

EAST HEAD IMPACT

England & Wales · Charity number 1196559

Details

Status Registered

Legal form Charitable company

Company number [13669631](#)

Registered 2021-11-12

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

Contact

Address 9 Donnington Park
85 Birdham Road
Chichester
West Sussex
PO20 7AJ

Phone 07715 943437

Email mark@eastheadimpact.com

Website www.eastheadimpact.com

Activities

Objects: THE OBJECTS OF THE CHARITY ARE SUCH CHARITABLE PURPOSES FOR THE PUBLIC BENEFIT AS THE TRUSTEES MAY IN THEIR ABSOLUTE DISCRETION DETERMINE.

Activities: East Head Impact is a grant-making charity.

Classification

- **How:** Makes Grants To Organisations
- **What:** General Charitable Purposes
- **Who:** The General Public/mankind

Geography

- Throughout England And Wales

Finances

| Period end | Income | Expenditure | Assets | Employees |
|------------|-------------|-------------|-------------|-----------|
| 2024-12-31 | £1,140,304 | £900,950 | £24,445,073 | 0 |
| 2023-12-31 | £1,345,831 | £531,488 | £23,145,090 | 0 |
| 2022-12-31 | £22,204,227 | £538,813 | £21,695,520 | 0 |

Trustees

| Name | Role | Appointed |
|----------------------|-------|------------|
| Marc Boughton | Chair | 2021-10-08 |
| JONATHAN HUGH SYKES | | 2021-10-08 |
| MATTHEW JAMES WOODS | | 2021-10-08 |

EAST HEAD IMPACT

England & Wales - Charity number 1196559

Accounts



Transforming Tomorrow Together

Annual Report and Financial Statements

For the 12 months to 31st December 2024

Administrative details

Trustees and Directors

| | | |
|--|-----------|------------------------------|
| Marc Boughton, Founder and Executive Chair | Appointed | 8 th October 2021 |
| Jonathan Sykes | Appointed | 8 th October 2021 |
| Matthew Woods | Appointed | 8 th October 2021 |

Registered Office

c/o Kreston Reeves LLP
9 Donnington Park
85 Birdham Road
Chichester
West Sussex
PO20 7AJ

Appointments

Auditors

Kreston Reeves LLP
9 Donnington Park
85 Birdham Road
Chichester
West Sussex
PO20 7AJ

Bankers

Coutts & Co
440 Strand
London
WC2R 0QS

Investment Manager

J.P. Morgan
60 Victoria Street
London
EC4Y 0JP

Legal Advisor

Withers LLP
20 Old Bailey
London
EC4M 7AN

Contents

| | Page |
|---|-------------|
| 1. Administrative details..... | 2 |
| 2. Contents..... | 3 |
| 3. Chair's Report..... | 4 |
| 4. Trustees Report..... | 5 |
| 5. Objects and activities..... | 5 |
| 6. Grants approved, paid and committed..... | 7 |
| 7. Review of 2024 grants..... | 8 |
| 8. Financial review..... | 17 |
| 9. Structure, governance and management..... | 19 |
| 10. Future plans..... | 21 |
| 11. Principal risks and uncertainties..... | 21 |
| 12. Statement of Trustees responsibilities..... | 21 |
| 13. Trustees approval and authorisation..... | 22 |
| 14. Auditors report..... | 23 |
| 15. Financial statements..... | 27 |

Chair's Report

I am proud and delighted to present East Head Impact's third Annual Report and audited financial statements.

We remain focused on making a quantifiable impact in the areas of Health, Education and the Planet consistent with United Nations' Sustainability Development Goals and continue to make excellent progress since the award of our first grant in March 2022. By 31st March 2025, the Trustees had awarded 19 single-year and multi-year grants aggregating £3,357,455 of which £1,858,240 had been paid, with £1,479,207 scheduled for payment over the course of the next three years. These grants cover all three of our targeted impact areas.

Further, we continue to increase the amount of grants paid each year. In 2024, grants paid aggregated £783,831 compared with £446,159 in 2023 and £413,250 in 2022. This increase reflects our strategy to build partnerships with strong leaders, a widening of our charity portfolio and support of those charities with multi-year funding.

We continue to monitor the impact of our funding carefully and are pleased to report the impact outcomes set out in the Trustees Report.

East Head Impact's endowment is key to enabling us to focus on our grant making activities for the foreseeable future, and we continue to build our investment portfolio with top tier, high quality assets with the objective of providing a stable and growing income over the long term.

Highlights in 2024 include:

- Strengthening partnerships with our portfolio charities with Resurgo Trust joining the portfolio at the end of the year (and more recently Generation UK in January 2025).
- Grants paid reached a record £783,831.
- The £4.8 million five-year Solent Seascape Project funded by East Head Impact and The Endangered Landscapes & Seascapes Programme was endorsed as an official United Nations Ocean Decade Action in July 2024.
- The market value of the investment portfolio increased by £1,465,197 to £24,566,775 reflecting the high quality of the underlying assets and strong financial markets.
- Net Income was a solid £1,299,983 after accounting for the payment of grants and expenses of £900,950 and allowed for the growth in the investment portfolio in real terms over the long term in line with our total return investment approach and objectives.

Looking forward, the financial markets have proved challenging in the first half of 2025, but East Head Impact received further income of £8,918,554 million in February 2025 which we will use to take on additional resources to enhance our grant making capability and expertise as well as increasing our grant activity.

I would like to thank my fellow Trustees and Head of Philanthropy & Operations for their continued help, advice and hard work in continuing to drive East Head Impact forward, and my thanks also go to our investment managers, bankers and auditors for their ongoing support.



Marc Boughton
Founder and Executive Chair

Date 17/8/2025

Trustees Report

For the 12-month period to 31st December 2024

The Trustees present East Head Impact's Annual Report and audited financial statements for the 12-month period to 31st December 2024. The Annual Report serves the purposes of both a Trustees Report and a Directors Report under company law. The Trustees confirm that the Annual Report and audited financial statements comply with the current statutory requirements, the requirements of East Head Impact's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102, effective 1st January 2019).

