,182</u>

6. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

		2022	2021
		£	£
Grants awarded	12	212,108	59,088
		<u>212,108</u>	<u>59,088</u>

7. RELATED PARTIES

There have been no related party transactions in the year requiring disclosure (2021: A trustee made a loan to the foundation of £25,000 which was repaid during the year. The charity also received an unrestricted donation from a trustee amounting to £89,146,500).

8. TRUSTEES REMUNERATION AND EXPENSES

During the year trustees have not received remuneration and were not reimbursed for any expenses.

9. GRANT COMMITMENTS

As at 31 January 2022 binding grant commitments were £452,678 (2021: £165,764).

10. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASHFLOW FROM OPERATING ACTIVITIES

		2022	2021
		£	£
Net movement in funds		(16,564,751)	83907,406
Deduct investment income donation of shares		(2,424,000)	(91,546,500)
Deduct gains/add back losses on investments		17,938,720	7,150,500
(Increase)/decrease in debtors		(6,593)	-
(Decrease)/Increase in creditors		290,113	175,270
		<u>(766,511)</u>	<u>(313,324)</u>

Investment income was included within Operating Cashflow in the Cashflow Statement in the 2021 published financial statements. It has been included within Investing Activities in the Cashflow Statement in the 2022 financial statements as this is considered to be a more appropriate accounting treatment under the Charities SORP. The 2021 comparatives have been restated in the 2022 financial statements to present investment income on a consistent basis with the revised 2022 treatment.

11. GRANTS MADE

During the year the trustees made institutional grants totalling £923,337.

There are no support costs attributed to grants made. Governance costs comprise all costs incurred by the charity and no apportionment is made between grant making activities and running of the charity.

The Trustees made the following institutional grants during the year:

	2022 £	2021 £
Bristol Down Syndrome Trust	25,500	25,500
Tall Ships	-	16,880
Ashcome Primary	-	25,800
Action for Kids	30,715	-
The Change Foundation	-	117,264
Independence at Home	-	60,000
SportsAid	-	38,440
The Literacy Pirates	90,000	30,000
Square Food Foundation	160	8,535
Sirona Therapeutic Horsemanship	1,800	615
Ability Consultancy	5,220	-
Reed's School	180,694	-
Level Water	29,028	-
St Mary's College	3,117	-
Gympanzies	9,015	-
Bidwell Brook School	9,860	-
Brent Centre	17,971	-
Kendleshire Kids Foundation	20,000	-
Out Of Class	10,000	-
Real Action	10,000	-
Rett UK	6,722	-
Connie Rothman Learning Trust	10,000	-
Diverse Abilities	21,500	-
The Horse Rangers	16,250	-
Cleethorpes Community & Education	10,000	-
Hérons Dale Primary School	10,000	-
Tiverton Primary School	529	-
Bryntail Cottage	12,000	-
Mountfield School	6,670	-
Youth Action Alliance	24,119	-
Normandy Community Therapy Garden	20,000	-
Wigan Warriors	4,995	-
Dreams Come True	13,400	-
Cerebra	7,760	-
Alder Hey Children's Charity	103,000	-
Chailey Heritage Foundation	29,946	-
Estudiantes	8,500	-
Lido Park Tennis	540	-
Access Sport	22,500	-
Lea Valley Primary School	3,000	-
Early Intervention Scheme (Ashcombe School)	148,826	12,307
	923,337	335,341

12. MULTI – YEAR GRANT COMMITMENTS

Included in the grants awarded are the following amounts which had not been paid as at the year end.

