

THE COLT --- FOUNDATION

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

Charity Number 1190167

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

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REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

REFERENCE AND ADMINISTRATIVE INFORMATION

Charity number	Registered Charity 1190167
Trustees	Professor David Coggon OBE MA PhD DM FRCP FFOM FFPH FMedSci Mrs Christina Fitzsimons (Treasurer from January 2023) Mrs Clare Gilchrist Dr Alex Jones MChem PhD FRSC Mrs Patricia Lebus Professor Ira Madan MBBS(Hons) MD FRCP FFOM Professor Sir Anthony Newman Taylor CBE FRCP FFOM FMedSci (Chairman)
Director	Mrs Natasha Heydon
Scientific Advisers	Professor Paul Cullinan MD, FRCP, FFOM Dr Rodger Duffin BSc (Hons), PhD, MRCPPath, FRSB Dr Elaine Wainwright, CPsychol, PhD, FHEA, MSc, MA (Oxon)
Investment Adviser	Mr Royston Fox FPF5
Charity address	Unit E, The Old Bakery Golden Square Petworth West Sussex GU28 0AP www.coltfoundation.org.uk Email tash@coltfoundation.org.uk
Bankers	Cater Allen Private Bank, 2 Triton Square, London, NW1 3AN
Solicitors	Farrer & Co, 66 Lincoln's Inn Fields, London, WC2A 3LH
Accountants	TC Group, 3 Acorn Business Centre, Northarbour Road, Cosham, PO6 3TH
Investment managers	Quilter Cheviot Investment Management, Senator House, 85 Queen Victoria Street, London EC4V 4AB

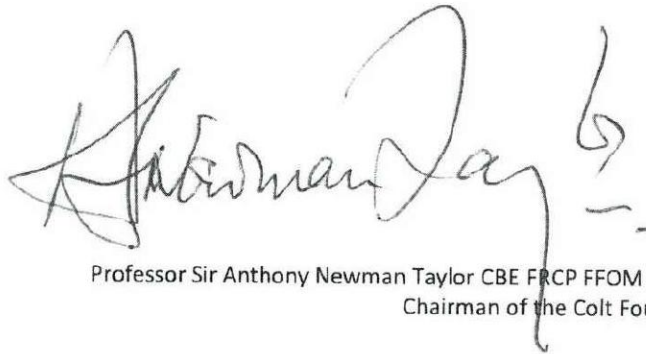
REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

Letter from the Chairman

Following a prolonged period of limited government support for research into occupational disease and ill health, increasing attention in government policy during the past year has been focused on research into work and health. Professor Ira Madan, a trustee of the Colt Foundation has played a leading role in the development of government policy and Professor Lucy Chappell, Chief Scientific Adviser to the Department of Health and Social Security, has publicly credited a meeting of the Colt Foundation at the Royal Society of Medicine in 2022 in raising her awareness of the importance of research into work and health and of the important contributions of the Colt Foundation.

The Foundation is committed to supporting this momentum, expanding its funding streams to include Clinical and Non-Clinical Fellowships. We are partnering with the National Institute of Health and Care Research (NIHR) in England and Wales and NHS Scotland in funding our Clinical Fellowship scheme and are planning to appoint our first Clinical Fellows in 2024. The Non-Clinical Fellowship scheme will provide support to university postgraduate scientists to enable them to develop an independent research career. The Foundation will fund 80% of the Fellow's salary with the host university responsible for 20%. We intend that our Fellowship schemes provide an incentive to universities to offer job security to academics at a time when this is often lacking.

Financially, political instability and high inflation have continued to be dominant themes. I am therefore delighted to report that the Foundation's assets have increased in value during the year. The strength of our financial position provides the foundation for our capacity to continue to fund high-quality research projects and our new Fellowship schemes.