1. Objects and activities

1.1 Foundation of East Head Impact

East Head Impact was founded by Marc Boughton for the purpose of establishing an independent, self-funded charitable foundation. It was incorporated as a company limited by guarantee on 8th October 2021, was entered onto the Register of Charities by the Charity Commission for England and Wales on 12th November 2021 and received a donation of approximately £22 million in December 2021 which it uses to award charitable grants for the public benefit. It awarded its first grant in March 2022.

Sound health, access to a good education and sustainable employment on a thriving planet are vital to everyone. East Head Impact seeks to deliver a quantifiable impact in these areas consistent with United Nations' Sustainability Development Goals, namely:

- Health: *To ensure healthy lives and promote well-being for all.*
- Education: *To ensure inclusive and equitable quality education and promote lifelong learning opportunities for all; promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all; and reduce inequality within and among countries.*
- The Planet: *To take urgent action to combat climate change and its impact; conserve and sustainably use the oceans, seas and marine resources; and protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, control desertification, and halt and reverse land degradation and biodiversity loss.*

In order to deliver this impact, East Head Impact is driven by the data, supporting strong leaders in proven and impactful interventions that can be scaled, measured and provide superior returns. It seeks to provide the charities it supports with advice in addition to multi-year funding, and build networks and partnerships across the private, governmental and philanthropic sectors.

1.2 Objects

Pursuant to its Articles of Association:

- The objects of East Head Impact are such charitable purposes for the public benefit as the Trustees in their absolute discretion determine.
- Charitable purposes are those that are exclusively charitable under the laws of England and Wales.

East Head Impact pursues these objects by awarding grants that are in accordance with its grant making policy and strategy, and which are in furtherance of a charitable purpose that offers an identifiable benefit to a significant section of the public.

In pursuing these objects and undertaking its grant making activities, the Trustees give due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

1.3 Grant making policy and strategy

Policy

East Head Impact's policy is to award grants which fall into the following three themes:

- **Education:** It seeks to advance education and employment, and provide relief to those in need by reason of youth, age, financial hardship, sex, race or other disadvantage. Specifically, it seeks to help people of all ages from disadvantaged backgrounds to overcome their challenges, obtain qualifications through further education and gain apprenticeships or sustained employment. It also seeks to advance racial equality and diversity in employment.
- **Health:** It seeks to advance both physical and mental health, with a focus on specific programmes.
- **The Planet:** It seeks to advance environmental protection and improvement, and advance wildlife, flora and fauna, with a focus on specific projects.

As part of its grant making decision processes, East Head Impact takes into account, inter alia, the extent to which the impact of its funding can be measured, the impact goals (or key performance indicators), the likelihood that those impact goals will be achieved, and the proposed monitoring and reporting of those impact goals.

Strategy

East Head Impact seeks to award grants in any given year across its three grant making themes and to work with others to support its chosen charities. Accordingly, individual grants awarded to any one recipient in any one year will likely range between £50,000 to £200,000, with the option to award multi-year grants aggregating a higher figure.

East Head Impact uses its personal contacts and networks to identify grant making opportunities, and will co-fund with well-established charities, foundations and government agencies where appropriate. It continues to develop a brand and communications strategy which will assist with identifying grant making opportunities.

In accordance with its Articles of Association and internal procedures, East Head Impact undertakes extensive due diligence prior to making a decision on whether to award a grant in order to establish, inter alia, the extent to which its funding will have an impact.

East Head Impact seeks to develop and build relationships with its grant recipients and combine expertise and capital in order to align interests and enhance scale and impact.

The amount of grants awarded by East Head Impact each year is subject to a variety of factors including: (i) the impact of financial market movements and changes in asset valuations on its investment portfolio and related income stream; and (ii) its ability to source grant making opportunities which fit with its grant making policy and impact objectives.

As a relatively new charitable foundation, East Head Impact will continue to develop and refine its grant making policy and strategy.

1.4 Impact measurement

Given the differing nature and objectives of the activities of the charities and entities which East Head Impact seeks to support within its three grant making themes, the impact measurement undertaken by each such charity and entity may vary considerably and may not be comparable.

Further, East Head Impact's grant awards may fund specific programmes and projects within such charities or entities thereby broadening impact measurement and diversity.

Accordingly, East Head Impact measures its own impact on the basis of the impact of each individual grant recipient on a separate and not on a collective basis.

1.5 Funding

East Head Impact uses its endowment and related investment gains and income stream to pursue its objects and fund its grant making activities.

East Head Impact is not required to undertake external fundraising.

2. Grants awarded, paid and committed

2.1 Grants awarded and paid in 2024

In the 12-month period to 31st December 2024, East Head Impact:

- Awarded four grants aggregating £745,000 (compared to five grants aggregating £1,514,205 in 2023).
- Paid nine grants aggregating £783,831 (compared to six grants aggregating £446,159 in 2023).

The grants awarded and paid in 2024 are as follows:

| <u>Recipient</u> | <u>Awarded (£)</u> | <u>Paid (£)</u> |
|--|--------------------|-----------------|
| Blue Marine Foundation (BMF) - Solent Seascape Project | - | 176,475 |
| Chichester Harbour Conservancy (CHC) - Solent Seascape Project | - | 24,428 |
| United World Schools (UWS) | - | 109,200 |
| Dallaglio RugbyWorks (DRW) | - | 78,728 |
| HM Pasties Foundation (HMPF) | - | 50,000 |
| Podium Analytics | 375,000 | 125,000 |
| Resurgo Trust | 200,000 | 100,000 |
| Impetus – The Private Equity Foundation | 100,000 | 50,000 |
| West Sussex Mind (WSM) | <u>70,000</u> | <u>70,000</u> |
| | <u>745,000</u> | <u>783,831</u> |

The total amounts awarded and remaining scheduled payments for these grants are as follows:

| <u>Recipient</u> | <u>Year Awarded</u> | <u>Total Grant (£)</u> | <u>Grant Period</u> | <u>Paid by 31 Dec 2024 (£)</u> | <u>Remaining Payments Scheduled (£)</u> |
|------------------|---------------------|------------------------|---------------------|--------------------------------|---|
| BMF | 2023 | 856,406 | 5 years | 345,475 | 510,931 |
| CHC | 2023 | 143,600 | 5 years | 53,724 | 89,876 |
| UWS | 2023 | 357,520 | 3 years | 229,120 | 128,400 |
| DRW | 2023 | 154,428 | 2 years | 154,428 | - |
| HMPF | 2022 | 100,000 | 2 years | 50,000 | 50,000 |
| Podium | 2024 | 375,000 | 3 years | 125,000 | 250,000 |
| Resurgo | 2024 | 200,000 | 2 years | 100,000 | 100,000 |
| Impetus | 2024 | 100,000 | 2 years | 50,000 | 50,000 |
| WSM | 2024 | <u>70,000</u> | 1 year | <u>70,000</u> | - |
| | | <u>2,356,954</u> | | <u>1,177,747</u> | <u>1,179,207</u> |

The remaining payments scheduled for the multi-year grants are typically subject to the satisfaction of ongoing conditions specified in the Funding Agreements.