	2022	2021
	£	£
Bristol Down Syndrome Trust	-	12,750
Ashcome Primary	19,120	25,800
The Change Foundation	78,176	78,176
Reed's School	157,520	-
Independence at Home	40,000	40,000
The Literacy Pirates	60,000	-
The Jack Hazeldine Foundation	-	9,038
Lea Valley Primary School	3,000	-
Access Sport	22,500	-
Action for Kids	5,473	-
Ashcombe Project - Books	5,329	-
Ashcombe – Literacy Hub	61,560	-
	<u>452,678</u>	<u>165,764</u>

THE HARGREAVES FOUNDATION

England & Wales - Charity number 1187297

Accounts



THE
HARGREAVES
FOUNDATION

Charitable Incorporation Organisation
Registered Number 1187297

**TRUSTEES' ANNUAL REPORT
AND FINANCIAL STATEMENTS**

for the period from 10 January 2020
to 31 January 2021

CONTENTS

CHAIR & EXECUTIVE COMMENT	1
OBJECTIVES & ACTIVITIES	2
ACHIEVEMENTS & PERFORMANCE	3
ADAPTING TO 2020	4
HOW HAVE WE MET OUR OBJECTIVES?	4
IMPACT ANALYSIS	6
FINANCIAL REVIEW	6
PLANS FOR 2021	7
THE HARGREAVES FOUNDATION EARLY INTERVENTION SCHEME	7
STRUCTURE, GOVERNANCE & MANAGEMENT	8
REFERENCE & ADMINISTRATION DETAILS	8
STATEMENT OF TRUSTEES' RESPONSIBILITIES	9
INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES	10
STATEMENT OF FINANCIAL ACTIVITIES	14
BALANCE SHEET	15
STATEMENT OF CASH FLOWS	16
NOTES TO THE FINANCIAL STATEMENTS	17

CHAIR & EXECUTIVE COMMENT

It has been a challenging year to launch a Charitable Foundation and we have seen as much uncertainty over the past 12 months as I can remember.

Our mission remains unaffected: **Transforming young lives through sport and education.**

Our aim, through the Foundation, is to improve the lives of young people whether with disabilities or from disadvantaged backgrounds, and to assist them in leading the fullest and happiest lives possible.

We have received many applications covering a huge range of projects and initiatives. We have taken our first steps into funding and have selected a broad cross-section of schemes. Our focus is always on changing lives.

Peter Hargreaves

I am delighted to bring together this annual report and I hope it will provide a brief snapshot of our work to date. We have negotiated some testing times, but speaking on behalf of the Board of Trustees, we have also experienced much joy from the funding we have been able to approve this year. We look forward to the next 12 months with great anticipation; new projects, strengthening relationships and many more young people benefitting from grants from The Hargreaves Foundation.

Alexandra Butler



TRUSTEES' REPORT

OBJECTIVES AND ACTIVITIES

The charitable objectives of The Hargreaves Foundation as stated in our constitution document are:

- A. To advance for the public benefit the physical and mental health and well-being of individuals living with disabilities of any description, in particular but not exclusively by providing grants, items and services to individuals in need, charities and/or organisations that provide or assist in the provision of:
 - i. Information, advice, education and support designed to raise awareness and enable individuals living with disabilities to be self sufficient;
 - ii. Financial assistance for individuals living with disabilities;
 - iii. Medical treatment, care and rehabilitation for individuals living with disabilities;
 - iv. Equipment, mobility aids, prosthetics, facilities with a view to improving the conditions of life of such persons;

- B. To advance in life and help people who have need by reason of their youth, infirmity, poverty or social and economic circumstances with a view to improving the conditions of life of such persons in particular but not exclusively by providing grants, items and services to individuals in need, charities and other organisations that provide advice, assistance and organize programmes of physical, educational and other activities as a means of:
 - i. helping young people by developing their skills, capacities and capabilities to enable to them to participate in society as independent, mature and responsible individuals;
 - ii. Advancing education;
 - iii. Relieving unemployment; and
 - iv. Providing recreational, sporting and leisure time activities and facilities in the interests of social welfare and cohesion.

The main activities undertaken to further the charity's purposes for the public benefit are grant making, details of grants awarded are included in the achievements and performance section of this report.

The Trustees have had regard to the Charity Commission's guidance on public benefit.

ACHIEVEMENTS AND PERFORMANCE

OVERVIEW



Alongside the impact of COVID on charities' operations, our first year has been a learning curve and we are starting to understand more about the types of project we would like to fund. We work hard to review every application we receive and provide an update to all applicants. It is our intention to further refine our eligibility criteria in the early stages of 2021.