Professor Sir Anthony Newman Taylor CBE FRCP FFOM FMedSci
Chairman of the Colt Foundation

17 May 2024

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023**TRUSTEES' ANNUAL REPORT**

The Trustees of the Colt Foundation present their report and the financial statements for the year from 1st January 2023 to 31st December 2023.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the charity's constitution and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and Activities

The primary purpose of The Colt Foundation is to promote and encourage research into social, medical and environmental problems created by commerce and industry.

The Colt Foundation considers applications for funding high-quality research projects in the field of occupational and environmental health, particularly those aimed at discovering the causes of illnesses arising from conditions at the place of work. The work is monitored by our Trustees and Scientific Advisers and by independent external assessors to achieve the maximum impact with available funds. Grants are not made to the general funds of other charities, or directly to individual research workers.

The Colt Foundation also makes grants through universities and colleges to enable students to take higher degrees in subjects related to occupational and environmental health. PhD Fellowships are awarded annually, and the Foundation is committed to support the MSc course in Human & Applied Physiology at King's College, London.

Application Process

The Trustees have a well-established system for the use of expert advisers to assist in decisions on which research applications to fund, and to advise on policy issues in various fields. Grants are awarded after peer review in open competition with other applications. Applicants must submit a formal application which is sent to external reviewers who provide written reviews to assist the decision-making process for the Board at their bi-annual meetings.

In common with all research applications received, those involving Trustees or Scientific Advisers are assessed externally, and if a Trustee or Adviser, or their institution, is involved in any aspect of the application, he or she takes no part in the discussions or subsequent decision-making by the Board.

Grants awarded for periods in excess of one year are reviewed annually by a committee comprising one or more of the Trustees, the Director, and a Scientific Adviser, and occasionally including an external assessor as well.

Public Benefit

The Trustees are particularly keen to support work that is likely to make a difference to legislation, public policy or working practices, and thus improve the health of the global workforce.

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

TRUSTEES' ANNUAL REPORT (CONTINUED)

The Trustees have invested in research in many fields of occupational and environmental health, the impact of which is often felt by those most disadvantaged in society. A significant sum has been invested into research into the effects of toxic, fine and ultrafine particles and fibres, including lung and cardiovascular disease, adding to the knowledge base over a long period, and helping identify hazards in the workforce and the wider population with a view to eliminating them or controlling the associated risks to an acceptable level. The Foundation has also invested in musculoskeletal research, including investigating the cultural and psychosocial influences on disability. We have supported research into the effects of occupation on health outcomes of COVID including in NHS staff, we have funded projects looking into unknown causes of kidney disease in agricultural workers in Central America. Since 1978, we have supported many areas of occupational and environmental health research.

Achievements and Performance**New Grants Awarded 2023****Institute of Occupational Medicine, Professor Damien McElvenny**

MORSE (MORTality Study of former professional footballers in England and Wales) Study. This grant application was discussed at the Board meeting in November 2022. It was acknowledged at the time that it was addressing an important issue. However, there were concerns regarding the validation of the exposure matrix. Following feedback to Damien McElvenny, he submitted a paper to the International Journal of Environmental Research and Public Health for peer review, and copied it to the Foundation. The Board was sufficiently reassured to award the grant. The project commenced in June 2023 for a period of 12 months, for a budget of £119,768.

Swansea University, Professor Martin Clift

Investigating the differential toxicology of micro-, nano-plastic particulate co-exposure with various ambient air pollutants upon healthy and diseased lung models in vitro At the Board meeting in May 2023 it was agreed that this was an important and novel piece of research. It was agreed that we would support this project for 42 months for a total of £270,638. The project started in October 2023.

Kings College London, Dr Alexandria Smith

From Service to Census: Using the Office for National Statistics (ONS) Longitudinal Study to examine the health and occupational outcomes of UK veterans. This project aims to investigate whether self-reported health, disability or economic activity differ between veterans and non-veterans, using the ONS Longitudinal study. Following discussion at the November 2023 Board meeting and further clarification from the research team, it was agreed that we would support this project for 9 months for a total of £63,871. The project is yet to start.