The grants awarded and paid in 2024 fall under the following themes:

| | <u>Awarded</u> | | <u>Paid</u> | |
|--------------|-----------------|-------------|-----------------|-------------|
| • The Planet | - | - | £200,903 | 26% |
| • Education | £300,000 | 40% | £387,928 | 49% |
| • Health | <u>£445,000</u> | <u>60%</u> | <u>£195,000</u> | <u>25%</u> |
| | <u>£745,000</u> | <u>100%</u> | <u>£783,831</u> | <u>100%</u> |

2.2 1st Quarter 2025 grant award

The Trustees awarded a £500,000 three-year grant to Generation UK in the 1st Quarter 2025 of which £150,000 was paid in the quarter. Generation prepares, places and supports people into life-changing careers that would otherwise be inaccessible.

2.3 Grant commitments

Grant commitments (approved and scheduled for payment) aggregated £1,179,207 as at 31st December 2024.

After taking into account grant awards of £515,000 and grants paid of £215,000 in the 1st Quarter 2025, grant commitments aggregated £1,479,207 as at 31st March 2025.

2.4 Grants awarded and paid since inception

The aggregate of the grants awarded and paid between the award of the first grant in March 2022 and 31st March 2025 are as follows:

- | | |
|-------------------|------------|
| • Number awarded: | 19 |
| • Amount awarded: | £3,357,455 |
| • Amount paid: | £1,858,240 |

3. Review of 2024 grants

Planet grants

3.1 Blue Marine Foundation (Solent Seascape Project)

Overview of Blue Marine Foundation

BMF is dedicated to protecting and restoring life in the ocean which it considers to be critical if the world is to mitigate and adapt to climate change. It is a registered charity (1137209) founded in 2010 and has grown rapidly, acquiring an international reputation for its ambition, connections and ability to deliver environmental projects at pace.

BMF's vision is a healthy ocean, abundant with life, that supports people and the climate. Its mission is to ensure the effective protection of at least 30% of the ocean by 2030 and the sustainable management of the whole ocean, and to support the livelihoods of coastal communities through the recovery of marine biodiversity.

BMF has three strategic goals which it believes are the most effective way to achieve its mission:

- To secure effectively managed marine protected areas that are closed to destructive fishing and other damaging activities.
- To tackle overfishing and other damaging activities. It supports low-impact fishing and encourages a transition to fishing which benefits local economies and coastal communities without destroying the ocean.
- To restore marine habitats in order to revive and protect vulnerable and threatened species.

BMF is currently involved in over 50 projects spanning 24 countries.

Purpose of grant

In 2023, the Trustees awarded a grant of £856,406 over a five-year period to BMF for the purpose of co-funding the £4.8 million Solent Seascape Project (SSP). £345,475 of the grant had been paid by 31st December 2024.

The SSP is managed by BMF and delivered by 10 partners, and East Head Impact's grant to BMF co-funds the delivery costs of all the partners except for those of the Chichester Harbour

Conservancy (CHC) which are co-funded directly by East Head Impact through a separate £143,600 grant to CHC (as reviewed below). Accordingly, East Head Impact's co-funding of the SSP aggregates £1 million.

The objective of the SSP is to reconnect the Solent into a functioning seascape by improving the condition, scale and connectivity of oyster reef, seagrass meadow, saltmarsh and seabird nesting habitats using protection and restoration initiatives – creating a more resilient coastline, enhancing biodiversity and supporting the sustainable delivery of ecosystem benefits. These habitats provide many ecosystem benefits – they act as important carbon stores, help reduce the impact of climate change, provide vital nurse grounds for commercially important fish, protect coastal homes from erosion and sea level rise, help enhance water quality and improve social wellbeing by providing areas for local people and tourists to explore the natural environment.

The five key aims of the SSP are to:

- Collaborate with local stakeholders and communities to develop and co-create a long-term seascape recovery plan that supports better management of existing Solent marine and coastal habitats.
- Actively restore eight hectares of saltmarsh, seven hectares of seagrass meadows, four hectares of oyster reefs, and 10 seabird nesting sites to increase habitat extent and catalyse recovery across the wider seascape, improving ecological connectivity.
- Assess ecosystem service benefits (carbon, biodiversity, nitrates), creating an evidence base of the wider benefits of seascape restoration.
- Develop key interventions and financial mechanisms to upscale the potential for seascape restoration in the longer term by working with government and regulators.
- Empower local communities and build capacity to ignite and improve understanding of seascape processes, catalyse behavioural change, and increase involvement in seascape recovery.

The 10 SSP partners are BMF, the RSPB, the Hampshire & Isle of Wight Wildlife Trust, CHC (through its nature recovery operating arm, CHaPRoN), the University of Portsmouth, the Isle of Wight Estuaries Project, Coastal Partners, Project Seagrass, Natural England and the Environment Agency. The SSP is managed by BMF with each partner having specific responsibilities and deliverables.

East Head Impact co-funds the SSP alongside The Endangered Landscapes & Seascapes Programme (ELSP) – ELSP's mission is to restore Europe's landscapes and seascapes, supporting its partners to rebuild healthy, connected and wilder ecosystems where nature and people thrive. ELSP is managed by the Cambridge Conservation Initiative, a unique collaboration between nine leading biodiversity conservation organisations based in and around the city of Cambridge and the University of Cambridge, in partnership with Arcadia. Arcadia is a family philanthropic organisation founded by Lisbet Rausing and Peter Baldwin in 2002.