HOW DO WE DECIDE?



We consider our application process to be light touch, whilst still providing detail. We only accept applications online meaning everyone must follow the same process and we have invested in technology to make managing applications as seamless as possible.

Our initial screening includes a full review of the application against our criteria, website review, Charities Commission check (if appropriate) and a check for news stories.

The Trustees have access to all the application data and make their final selections. They are looking for projects or initiatives that have the potential to inspire and make a significant impact on a young person's life.

If an application is shortlisted we will usually request that a brief video is prepared by the organisation to showcase their project.

The closing stage is normally a meeting with the Trustees which is currently being carried out remotely. A final decision is communicated with the recipient after this.

ADAPTING TO 2020

During Spring 2020 we implemented the use of video presentations, asking shortlisted applicants to prepare and submit a 90 second video clip outlining their values, proposal, strategy and longer term ambitions. It's proved a creative, COVID friendly way to allow the Trustees to get a real feel for the organisations.

HOW HAVE WE MET OUR OBJECTIVES?

We have five objectives which underpin our mission “transforming young lives through sport and education”. Our application form asks organisations to confirm which of our objectives their project supports and we then go on to assess which initiatives will make the biggest impact. We try to ensure that we fund a range of projects meeting as many of our objectives as possible. Often a project will meet more than one objective.

BELOW IS AN EXAMPLE OF SOME OF THE PROJECTS WE HAVE FUNDED AND THE OBJECTIVES MET:

“Enables individuals to experience the mental and physical health benefits of participatory sport.”

The Hargreaves Foundation’s Trustees awarded a grant of £117,264 to the Netball 4 Change programme run by The Change Foundation.

Netball 4 Change uses the game of netball to teach girls affected by social media how to stay safe online. It empowers them to think more positively about their online network, how it can affect their future prospects and raises awareness of negative social media influences.

Netball 4 Change started in 2017 and has helped over 700 girls increase their knowledge about social media safety and reduce the time they spend on social media. By using netball drills the programme also encourages physical fitness and team bonding.

“We are delighted to help Netball 4 Change bring their programme to Bristol, supporting vulnerable and at-risk girls and young women aged 11-17 to stay safe online. Through the power of sport, participants will be empowered to engage with social media in a healthier and more constructive way that does not compromise their mental health, confidence and self-esteem.”



“Ensures participatory sport is accessible.”

The Trustees of The Hargreaves Foundation have approved funding for an initial four pieces of specialist mobility equipment for Action for Kids Charitable Trust.

AFK provides specialist mobility equipment not available on the NHS to disabled children and young people. The right piece of equipment can mean the difference between playing outside with friends or watching from the side lines; between participating in sport or spectating. It can help with pain management, muscle strength and independence.

"One of our objectives is to make sport accessible – we are delighted to fund mobility equipment to allow several young people the opportunity to participate in their chosen sport."



"Provides sporting or educational activities that foster life skills."

The Trustees of The Hargreaves Foundation awarded £8,535 to Bristol based Square Food Foundation. Through food and cooking Square Food works towards reducing hunger, improving health and building resilience. The funding will be used to support a group of local 16-18 year olds who are no longer in mainstream education attend a specialist cookery course 'A Toolkit for Independent Living' at The Park in Knowle West.

"We are delighted to support Square Food help a group of young people learn how to prepare a set of simple dishes. Not only does cooking from scratch encourage healthy eating, it is also a skill for life. Additionally the course drives attainment in basic literacy and numeracy, commitment, team work and resilience. We are also pleased to supply attendees with a set of basic kitchen equipment and store cupboard essentials for use at home. Our hope is that some of the students will be inspired to continue their studies within the catering and hospitality sector."



"Aims to improve academic engagement and attainment."

The Hargreaves Foundation awarded £30,000 to The Literacy Pirates.

Founded in 2010 to support children who are falling behind in literacy, The Literacy Pirates works with children aged 9-12 whose teachers think they would benefit from some extra support.