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

TRUSTEES' ANNUAL REPORT (CONTINUED)

On-Going Projects 2023

University College London, Dr Danielle Lamb

Long Covid in NHS Staff: demographic and psychosocial risk factors and the relationship with sickness absence. The Board understood this to be an important study given that health care workers had been disproportionately affected by COVID, it is an ambitious project being undertaken by a strong team, and the PPIE (patient and public involvement and engagement) is a valuable element of the project. The project started in November 2022 and is due to be completed in February 2025; the budget is £99,457.

Loughborough University, Professor Stacey Clemes

Implementation of a health promotion training programme for heavy goods vehicle (HGV) drivers within the UK logistics sector. This research is an extension of a PhD we funded (SHIFT), the team will develop and evaluate an intervention for HGV drivers to encourage healthier lifestyles. The project started in September 2022; the budget is £139,413 over 24 months.

London Centre for Work and Health, Professor Ira Madan

Seed funding to support the establishment of the Centre. The Board agreed in May 2022 that we would consider seed funding as a springboard to long-term self-funding for collaborative research centres. At the Board meeting in November 2022 there was unanimous support to fund the London Centre for Work and Health for three years for the value of £156,404.

University of Sheffield, Dr Megan Freeth

Understanding and tackling the barriers to employment experienced by autistic adults. The Board acknowledged that people with autism often struggle with getting into and staying in work and that with the right support they do well in employment. The Board was pleased to see that this project was going to include people with autism in their Patient and Public Involvement and Engagement group (PPIE). The project commenced in May 2023, the grant total is £80,953 over 18 months.

University of Birmingham**Dr Gareth Walters**

A mixed-methods study to evaluate the influence of bio-psycho-social and cultural factors on the presence of work-exacerbated asthma. This study will investigate the prevalence of work-exacerbated asthma (WEA) and establish if any bio-psychosocial, workplace and cultural influences could inform potential future interventions with particular interest in work environments that would not be traditionally associated with occupational asthma. The grant for £55,674 started in February 2022 and following a no-cost extension is due to complete in December 2024.

University of Oxford**Lt Col David Holdsworth**

An Occupational Cardiology Conundrum: how to reliably differentiate between cardiac adaptation to exercise and early cardiomyopathy for the benefit of the asymptomatic worker. This project started in the Spring of 2021 and is stage 1 of a larger study which is in part being funded by the Defence Medical Services and the Oxford Centre for Clinical Magnetic Resonance Research (OCMR), the overall study is due to complete in December 2025. The Colt Foundation grant is for £27,830.

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

TRUSTEES' ANNUAL REPORT (CONTINUED)

Defence Medical Services, Research and Innovation Meeting

At their meeting in December 2020, the Board agreed to extend support for the annual meeting of the Defence Medical Services, Research and Innovation meeting (formally known as United Services Section at the Royal Society of Medicine) through a grant of £9,000 over three years starting in December 2021. In addition to supporting the cost of the meetings, the money would be used to fund prizes for the best presentations.

Projects completed during 2023**Imperial College, London****Professor Paolo Vineis et al**

Are unstable jobs such as in the growing 'gig economy' associated with biological age acceleration. This project explored whether unstable jobs, such as occur in the growing "gig economy", are associated with accelerated biological aging. A grant for £184,249 over two years was awarded in November 2018, and the project started in March 2019. It was agreed that a £66,794 and 6-month extension of the original grant was justified based on delays in receiving data due to COVID. The project completed in December 2023.

University of Bournemouth**Dr Regmi Pramod**

A mixed method study into kidney injury of returnee Nepali migrant workers and the potential risk factors. This community-based study investigated the prevalence of kidney disease and explored the potential risk factors amongst returnee Nepali migrant workers. The grant for £94,212 over 12 months completed in July 2023. There was wide media coverage in Nepal of the study's findings.