Impact of grant

The SSP is around half-way through its five-year life with targeted deliverables well underway:

- The SSP was endorsed as an official United Nations Ocean Decade Action in July 2024 (with the press release reaching over 30 million people).
- Seabird nesting habitat has been restored at seven sites, seagrass restoration has taken place at three sites, saltmarsh restoration has taken place at one site with restoration at multiple sites planned for 2024/25, and oyster reefs have been created with over 30,000 oysters placed on the reefs.
- The 'Solent State of Nature Report' was launched in January 2025 which highlighted that while many habitats and species are in decline in the Solent there is a significant groundswell of restoration initiatives to reverse this trend.
- Workshops to develop a 'Seascape Recovery Plan' have taken place which were well attended by stakeholders located around the Solent.
- The 'Solent Seascape Data Explorer' is in the process of being finalised – this online, open access tool will enable stakeholders to look at seascape-wide spatial data relating to habitat extent, condition, anthropogenic pressures, existing management measures and much more,

and will be used by stakeholders in conjunction with the Solent State of Nature Report to suggest and develop interventions to improve existing habitat extent and condition in the Solent.

- Intertidal seagrass meadows have been mapped across the whole of Chichester Harbour.
- Fish surveys, water quality sampling and sediment carbon core sampling have taken place.
- Extensive volunteering and outreach has taken place involving, for example, seagrass collection and seabird management.
- A detailed communications and media programme is underway which includes an SSP website which is attracting an increasing number of viewers and the production of videos on SSP activities - the SSP is seeing increasing national and international interest and a growing online presence, and is frequently referred to as a leading example of the importance of seascape-scale restoration.

3.2 Chichester Harbour Conservancy

Overview of Chichester Harbour Conservancy

CHC is a Statutory Harbour Authority which has jurisdiction over the land and water within the Chichester Harbour, and has various duties and powers covering the use of the harbour by pleasure craft and navigation as well as the conservation of nature in the harbour. CHC is unique from the perspective that it is the only Statutory Harbour Authority in the UK with responsibility for a Natural Landscape (previously known as an Area of Outstanding Natural Beauty).

Chichester Harbour was designated an AONB in 1964 with the primary purpose of conserving and enhancing the natural beauty of its landscape and protecting its valuable wildlife, habitats, geology, heritage and scenic views. The harbour's other designations include a Special Area of Conservation, a Special Protection Area and a Site of Special Scientific Interest. The harbour has an abundance of wildlife and plants which include birds, seals, fish, oysters, water voles, hedgehogs, orchids, sea kale and sea lavender.

CHC conducts its nature recovery activities through its Chichester Harbour Protection and Recovery of Nature (CHaPRoN) operating arm. CHaPRoN's key aims are to reduce pressures on the natural environment to enable habitats to naturally regenerate, restore habitats through active interventions and give nature a helping hand to recover, and realise the benefits society gains from the natural environment by quantifying and determining their economic value. CHaPRoN's vision for Chichester Harbour in 2050 is to have created a harbour that functions naturally as a healthy and thriving ecosystem, maximising ecosystem services benefits and supporting nature recovery for generations to come. In seeking to achieve its aims, CHaPRoN works in collaboration with organisations such as the Environment Agency, Natural England, the RSPB, Coastal Partners and the Sussex Inshore Fisheries & Conservation Authority.

Purpose of grant

In 2023, the Trustees awarded a grant of £143,600 over a five-year period to CHC for the purpose of co-funding its participation in the SSP as one of the 10 partners. £53,724 of the grant had been paid by 31st December 2024.

An overview of the SSP is set out above. As a partner in the SSP, CHaPRoN's deliverables and responsibilities cover work in Chichester Harbour and include leading on the development and delivery of saltmarsh restoration measures, undertaking survey work to identify potential seagrass meadow restoration sites, bird monitoring, supporting oyster restoration and seagrass meadow restoration initiatives, and public education and engagement.

Impact of grant

The SSP is around halfway through its five-year life and CHaPRoN continues to work on its deliverables – it has completed the restoration of a saltmarsh site in West Itchenor, it continues to investigate saltmarsh restoration at further sites in Chichester Harbour, it has completed baseline seagrass surveys on the extent and condition of intertidal seagrass beds in the harbour and it continues to deliver key communication messages to a large and increasing audience on habitats, nature recovery, science and the SSP through social media, its website and local press.

Education grants

3.3 United World Schools

Overview of United World Schools

UWS is a registered charity (1187721) with a vision for Zero Education Poverty - a world where every child can reach their full potential through education. In line with this vision, UWS builds and runs primary schools for children living in remote areas of Nepal, Cambodia, Madagascar and Myanmar who have been marginalised from a quality education. It provides the children with a quality and inclusive education in partnership with local communities thereby enhancing their life opportunities. The UWS model is low cost and sustainable and involves the training of local community teachers and the transitioning of its schools to the state education system once established.

Since its foundation in 2008, UWS has established 324 schools, trained and employed over 1,300 teachers, provided an education to over 75,000 children and transitioned 74 of its schools to the state. Currently, 25,615 primary school children are enrolled in 229 UWS schools who are taught by 1,274 teachers trained by UWS.

Purpose of grant

In 2023, the Trustees awarded a grant of £357,520 over a three-year period to UWS for the purpose of supporting the next stage of its expansion into Madagascar by funding the operating costs of a training programme for teachers working in 25 UWS schools located in the southwest of Madagascar, the operating costs of four UWS schools located in the region which were built and opened over the 2022-2023 period and the capital costs of furniture, handwashing facilities and playgrounds for these four schools. £229,120 of the grant has been paid by 31st December 2024.

UWS successfully expanded into Madagascar in September 2021 with a 10-year goal to build and run 200 primary schools, employ and train 500 teachers and enrol 80,000 children. In order to achieve this goal, UWS has a strategy to deal with a severe shortage of teachers by building and running eight regional administration and training centres where it will train its teachers, and the first of these centres was built in the southwest of Madagascar in 2023 - the centre is being used to train teachers who are teaching in the 25 UWS schools in the region, and the first training session took place in 2023.