The children – or young pirates – attend weekly sessions after school at 'ships' in Dalston, Tottenham or, in response to the pandemic, online. The learning support is devised and delivered by teachers and additional support is provided by a community of trained volunteers.

Children who become young pirates are on average 18 months behind national reading age and come from backgrounds with fewer opportunities.

We continue to work towards helping children and young people gain access to the support they need – the tremendous work carried out by The Literacy Pirates is life changing; narrowing the attainment gap in literacy. On average 16 months progress is made in reading in just 9 months, alongside progression in the children’s writing skills, confidence and perseverance, helping them to achieve at school and beyond.”



“Encourages the development of skills and personal attributes to aid future employability.”

The Hargreaves Foundation awarded £16,880 to Tall Ships Youth Trust.

Having heard about the support given to the personal development of young people from all walks of life through the crewing of ocean going vessels, the Trustees have approved the funding of two voyages for 16-18 year olds.

Tall Ships works with young people from across the UK, helping them redefine their horizons. Out at sea they are encouraged to grow in confidence and develop skills which set them up for life; teamwork, social skills and leadership.

“The results speak for themselves; a Tall Ships initiative working with 80 unemployed young people saw an exceptional 97% of participants move into employment, education or training within six months of completing the project. We support the ethos of raising aspirations, developing life skills and building self-esteem.”



IMPACT ANALYSIS

During the application stage applicants are asked to explain the difference their work makes to the lives of young people and this is something we consider carefully as part of our assessment and decision-making process. The recipients of the grants we awarded this year will be reporting on their progress in 2021. We look forward to learning from these grants and reporting on the difference our funding has made in our next annual report.

FINANCIAL REVIEW

The accounts have been prepared from the date of incorporation to 31 January 2021 and reflect the transfer of shares received from Mr Hargreaves on incorporation of £89,146,500. The Foundation awarded the first grants to successful applications in August 2020 and in the period to the year end awarded a total of £335,341. At the period end the market value of investments had fallen and an unrealised loss on investments of £7,150,500 has been recognised in the Statement of Financial Activities. The net incoming resources for the period were £83,907,406 and have been carried forward as unrestricted reserves.

RESERVES POLICY

The trustees will endeavour to ensure that suitable cash balances are maintained at all times in the Foundation's account with Lloyds Bank and in the Foundation's account with Hargreaves Lansdown to ensure the smooth operation of the Foundation and appropriate liquidity at all times. Alexandra Butler will maintain a close watching eye on the running balance in the Lloyds account at all times and can request a transfer of additional cash balances from the Hargreaves Lansdown Vantage account within 24 hours. We have set no minimum cash balance to be maintained but will, instead, maintain a prudent careful watch to ensure that appropriate cash balances are maintained to ensure the smooth operation of the Foundation and its ability to meet all liabilities as they fall due.

Free reserves, which are considered to be unrestricted reserves less amounts held in investments are £1,911,406.

INVESTMENTS POLICY

The Hargreaves Foundation has been funded entirely by donations provided by the Chair of the trustees, Peter Hargreaves. Those donations were in the form of existing shares in Hargreaves Lansdown plc which Mr Hargreaves has owned for many years. Although those shares have been gifted in full to the Hargreaves Foundation, when Mr Hargreaves donated the shares he stipulated that he would like the Hargreaves Foundation to hold those shares for a period of a few years after the donation and to use the dividend income generated to fund the Foundation's operating costs and charitable giving to other good causes.

The trustees appreciate that holding a single share increases investment risk, but we are also very mindful of the condition Mr Hargreaves attached to the gift of the shares and we are therefore comfortable to retain the shares and use the dividend income as Mr Hargreaves envisaged when he made his gift. The trustees of the Hargreaves Foundation will continue to discuss the investment holding in Hargreaves Lansdown plc shares with Mr Hargreaves and may, at a future date, decide in conjunction with Mr Hargreaves to diversify into a broader range of investments.

PLANS FOR 2021

We have had a successful first year and our focus during 2021 will be to review our eligibility criteria and drive up our success rate and to shape our impact analysis.