University of Surrey**Professor Jill Maben**

Understanding the full impact of Covid-19 on nursing staff as the pandemic trajectory changes: an extension of the ICON (Impact of Covid on Nurses) study. This study was completed in September 2022, and a video was produced of the project's findings and circulated widely. There have been multiple papers published on this project. The total value of the grant was £59,248.

Imperial College, London**Professor Paul Cullinan**

The Grenfell Firefighters Study: establishing a cohort. This study investigated the potential harmful effects of high smoke exposure on the firefighters who responded to the Grenfell Tower fire, while also considering other sources of fire smoke exposure. The total grant amount for the project was £248,280, and it was completed in May 2023. The data analysis is currently in progress, and the goal is to publish at least two research papers based on the study in the year 2024.

Imperial College London**Dr André Amaral and Dr Johanna Feary**

Small Airways Disease and Occupation. The project's main objective investigated the occupational factors that contribute to small airways disease and whether individuals with this condition are more likely to develop severe lung problems in the future or have a shorter life expectancy. The project commenced in November 2021 and concluded in May 2023. The total grant awarded for the research is £95,329. Furthermore, the project's Research Assistant successfully secured funding from the Colt Foundation to support her PhD Fellowship, which commenced in May 2023.

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

TRUSTEES' ANNUAL REPORT (CONTINUED)

Applied Vision Research Centre, City University of London**Professor John Barbur**

Validation of CVS test on normal monitors. This grant was awarded as an extension to the funding already given to Professor John Barbur for the development of an easy to use colour assessment and diagnosis test for use in visually demanding occupations. This grant was to further develop the test to enable use on normal computer monitors and completed in July 2023. The total grant is for £70,997.

PhD and MSc Students

The Foundation offers support for up to four PhD Fellowships annually. The shortlisted candidates for the 2023 PhD Fellowships were invited to attend interviews in October 2023, and ultimately, three awards were granted.

The Colt Foundation continues to support the MSc in Human & Applied Physiology course at King's College London. At the Board meeting in November 2021, it was agreed to continue the funding of £40,000 per annum for the next 3 years starting in 2023.

Colt Foundation Fellowships

In 2021 the Trustees made a commitment to support research career development for clinicians who aim to pursue occupational health research in the long term by awarding Colt Foundation funded fellowships. The programme offers awards at doctoral or post-doctoral level to support applicants who show an ongoing commitment to occupational health research. We are yet to award our first fellowship, the deadline for the current round is 30th April 2024.

NIHR Colt Foundation Advanced Fellowship

In addition to our own fellowship programme, we agreed to partner the NIHR to co-fund Advanced Fellowships in Work and Health. The Colt Foundation's charitable purpose is closely aligned with the NIHR's mission is to improve the health and wealth of the nation through research. By investing in academic career pathways for health and care researchers from all professional backgrounds, we will help build capacity and capabilities needed to tackle the complex health and care challenges of the future. Through our partnership with NIHR we can maximise the value of research to the UK workforce.

NIHR Advanced Fellowships are not available to clinicians in Scotland. The Colt Foundation now partners with NHS Scotland to offer a similar fellowship to those based in Scotland.

Financial review

The Colt Foundation's income is received solely from listed investments managed by Quilter Cheviot Investment Management. The annual target income from the fund for 2023 was set at £1 million. The portfolio produced an income of £987,993. The charity funds for the year increased overall by £2,582,189.

Reserves policy

Grants made by The Colt Foundation take the form of a commitment that may extend for as long as ten years, reviewed on an annual basis. To ensure that these commitments can be honoured, it is necessary to hold appropriate reserves. Such reserves have been created over a period of years by retaining a part of the investment income. The Colt Foundation does not seek contributions from the public. The fund is represented by £33,440,304, at 31 December 2023, in quoted investments and cash deposits held as an investment.