Impact of grant

73 UWS teachers were trained in the centre in the first year of the grant with a target of 180 teachers trained in the second year and 200 teachers trained in the third year, and as the training programme continued to be developed and refined, the percentage of teachers satisfied with the training provided has reached 91% and the percentage of teachers reaching UWS' required quality standards has reached 34% (and is on an upward trajectory to reach a target of 50% over the three-year grant period).

The four schools funded by the grant were opened over the 2022-2023 period. In terms of their performance:

- 1,350 primary school children were enrolled at the end of 2024 which was 48% above the original target.
- Student attendance rates vary from school to school and are between 85% and 96% - these rates exceed the original targets and are increasing.
- Student retention rates also vary from school to school and are between 70% and 99% (or an average of 83% across the four schools). Only one school was below target but was the most recent to be opened and the rate is expected to increase.
- The results are a strong indicator that the school delivery and teaching practices are engaging the local communities and their support.

It is too early to judge student national assessment passing rates given the relatively recent opening of these schools.

3.4 Dallaglio RugbyWorks

Overview of Dallaglio RugbyWorks

DRW is a registered charity (1130353) which, through its three-year RugbyWorks programme involving inter-actions in the classroom, on the rugby field and through Player Profiles (DRW's digital app), seeks to get disadvantaged young people between the ages of 12-18 who are disengaged from learning into sustained education, employment or training (EET). DRW's purpose is to help young people change their lives and its mission is to ensure that those who have been excluded from school are not excluded from society, and to help support them in realising their full potential for the future. DRW's approach to achieve this mission is to use rugby as an engagement tool to develop their life skills, raise their aspirations, improve their physical wellbeing and focus on their mental health wellbeing.

DRW's delivery involves: in term time, working in Alternative Provisions, Pupil Referral Units, Youth Offender Units and mainstream exclusion units to build relationships and trust with young people; in the evening, delivering programmes in local youth clubs, rugby clubs and street facilities to reach young people outside the school programme; during the holiday, delivering a programme to feed young people and keep them active outside of term time which is open to all DRW attendees and all young people in the local area who are on free school meals; career taster days hosted by employers which are designed to give young people the chance to experience and be informed about a variety of employment opportunities; and Player Profiles which helps young people to set their goals, manage their progress, access employment options and stay in touch with DRW.

DRW has worked with 7,859 young people to date and in 2023/24 it worked with 2,300 young people across 22 Pupil Referral Units, 17 mainstream schools and other community and care settings, 98% of its young people moved onto positive settings in EET, 100% showed positive progress in developing key life skills, 87% felt more optimistic about their future, 84% felt more able to make up their own mind about things and 78% felt they were able to deal with problems more effectively.

Purpose of grant

In 2023, the Trustees awarded a grant of £154,428 over a two-year period to DRW for the purpose of co-funding its Enhanced Employment Programme (EEP). The grant had been paid in full by 31st December 2024.

The objective of the EEP is to develop the employment skills of DRW's young people and get them employment ready. The EEP involves: career taster days; employment skills training with employers; developing skills covering interviews, CV and application writing, public speaking, digital applications, critical thinking and problem solving; and guidance on workplace behaviour. Every DRW young person participates in four career taster days with an employer each year which will enable them to understand the work environment and help them gain an awareness of accessible employment opportunities. The EEP also helps young people to identify and apply for employment opportunities through DRW's employer and recruitment relationships.

DRW's research shows that a young person who has four or more meaningful encounters with an employer is 86% less likely to be in Not in EET and can earn up to 22% more in their career – the EEP is resulting in a substantial increase in such meaningful encounters with employers by DRW's young people.

The EEP is delivered as part of DRW's core RugbyWorks programme which develops teamwork skills, collaboration and leadership.

Impact of grant

In its first year and a half, 1,484 young people and 36 employers were involved in the EEP, each young person participated in four career taster days, 416 young people obtained a relevant accreditation before 16, between 90% - 95% of young people felt more positive about their employment prospects, between 85% - 90% of young people felt that the EEP met their requirements, between 80% - 93% of young people felt that the EEP had enhanced their

employability skills and that they were employment ready, and 100% of 16-year-olds and 96% of 18-year-olds were in EET.

3.5 Resurgo Trust

Overview of Resurgo Trust

Resurgo was established in West London in 2003 and is a registered charity (1100885) which, through its Spear Programme which is delivered in partnership with local churches and their charitable trusts, supports 16-24 year olds who are from disadvantaged backgrounds, face barriers to employment and are Not in EET by using its expertise to improve their confidence and employability skills, change their mindsets and motivation, create sustained employment opportunities for them and help them find their place in society. The Spear Programme was born from a desire to see young people reach their full potential and with a vision to tackle some of society's biggest challenges through the means of employment and education, and it has grown from one centre in West London 20 years ago to 15 currently across the country.

The high intensity, six-week 'Classic Spear Programme' involves training young people in the skills required to get a job and how to thrive once they are in a job including interview preparation and mock interviews with external panels, the preparation of CVs and cover letters, communication and presentation skills, career sessions and confidence and mindset. Following the six-week training phase, the follow-on 12-month 'Spear Career' phase involves providing support to the trainees shaped in accordance with their individual needs, helping them transition into work or education and iron out any issues that may arise to ensure that they sustain and advance in their roles and gain independence.

In delivering the Spear Programme, Resurgo works with over 30 corporate partners who provide financial support and staff volunteer engagement together with job opportunities for those who complete the Spear Programme.

Over 11,000 young people had been enrolled in the Spear Programme by the end of 2024 and 1,169 young people were enrolled in 2024, and 75% of the young people who completed the Spear Programme in 2022/23 obtained employment and were still in EET after 12 months.

Purpose of grant

In 2024, the Trustees awarded a grant of £200,000 over a two-year period to Resurgo for the purpose of co-funding the 2025 and 2026 operating costs of its Spear centre in Leeds. £100,000 of the grant had been paid by 31st December 2024.

Resurgo's Leeds centre partner is the Bridge Community Church which is located in the Burmantofts area of the city and is an area of high deprivation which has a higher number of trainees facing Barriers to Employment relative to other Spear centres located across the country. The centre is of strategic importance geographically for Resurgo as it is centrally located in the North of England and will be used as a regional 'hub' to expand Resurgo's presence in the North.

Impact of grant

The Leeds centre has three full time coaches delivering the Spear Programme and the 2025 target is for 85 trainees to join the programme of whom over 80% will complete it and over 70% will still be in EET after 12 months.