We are in awe of the dedication, determination and care shown by those working with young people in need. 2020 has brought with it some unique challenges that have been met with diligence, stoicism and creativity; adapting to remote working, loss of income and increased uncertainty, and worrying about the impact of the pandemic on young people's mental health. In such complex times it is heartening to see so many people working towards improving young people's lives. We are unwavering in our desire to make material change, especially so given the turbulence of the past 12 months. Last year saw the start of a new in-house project. We are delighted to be in the early stages of designing and implementing an Early Intervention Scheme.

THE HARGREAVES FOUNDATION EARLY INTERVENTION SCHEME

We commenced work in 2020 on an ambitious scheme designed to benefit those children most in need during their Primary School years. We will work with children facing a number of different challenges, from Special Educational Needs through to those living in financial need, those with dysfunctional family backgrounds or those having experienced neglect or abuse.

The scheme will be designed and built around 3 Pillars and will likely include a range of interventions targeted to meet specific needs.

THREE PILLARS:

EDUCATION

PERSONAL DEVELOPMENT

FAMILY SUPPORT & DEVELOPMENT

Following a successful application for funding from Ashcombe Primary (£25,800 awarded) we are building our relationship with the school to help us develop the Early Intervention Scheme. We hope to commence a phased roll out later in 2021.

STRUCTURE, GOVERNANCE AND MANAGEMENT

- Governing Document:** The Foundation is a Charitable Incorporated Organisation (CIO) with a written constitution dated 10 January 2020
- Appointment of Trustees:** The trustee body has the power to appoint new trustees. If new or additional trustees are appointed they will be encouraged to receive appropriate training depending on their qualifications and experience.
- Investment Powers:** The CIO has power to do anything which is calculated to further its object or is conducive or incidental to doing so.
- Management and Control:** Peter Hargreaves is the Chairman and has overall responsibility for the running of the CIO.

REFERENCE AND ADMINISTRATIVE DETAILS

- Name of Charity:** The Hargreaves Foundation, Charity No. 1187297
- Trustees:** Nigel James Bence, Peter Kendal Hargreaves
Louisa Rose Hargreaves, Robert Kendal Hargreaves
- Principal Office Address:** The Old Surgery, Swan Barton, Sherston, Malmesbury, Wiltshire SN16 0LJ
- Bank:** Lloyds Bank
- Investment Managers:** Hargreaves Lansdown,
One College Square, South Anchor Road, Bristol BS1 5HL
- Auditors:** PKF Francis Clark
Centenary House, Peninsula Park, Rydon Lane, Exeter EX2 7XE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' Report and the 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 & Wales 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 incoming resources and application of resources of the charity for that period. 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 the Charities SORP
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, 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 keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 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.

Signed:

Peter Hargreaves

Date: 24 September 2021

On behalf of the Trustees

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE HARGREAVES FOUNDATION FOR THE PERIOD ENDED 31 JANUARY 2021

OPINION

We have audited the financial statements of The Hargreaves Foundation (the "Charity") for the period ended 31 January 2021 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 January 2021 and of its income and expenditure for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

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

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE HARGREAVES FOUNDATION FOR THE PERIOD ENDED 31 JANUARY 2021

INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

RESPONSIBILITIES OF THE TRUSTEES

As explained more fully in the Statement of Trustees' Responsibilities set out on page 9, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE HARGREAVES FOUNDATION FOR THE PERIOD ENDED 31 JANUARY 2021

OUR RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under S144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereafter. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

As part of our audit planning we obtained an understanding of the legal and regulatory framework that is applicable to the charity. The key law and regulations relevant to the charity were identified as being Charity law and the General Data Protection Regulation.

We also considered opportunities and incentives for fraud, which might arise in the understatement of expenditure, or incurring expenditure for non-charitable purposes, in the payment of fraudulent grants or management bias in accounting estimates.