Investment Policy

Quilter Cheviot Investment Management manages the Foundation's listed investments with the primary objective of maintaining and growing the real value of the fund.

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

TRUSTEES' ANNUAL REPORT (CONTINUED)

The Colt Foundation is committed to social responsibility and has laid down an investment constraint that prohibits direct investment in tobacco manufacturers. The Investment Committee, acting on behalf of the Trustees, meets with Quilter Cheviot twice a year to ensure that the Foundation's portfolio is aligned with its values as a responsible investor. At each meeting, the committee evaluates Quilter Cheviot's Environmental, Social, and Governance policy. The Colt Foundation strives to minimize expenses.

Recruitment and Appointment of Trustees

The power relating to the appointment of trustees is vested in the Trustees of The Colt Foundation. Potential new trustees are considered by the entire Board of Trustees and a unanimous decision is required to ratify any new appointment.

Trustee Induction and Training

The Colt Foundation provides potential new trustees with copies of its governing documents which outline the purpose, objectives, and activities of the charity. These documents also provide an indication of the guiding principles and values of the charity. In addition, potential new trustees receive copies of the minutes of recent trustee meetings and have a discussion with the Chairman of the Trustees and Director. During this discussion, any queries can be raised. Moreover, the charity makes available to new trustees the Charity Commission guidelines that cover the duties and responsibilities of trustees. All trustees have at least one appraisal with the Chairman during each term they serve.

Risk Assessment

There are three major risks to The Colt Foundation: the lack of sufficient funding to meet grant commitments; the risk of claims from third parties; and the risk to the reputation of The Colt Foundation. These risks have been reviewed by the Trustees:

It is the Trustees' policy when approving grants to ensure that reserves are sufficient to cover forward commitments for grants without taking account of future income.

The Trustees hold indemnities from all Grantees in respect of any possible third-party claims arising out of the research.

Everything possible is done to mitigate the risk to The Colt Foundation's reputation: before agreeing to funding, the work is assessed by a number of experts in the particular field. A panel of Trustees, Scientific Advisers and the Director then visit the research group to assess the capability of the group, the individuals, and the institution to carry out the work. Annual visits are made after the start of the research to monitor progress, and reports are requested on a regular basis.

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

TRUSTEES' ANNUAL REPORT (CONTINUED)

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 year.

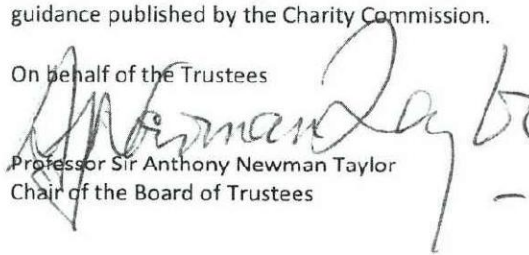
In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records 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 and the provisions of the Declaration of Trust. 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.

The Trustees have complied with the duty in the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

On behalf of the Trustees


Professor Sir Anthony Newman Taylor
Chair of the Board of Trustees

17 May 2024

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE COLT FOUNDATION

Opinion

We have audited the financial statements of The Colt Foundation (the 'charity') for the year ended 31st December 2023 which comprise of the Statement of Financial Activity, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE COLT FOUNDATION (CONTINUED)

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' 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

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE COLT FOUNDATION (CONTINUED)

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. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the trustees and other management (as required by auditing standards), and discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Charities Act 2011) and the relevant charity regulations in the UK;
- We considered the nature of the charity, the control environment and charity performance;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE COLT FOUNDATION (CONTINUED)

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx. 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 (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