3.6 Impetus – The Private Equity Foundation

Overview of Impetus

Impetus was founded in 2002 and is a registered charity (1152262) which supports young people from disadvantaged backgrounds to help them succeed in education, employment and life by finding, funding and building the most promising charities. Impetus selects and backs charities dedicated to removing persistent barriers to a good education, decent work and life. Its current portfolio is made up of three

funds which support 27 charities.

Impetus supports its charity partners with expert advice as well as long-term strategic funding, and its charities must have three objectives – build strong leadership, beat benchmarks and scale their solutions. Impetus helps its charities achieve these objectives by building capacity through 1:1 support, pro bono work provided by third party supporters and peer forums, providing core funding, arranging co-investment and formulating policy. Impetus funds charities through its Direct Fund which has an education and employment focus, its Engage Fund which has a school exclusion focus and its Connect Fund which has an ethnic minority employment focus.

Impetus also established the Youth Endowment Fund Charitable Trust (YEF) in March 2019 with a £200 million endowment and 10-year mandate from the Home Office. Impetus is the sole corporate trustee of YEF whose mission is to prevent children and young people becoming involved in violence.

Purpose of grant

In 2024, the Trustees awarded a grant of £100,000 over a two-year period to Impetus for the purpose of co-funding its charitable activities. £50,000 of the grant had been paid by 31st December 2024.

Impact of grant

In 2024/25, Impetus reached 403,743 young people through its 27 portfolio charities, over 50 pro bono projects were undertaken for the charities, and it provided £8.0 million of value to the charities (including grants, expertise provided by its pro bono network and hands-on management support from its investment team).

With respect to Impetus portfolio charity performance:

- 2024 growth in portfolio charity income: 4 charities increased their income by over 50%, 2 charities by between 31% and 50%, 3 charities by between 16% and 30%, and 7 charities by between 1% and 15%.
- 2023 growth in young people reached: 1 charity increased its reach by over 40%, 4 charities by between 21% and 40%, 2 charities by between 11% and 20%, and 7 charities by between 1% and 10%.
- Out performance by Impetus portfolio charities relative to the benchmark group: SATS Maths - 70% for Impetus portfolio charities vs 59% for the benchmark group. GCSE Maths – 61% for Impetus portfolio charities vs 52% for the benchmark group. Access to University – 61% for Impetus portfolio charities vs 52% for the benchmark group. Into EET – 58% for Impetus portfolio charities vs 45% for the benchmark group.

3.7 HM Pasties Foundation

Overview of HMPF

HMPF is a registered charity (1146090) which was established in its present form in 2023 for the purpose of providing pre-employment support and training to former offenders recently released from prison.

Upon leaving prison, former offenders face a host of challenges which include the likelihood of recidivism. Over 40% of former offenders re-offend within one year of release and research shows that there is a strong relationship between sustained employment (and other indices of well-being such as positive social relationships) and a reduction in re-offending rates. HMPF seeks to work with former offenders facing these challenges and which put them furthest from the workplace.

With the help of organisations such as the Probation Service, HMPF selects former offenders and puts them through a programme designed to address their personal issues and get them employment ready. Each trainee benefits from personal coaching, counselling, therapeutic interventions involving third party specialists where required, skills development and work experience in order to breakdown the barriers to employment. Further, HMPF assists its trainees in obtaining sustained employment through its relationships with job centres and an employer

network.

Purpose of grant

In 2022, the Trustees awarded a grant of £100,000 over a two-year period to HMPF for the purpose of providing it with seed funding in order to commence operations in accordance with its business plan. £50,000 of the grant had been paid by 31st December 2024 and payment of the remaining £50,000 is subject to the satisfaction of certain specified conditions.

Impact of grant

The goals for each trainee are both 'soft' (including improvements in wellbeing, personal issues successfully addressed and self-improvement) and 'hard' (including obtaining a job or apprenticeship), and HMPF's objective for its first full year of operations was to take on around 20 trainees and help them into sustained employment.

Health grants

3.8 West Sussex Mind

Overview of West Sussex Mind

WSM was founded in 1970 and is a registered charity (1155918) which supports people in West Sussex with their mental health, provides specialist mental health training, and campaigns to improve mental health services and promote an understanding of mental health issues. It is affiliated with Mind, the national mental health charity.

WSM's objectives are to: promote the preservation of good mental health, in particular around enabling and empowering everyone experiencing mental health problems to live with, manage and recover from their condition; and relieve the needs of people with mental health problems by working to increase an understanding of mental health and mental health problems by gathering and disseminating information and working to raise awareness, promote understanding and challenge stigma and discrimination. To achieve these objectives, WSM offers a variety of services including the delivery of individual and group mental health and social support in person, by telephone or video calls to children, young people, families, adults and the elderly. WSM's mental health services can also be accessed using its website and through courses and videos, and it works proactively and in partnership with many other health, social care and community organisations to deliver its support.

In 2023/24, 6,323 people were provided directly with mental health support, 29,472 individual and group mental health support interventions were delivered, 6,111 people were trained in mental health support and 1,617 people were reached through WSM's awareness raising activities.

Purpose of grant

In 2022, the Trustees awarded a grant of £100,000 over a two-year period to WSM for the purpose of funding a new mental health programme (PVTP) designed to train 'peer volunteers' to use their own lived experience of mental health to help existing WSM users with their mental health. The grant had been paid in full by 31st December 2024 and, due to its success, the Trustees awarded a further grant of £50,000 in 2024 for the purpose of funding the PVTP for a third year (which was paid in 2024).

In addition, the Trustees awarded another grant of £20,000 over a two-year period to WSM in 2024 for the purpose of funding a new employment programme (PVEP) designed to get peer volunteers who had completed the PVTP ready for full time employment either within or outside of WSM (which was paid in full in 2024).

Impact of grant

In the first two years of the PVTP, 40 peer volunteers were trained of whom 25 were placed in WSM delivery departments and supported 369 users, and 17 obtained employment and further education outside of WSM. Of these peer volunteers in the second year, over 90% felt confident in using their lived experience in a volunteering role, their confidence and self-esteem had increased and they had gained new skills and experience to support them in taking steps towards employment.