Based on this we designed our audit procedures to identify irregularities. Our audit procedures involved the following:

- Enquiries with Trustees, regarding their knowledge of any non-compliance or potential non-compliance with laws and regulations that could affect the financial statements;
- Review of trustees' meeting minutes;
- Review of the controls in relation to GDPR and enquiries to Management as to the occurrence and outcome of any reportable breaches;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business; and
- Review financial statement disclosures and testing to support documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE HARGREAVES FOUNDATION FOR THE PERIOD ENDED 31 JANUARY 2021

This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements as we are less likely to be come aware of instances of non-compliance. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission, or misrepresentation.

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

USE OF OUR REPORT

This report is made solely to the Charity's trustees, as a body, in accordance with Part 4 of the Charities (Account and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

PKF Francis Clark
Statutory Auditor
Centenary House
Peninsula Park
Rydon Lane
EXETER
EX2 7XE

Date: 24 September 2021

PKF Francis Clark is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

STATEMENT OF FINANCIAL ACTIVITIES

PERIOD FROM 10 JANUARY 2020 TO 31 JANUARY 2021

	Note	Unrestricted Funds £	2021 Total £
Income from:			
Donation	2	89,146,500	89,146,500
Investments		2,400,000	2,400,000
Total income		<u>91,546,500</u>	<u>91,546,500</u>
Expenditure on:			
Charitable activities	3	488,594	488,594
Total expenditure		<u>488,594</u>	<u>488,594</u>
Unrealised loss on Investments		(7,150,500)	(7,150,500)
Net income/(expenditure)		<u>83,907,406</u>	<u>83,907,406</u>
Net movement in funds		<u>83,907,406</u>	<u>83,907,406</u>
Reconciliation of funds			
Total funds brought forward			
Total funds carried forward		<u>83,907,406</u>	<u>83,907,406</u>

BALANCE SHEET

AS AT 31 JANUARY 2021

	Note	2021 Total £
Fixed assets		
Investments at market value	5	81,996,000
Current assets		
Cash at Bank and held in investments		2,086,676
		<u>2,086,676</u>
Creditors: amounts falling due within one year		
Creditors	6	106,676
Other creditors and accruals		9,506
		<u>116,182</u>
Net current assets/(liabilities)		<u>1,970,494</u>
Creditors: amounts falling due within one year		
	7	59,088
Net assets		<u>83,907,406</u>
Allocation of the charity net assets:		
The net assets are held for the various funds as follows:-		
Unrestricted funds		83,907,406
Total charity funds		<u>83,907,406</u>

Approved by Trustees on 24th September 2021 and signed on their behalf of by Peter Hargreaves

STATEMENT OF CASH FLOWS AS AT 31 JANUARY 2021

	Note	2021 Total £
Net cash from operating activities	10	2,086,676
Change in cash and cash equivalents in the reporting period		2,086,676
Cash and cash equivalents brought forward		
Cash and cash equivalents forward		<u>2,086,676</u>
Representing:		2,086,676
Investment managers' back accounts		<u>2,086,676</u>

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 10 JANUARY 2020 TO 31 JANUARY 2021

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

A. BASIS OF PREPARATION

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011. There are no material departures from FRS 102.

The Charity meets the definition of a public benefit entity under FRS102.

The financial statements have been prepared on a going concern basis and the Trustees are not aware of any material uncertainties that would cast doubt on the Charity's ability to continue as a going concern.

The accounts are prepared in Sterling, which is the functional currency. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention as modified by the fair value of investments.

B. DISCLOSURE OF LONG OR SHORT PERIOD

The accounts have been prepared for the period from 10 January 2020 to 31 January 2021 which represents the period from registration to the end of the first accounting period. Therefore, there are no comparatives.

C. FUND ACCOUNTING

All funds held by the Charity are unrestricted. Unrestricted funds are available to spend on any charitable purpose.

D. INCOME

Dividend income is shown gross. Interest on Government securities is paid gross to the trust and shown gross.

E. INVESTMENTS

All investments held are listed on a recognised stock exchange and are included in the accounts at their market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on valuations and disposals throughout the year.

F. GRANTS PAYABLE

Unconditional grant commitments are included in the Statement of Financial Activities.