TC Group (Statutory Auditor)
Office: Portsmouth

Date: 30 May 2024

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted Funds Year ended 31 Dec 2023 £	Unrestricted Funds Year ended 31 Dec 2022 £
Incoming resources			
Donations:			
Transfer of funds to CIO	9	-	-
Investment income	3	987,993	976,463
Total incoming resources		<u>987,993</u>	<u>976,463</u>
Expenditure			
Expenditure on raising funds:			
Investment management costs	4	(115,823)	(122,344)
Expenditure on charitable activities:			
Charitable activities	4	<u>(1,079,774)</u>	<u>(778,889)</u>
Total resources expended		<u>(1,195,597)</u>	<u>(901,233)</u>
(Loss)/gain in market value of listed investments		2,789,793	(5,501,997)
Net movement in funds		<u>2,582,189</u>	<u>(5,426,767)</u>
Reconciliation of funds			
Total funds at start of the year		30,858,115	36,284,882
Total funds at end of the year		<u>33,440,304</u>	<u>30,858,115</u>

These financial statements of The Colt Foundation (registered charity numbered 1190167), report the year from 1st January 2023 to 31st December 2023.

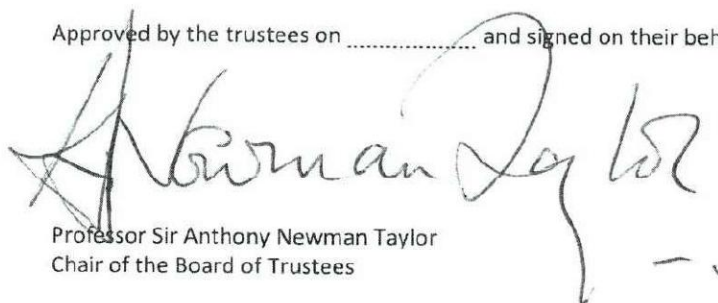
The notes on pages 17 to 22 form part of these financial statements

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

BALANCE SHEET
AS AT 31 DECEMBER 2023

	<u>31 Dec 2023</u>	<u>31 Dec 2022</u>
	£	£
Fixed assets		
Investments	34,184,494	30,996,182
Cash deposits	735,436	1,084,178
	<u>34,919,930</u>	<u>32,080,360</u>
Current assets		
Debtors	1,200	1,200
Other debtors	80,723	63,963
Cash at bank	64,751	10,246
	<u>146,674</u>	<u>75,409</u>
Current liabilities		
Creditors: amounts falling due within one year- grants payable	(408,656)	(892,892)
Net current liabilities	<u>(261,982)</u>	<u>(817,483)</u>
Creditors: amounts falling due after one year- grants payable	(1,217,644)	(404,762)
Total net assets	<u><u>33,440,304</u></u>	<u><u>30,858,115</u></u>
The funds of the charity		
Unrestricted funds	33,440,304	30,858,115
Total charity funds	<u><u>33,440,304</u></u>	<u><u>30,858,115</u></u>

Approved by the trustees on and signed on their behalf by



Professor Sir Anthony Newman Taylor
Chair of the Board of Trustees

17 May 2024

The notes on pages 17 to 22 form part of these financial statements

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

CASH FLOW STATEMENT

Reconciliation of net income/expenditure to net cash flow from operating activities

Net income/expenditure for the year	2,582,189	(5,426,767)
Dividends received	(987,993)	(976,463)
Gains on investments	(2,789,793)	5,501,997
Non-cash gift from former charity	-	-
Interest received	-	-
Increase in debtors	-	-
Increase/(decrease) in grant commitments	328,647	56,021
Net cash flow from operating activity	(866,950)	(845,212)

31 Dec 2023**31 Dec 2022**

£

£

Cash flow from operating activities

(866,950)

(845,212)

Cash flow from investing activities

Purchases of investments	(6,742,605)	(4,922,106)
Receipts from sale of investments	6,344,086	5,165,917
Movement in accrued interest/dividend	(16,761)	(18,277)
Dividends received	987,993	976,463

Net cash flow from investing activities

572,713

1,201,997

Net (decrease) in cash during the year

(294,237)

(356,785)

Cash and cash equivalents brought forward

1,094,424

737,639

Cash and cash equivalents carried forward

800,187

1,094,424

Cash and cash equivalents consists of:

Cash deposits	735,436	1,084,178
Cash at bank	64,751	10,246
	800,187	1,094,424

The notes on pages 17 to 22 form part of these financial statements

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies**1.1 Statutory information**

The Colt Foundation is a charitable incorporated organisation registered with the Charity Commission in England and Wales. The office address is Unit E, The Old Bakery, Golden Square, Petworth, West Sussex, GU28 0AP.