In the first year of the PVEP, four volunteers have been employed by WSM as sessional workers and are actively engaged in various departments supporting WSM's delivery to its users.

3.9 Podium Analytics

Overview of Podium

Podium is a registered charity (England & Wales No: 1183716, and Scotland No: SC051893) which was established by Sir Ron Dennis CBE in 2019 with a vision for a safer world of sport and a mission to significantly reduce the impact and incidence of sports injuries, especially in youth sport (11-24 year olds). Podium's premise is that youth sports injury is under-researched, under-resourced and often overlooked despite being a critical part of the development pyramid for professional sport and given the broader health and wellbeing benefits. Podium believes that minimising the likelihood and the impact of sports injury in the crucial years of 11-24 will have a hugely positive effect on participation in sport and on the health and wellbeing of young people as they grow.

Podium's approach is science-led and data-driven. It works with world-class sports science and medical professionals, engineers and technologists, and uses science and data to spotlight the scale and complexity of sports injury in young people, informing the development of solutions that tackle the root causes of injury. It seeks to drive change through collaboration with sports governing bodies, government, schools, clubs and athletes.

Podium has established the Podium Institute for Sports Medicine and Technology in partnership with the University of Oxford with the objective of driving pioneering research and science in youth sports health and working to provide a holistic understanding of the individual factors that lead to injury in youth sports. Its purpose is to inspire and forge evidence-based changes in sport and physical education, and to develop innovative technologies to monitor, analyse and ultimately prevent injury in sport.

Podium continues to build its research team and work on its flagship concussion project.

Purpose of grant

In 2024, the Trustees awarded a grant of £375,000 over a three-year to Podium for the purpose of funding a distinct research and development programme designed to reduce sports injuries resulting from growth spurts affecting 11-18 year olds. This growth spurt research programme (GSP) forms a part of Podium's overall sports injury research programme. £125,000 of the grant had been paid by 31st December 2024.

Podium is delivering the GSP in collaboration with the University of Bath. The GSP will create online resources for teachers and coaches to better understand and support pupils going through growth spurts and accommodate for early and late developers. 2023/24 saw delivery of the first year of the study with the University of Bath with a focus on 'the developing child'.

With the growth spurt being a factor uniquely affecting 11-18 year olds and a period that puts young people at increased risk of sports injury, the GSP aims to bring established processes from elite pathways into school and grassroots sports environments by delivering against key programme objectives:

- Assess PE teachers' existing knowledge, perceptions and confidence levels in delivering physical education during growth spurt years.
- Create an online digital health module tailored to provide teachers and coaches with the necessary information and tools to support their students effectively.

- Evaluate the feasibility of these methods to determine the best ways to disseminate the information and ensure that it has a meaningful impact on teachers and students alike.

Impact of grant

The GSP has identified a significant gap in PE teachers' knowledge and understanding of growth and maturation and its relevance in the context of PE and school sport. Through interaction with a group of selected teachers, it was found that growth and maturation is not represented in PE teacher training with over 90% of teachers in the group having received no formal education on the topic and 97% expressing a strong interest in learning how the topic impacts on student experiences.

Podium's intervention included interactive modules, evidence-based resources and opportunities for ongoing professional development, and ensuring that teachers can engage with the material at their own pace and apply new insights directly into their practice. The digital educational intervention with the group significantly improved their knowledge and understanding of growth and maturation while simultaneously enhancing key factors that have been shown to influence behaviour change.

The next phase of the GSP will involve refining the programme based on key findings and user feedback, and evaluating its effects on practice.

4. Financial review

4.1 Total return investment approach and objectives

As a result of its endowment, East Head Impact has an investment portfolio which it uses to fund its charitable activities. The performance of the portfolio over the long term is therefore a key component of the long-term sustainability of East Head Impact and its ability to make a charitable impact through its grant making.

The performance of the portfolio varies year-on-year and is affected by numerous factors including changes in global investment market volatility and returns (both yield and capital returns), investment strategy and short-to-long term investment return horizons for individual portfolio assets, foreign exchange movements and liquidity. In light of these factors and given its power to spend both income and capital, East Head Impact takes a total return approach by seeking to generate both income and capital growth and taking into account both realised and unrealised short-to-long term income, and capital and foreign exchange gains and losses when assessing, inter alia, the performance of its portfolio and the appropriate level of grant making.

Given this approach, East Head Impact's objective is to pursue a long-term strategy of maximising sustainable charitable expenditure while maintaining the real value of its investment portfolio in perpetuity after expenditure. East Head Impact seeks to spend around 4% of its investment portfolio in grant making each year while generating an approximate 4% real return on its investment portfolio over a rolling 10-year period.

4.2 Investment portfolio asset allocation and diversification

In seeking to achieve a real return on its investment portfolio, East Head Impact invests in a range of assets including private assets and top tier alternative investment funds, publicly traded equity and debt securities, and term deposits. Its strategy is to invest over 50% of the portfolio in alternative investments providing high growth returns and yields over the longer term, with the remainder invested in a diversified portfolio of publicly traded and liquid, and lower return investments, bonds and term deposits.

The portfolio is managed to ensure an appropriate level of liquidity and an exposure to foreign currency denominated assets which reflects an appropriate balance between risk and reward.

East Head Impact has invested in a private investment fund which backs climate tech entrepreneurs, and it takes into account Environmental, Social and Governance issues in the management of its investment portfolio.

4.3 Investment portfolio and performance

The value of the investment portfolio (including deposits and cash) as at 31st December 2024 was £24,566,775 which represents a £1,465,197 (6%) increase in the value of the portfolio of £23,101,578 as at 31st December 2024 after payment of the 2024 grants and expenses of £900,950.

As at 31st December 2024, the portfolio was invested as to £6,974,572 in alternative investments, £10,273,583 in a publicly traded investment fund, £3,940,288 in corporate bonds and £3,378,332 in short-to-medium term deposits and cash. The alternative investments are primarily private equity and credit related, and the publicly traded investment fund is invested primarily in equity and fixed income securities.

In 2024, the investment portfolio generated interest income of £492,430 (£488,412 in 2023), investment income of £647,874 (£857,419 in 2023) and investment gains of £1,151,694 (£871,182 in 2023). All investments across the portfolio performed well and benefited from rising financial markets.