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 10 JANUARY 2020 TO 31 JANUARY 2021 (CONTINUED)

G. RESOURCES EXPENDED

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Governance costs are the costs associated with the governance arrangements of the charity which relate to the general running of the charity as opposed to those costs associated with fundraising or charitable activity. The costs will normally include internal and external audit, legal advice for trustees and costs associated with constitutional and statutory requirements e.g. the cost of trustee meetings and preparing statutory accounts. Included within this category are any costs associated with the strategic as opposed to day to day management of the charity's activities.

H. REALISED GAINS AND LOSSES

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of 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.

I. EXPENDITURE

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

- Expenditure on charitable activities includes costs of grants awarded during the year

J. DEBTORS

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

K. CASH AND CASH EQUIVALENTS

Cash and cash equivalents 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 AND PROVISIONS

Creditors and provisions are recognised when 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 recognized at their settlement amount after allowing for any discounts due.

2. INVESTMENT INCOME

Investment income of £2,400,000 was received during the year from investments listed in the UK.

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 10 JANUARY 2020 TO 31 JANUARY 2021 (CONTINUED)

3. CHARITABLE ACTIVITIES 2021

	£
Grants payable	335,341
Support and Governance costs (below)	153,253
	<u>488,594</u>
<i>Support costs</i>	
Legal charges	18,000
Consultancy fees	6,000
Subscription to Association of Charitable Foundations	299
Wages and salaries	80,855
Social security costs	9,724
Staff training	1,500
Rent and rates	7,521
Telephone and internet	62
Insurance	1,294
IT cost	21,014
Sundry expenses	984
<i>Governance costs</i>	
Auditors' remuneration	6,000
	<u>153,253</u>

4. Employee numbers

The charity employed one member of staff during the reporting period.

5. Fixed asset investments

2021

£

Market value at 10 January 2020

Additions	89,146,500
Fair value movement	(7,150,500)

Market value at 31 January 2021

81,996,000

Fixed asset investments represent shares held in UK listed companies.

6. Creditors: amounts falling due within one year

2021

£

Grants awarded	106,676
Other creditors	2,275
PAYE & NI	1,231
Accruals	6,000
	<u>116,182</u>

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 10 JANUARY 2020 TO 31 JANUARY 2021 (CONTINUED)

7. Creditors: amounts falling due after more than one year

	2021
Grants awarded	£
	59,088
	<u>59,088</u>

8. Related Parties

During the year a Trustee made a loan to the trust of £25,000, balance was repaid during the year.

During the year the charity received an unrestricted donation of shares from a Trustee amounting to £89,146,500.

9. Trustees remuneration and expenses

During the year trustees have not received any remuneration and were not reimbursed for any expenses.

10. Reconciliation of net movement in funds to net cashflow from operating activities

	2021
	£
Net movement in funds	83,907,406
Deduct interest income shown in investing activities	(89,146,500)
Deduct gains/add back losses on investments	7,150,500
(Decrease)/Increase in creditors	175,270
	<u>2,086,676</u>

11. Grants made

During the year the trustees made institutional grants totalling £169,577.

There are no support costs attributed to grants made. Governance costs comprise all costs incurred by the charity and no apportionment is made between grant making activities and running of the charity.

The Trustees made the following institutional grants during the year:

	2021
	£
Bristol Down Syndrome Trust	12,750
Tall Ships	16,880
The Change Foundation	39,088
Independence at Home	20,000
SportsAid	38,440
The Literacy Pirates	30,000
Square Food Foundation	8,535
The Jack Hazeldine Foundation	3,269
Sirona Therapeutic Horsemanship	615
	<u>169,577</u>

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 10 JANUARY 2020 TO 31 JANUARY 2021 (CONTINUED)

Multi-year grant commitments:

Bristol Down Syndrome Trust	12,750
Ashcombe Primary	25,800
The Change Foundation	78,176
Independence at Home	40,000
The Jack Hazeldine Foundation	9,038
	<hr/>
	165,764
	<hr/>
Total grants awarded	335,341
	<hr/>