The purpose of the charity is to promote and encourage research into social, medical and environmental problems by commerce and industry.

1.2 Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. 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), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. Accounting policies are consistently applied to all years presented unless otherwise stated.

1.3 Investments

Listed Investments are included in the balance sheet at their market value, which is determined with reference to the quoted price of the listed investment at the financial year end.

The Trustees have unlimited investment powers and are advised by Quilter Cheviot Investment Management.

1.4 Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity, which is normally upon notification of the interest paid or payable by the bank. Investment income on all listed investments is recognised on a receipts basis. Related investment management costs are recorded separately within expenses.

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1.5 Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant the any condition attaching to the grant is outside of the control of the charity.

Grant awards are decided by a committee comprising four or more of the Trustees, the Charity Director, a Scientific Adviser and if necessary an external assessor, before the Trustees agree to fund the grant. Provision for grants are made once the charity's committee has made a commitment and this has been communicated to the grantee. The charity's committee reviews annually whether funding is to be provided in the subsequent years of a recurring obligation and retains the discretion to terminate a grant. For this reason, an immediate liability arises only for the first year of the funding commitment.

2 Analysis of staff costs and remuneration of key personnel

	Year ended <u>31 Dec 2023</u> £	Year ended <u>31 Dec 2022</u> £
Wages and salaries	79,950	75,090
Social security costs	8,675	8,580
Employers contribution to defined contribution pension schemes	5,488	5,986
	<u>94,113</u>	<u>89,656</u>

The Colt Foundation (registered charity numbered 1190167) had one employee during the year 1st January 2023 to 31st December 2023.

There is one employee whose total employee benefits (excluding employer pension costs) for the reporting year fell between £70,000 to £80,000 for the year ended 31st December 2023.

3 Investment income

	Year ended <u>31 Dec 2023</u> £	Year ended <u>31 Dec 2022</u> £
Dividends received	987,993	976,463
	<u>987,993</u>	<u>976,463</u>

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4 Expenditure

	Year ended 31 Dec 2023	Year ended 31 Dec 2022
	£	£
<u>Expenditure on raising funds:</u>		
Investment management fees	115,823	122,344
<u>Expenditure on charitable activities:</u>		
New grant commitments awarded net of reversal of expired grant commitments:		
05/06 RSM, Military Medicine	9,620	-
01/17 Edinburgh, Duffin & Poland	-	(21,203)
02/17 Southampton, Walker Bone	(12,955)	-
02/18 UCL/LSHTM Caplin and Pearce	-	(4,339)
02/19 Stirling, Semple	-	(10,639)
01/19 Imperial College, Cullinan & Feary	(4,290)	-
01/20 Student impact meeting	-	(6,734)
04/20 Imperial, Cullinan	-	(10,298)
05/20 LSHTM Pearce and von Tongeren	-	(688)
05/21 Bournemouth, Regmi	-	94,212
01/22 UCL, Lamb	-	99,457
02/22 Loughborough	-	139,413
03/22 GSTT	156,404	-
04/22 Sheffield, Freeth	80,953	-
01/23 IOM, McElvenny	119,768	-
02/23 Swansea, Clift	270,638	-
Student Fellowships	329,429	376,851
	949,567	656,032
Management and administration:		
Wages and salaries	94,112	89,656
Office expenses	9,761	5,598
Insurance and sundry	3,218	3,238
Travel and subsistence	9,860	11,005
	116,951	109,497
Gains on exchange	633	24
Governance costs	12,623	13,336
	1,195,597	901,233

Management and administration costs primarily relate to the administrative costs of awarding, monitoring and assessing research grants, salary support grants and scholarships, and hence are allocated to charitable activities entirely.

Included within governance costs is the auditor's remuneration which amounted to £3,840 in respect of audit services, and £4,920 in respect of non-audit services (preparation of the accounts).

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5 Fixed asset investments

	Year ended <u>31 Dec 2023</u>	Year ended <u>31 Dec 2022</u>
	<u>Listed</u>	<u>Listed</u>
	£	£
Market value at 31 December 2022	30,996,182	36,741,990
Additions	6,742,605	4,922,106
Disposals	(6,344,086)	(5,165,917)
Gains/(loss) in market value of listed investments	2,789,793	(5,501,997)
Market value at 31 December 2023	<u>34,184,494</u>	<u>30,996,182</u>
Value of investments at 31 December 2023		
Total fixed interest investments	5,618,835	4,472,534
Total United Kingdom investments	8,145,147	8,047,416
Total North American investments	9,296,003	7,883,677
Total European investments (ex UK)	4,194,466	3,223,300
Total Japanese investments	1,042,165	616,250
Total Asian Pacific investments (ex Japan)	877,580	835,942
Total Emerging Markets investments	1,112,963	696,534
Total Global investments	380,250	321,742
Total Alternative investments	<u>3,517,085</u>	<u>4,898,787</u>
	<u>34,184,494</u>	<u>30,996,182</u>

All investments are carried at fair value. Investments in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Assets sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the CIO is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

The main risk to the CIO from financial instruments lies in the combination of uncertain investment markets and volatility in yield. Although rising interest rates resulting from stronger economy and improved economic activity should be indicative of improving dividend yields and equity values, there is concern that the abnormal availability of 'cheap money' to the banking sector has led to wider over-valuation of traded assets (an 'asset bubble') and that may depress equity values once economic conditions ease. The CIO is reliant on dividend yield in part to finance its work and this leads to a greater exposure to internal companies, the values of which, together with their yield are exposed to exchange rate risk when converting the holdings into sterling.

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Liquidity risk is anticipated to be as low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in the markets and so their ability to buy and sell quoted equities and stock is anticipated to continue. The CIO's investments are mainly traded in markets with good liquidity and high trading volumes. The CIO has no material investment holdings in markets subject to exchange controls or trading restrictions.

The CIO manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The CIO does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer-term yield / total return and historic studies of quoted financial instruments have shown that volatility in any particular five year period will normally be corrected.

6 Debtors

	Year ended 31 Dec 2023	Year ended 31 Dec 2022
	£	£
Prepayments	1,200	1,200
Other Debtors	80,723	63,963
	<u>81,923</u>	<u>65,163</u>

7 Creditors- grants payable

	Year ended 31 Dec 2023	Year ended 31 Dec 2022
	£	£
Grants payable as at 31/12/2022	1,297,654	1,241,633
Grants awarded during the year	981,686	802,321
Grant obligations released during the year	(32,119)	(146,288)
Grants paid during the year	(620,920)	(600,012)
	<u>1,626,301</u>	<u>1,297,654</u>

Grants payable are split as due within one year £408,656 and over one year £1,217,644.

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8 Transactions with connected persons

No Trustee received remuneration during the year.

Expenses reimbursed to seven Trustees in respect of travel and subsistence during the year totalled £7,642 (2022 - £3,229).

9 Commitments, liabilities and contingencies

On the 1st January 2021, the charity, took over the operating lease commitments of the original charity, The Colt Foundation. The expense included in the Statement of Financial Activities for the year ended 31st December 2023 amounted to £4,800. The annual lease payments on these non-cancellable operating leases at 31st December 2023 amounted to £4,800 per annum, expiring in September 2025.

10 Control

The charity is under the control of its board of Trustees. There is no ultimate controlling party.