In 2024, alternative investments, deposits and cash denominated in United States Dollars and Euros generated a foreign exchange loss of £168,170 (£259,743 in 2023) due to changes in the value of the Pound relative to the United States Dollar and Euro. (£91,065 of the loss related to cash and deposits, and £77,105 to investments.)

Uncalled capital commitments relating to East Head Impact's alternative investments aggregated £1,619,518 in sterling terms as at 31st December 2024 (£2,448,383 as at 31st December 2023).

In February 2025, East Head Impact received an unrestricted donation of shares in a publicly listed company which had a market value of £8,918,554 on the settlement date.

4.4 Financial performance

Net Income amounted to £1,299,983 in 2024 compared with £1,449,570 in 2023 and is stated after a £337,672 increase in grants to a record £783,831 (£446,159 in 2023). A breakdown of income and expenditure is as follows:

| | <u>2024</u> | <u>2023</u> |
|------------------------------------|-------------------|-------------------|
| Income | | |
| Interest income | £492,430 | £488,412 |
| Investment income | <u>£647,874</u> | <u>£857,419</u> |
| | <u>£1,140,304</u> | <u>£1,345,831</u> |
| Expenses | | |
| Grants paid | £783,831 | £446,159 |
| Expenses | £117,119 | £85,329 |
| Foreign exchange bank revaluations | <u>£91,065</u> | <u>£235,955</u> |
| | <u>£992,015</u> | <u>£767,443</u> |
| Net gains | | |
| Net gains on investments | <u>£1,151,694</u> | <u>£871,182</u> |
| Net Income | <u>£1,299,983</u> | <u>£1,449,570</u> |

Reasons for the changes in income in 2024 are stated above.

£98,724 (84%) of the expenses of £117,119 in 2024 related to investment management fees and expenses, interest and bank fees (which aggregated £71,544 in 2023). Accordingly, the remaining expenses (primarily audit, accountancy and IT costs) amounted to only £18,395 in 2024 (£13,785 in 2023).

Interest amounted to £30,885 in 2024 (£8,237 in 2023) and related to equalisation payments on alternative investments.

As at 31st December 2024, approved but unpaid grant commitments aggregated £1,179,207

(£1,238,046 as at 31st December 2023). Grant commitments reflect, inter alia, East Head Impact's strategy to support its portfolio charities with multi-year grants.

4.5 Reserves policy

East Head Impact funds its charitable activities using its investment portfolio and the income stream derived from it, it has a low and narrow cost base relative to its investment portfolio, and the level of its grant making is, inter alia, at the discretion of the Trustees on an ongoing basis.

It is the intention of the Trustees to hold cash and liquid investments sufficient to cover uncalled capital commitments on investments, approved but unpaid grants, and budgeted grant making and operating costs on a rolling 12-month basis.

4.6 Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that East Head Impact has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies section of the financial statements.

4.7 Financial risk management

The Trustees have assessed the major risks to which East Head Impact is exposed, in particular those relating to its operations and finances, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

5. Structure, governance and management

5.1 Structure

East Head Impact is a company limited by guarantee (13669631) and a registered charity (1196559), its governing document is its Articles of Association, and its governing body is its Board of Trustees.

5.2 Appointment of Trustees

Three Trustees were appointed upon the formation of East Head Impact, namely Marc Boughton (Founder and Executive Chair), Matthew Woods and Jonathan Sykes.

In accordance with the Articles of Association, the Founder of East Head Impact was appointed a Trustee for an indefinite period of time, and Matthew Woods and Jonathan Sykes were appointed for an initial term of four years. Retiring Trustees may be reappointed, and the minimum required number of Trustees is two.

The appointment of any new trustees will take into account their charitable experience and ability to assist East Head Impact achieve its charitable objectives, and will involve in depth discussions with the Founder and the other Trustees on East Head Impact's objectives and strategy.

5.3 Trustee powers

East Head Impact's Articles of Association set out the powers and duties of the Trustees pursuant to which they control and manage East Head Impact and its assets. No committees have been established.

5.4 Delegation of Trustee duties and management

The Trustees have delegated certain duties to the Executive Chair and the Head of Philanthropy & Operations in order to carry out the day-to-day management of East Head Impact (who report to the Board of Trustees in the performance of such duties). These delegated duties include:

- To the Chair – to formulate the investment strategy and manage the investment portfolio.
- To the Head of Philanthropy & Operations – to work with the Trustees on grant making policy and the identification of grant making opportunities; structure grants, carry out due diligence, prepare written proposals and recommendations, and monitor grants and charity portfolio performance; liaise with investment and fund managers and report on investment portfolio performance; monitor bank accounts and liquidity; maintain financial and administration records; prepare budgets and reports on operations, income, expenditure, assets and liabilities (including the preparation of financial statements); arrange Trustee meetings, prepare agendas and board documents and take minutes of meetings; liaise with the auditors and legal advisors; and generally manage day-to-day operations.

The duties of the Head of Philanthropy & Operations are carried out pursuant to a management services agreement. The role is performed as a volunteer and is unpaid.

East Head Impact has no employees and no other volunteers.

Pursuant to an investment management mandate, the Trustees have delegated certain duties to J.P. Morgan to manage a portion of East Head Impact's investment portfolio under the direction of the Executive Chair.

East Head Impact has corporate governance procedures in place which have been approved by the Board of Trustees.

5.5 Trustee and management experience

The Trustees have a broad range of experience:

- Marc Boughton was a fund manager with an international alternative asset management firm for over 25 years. He qualified as a Chartered Accountant with PwC prior to spending five years as an investment manager with Electra Partners, a private equity fund manager. In 1995, he joined CVC Capital Partners, a leading global alternative investment manager focussed on private equity, secondaries and credit before retiring as a Managing Partner in September 2022. While at CVC, he founded and was Chair of the CVC Foundation, CVC's global philanthropy programme which uses CVC resources and employee donations to make a measurable impact on the lives of disadvantaged children and young people in the communities in which CVC operates.
- Jonathan Sykes provides advice to businesses on their growth plans, either in the capacity of an executive or a non-executive director. He was Executive Chair of Carbon Intelligence, a leading consulting and technology firm committed to helping businesses transform for a net-zero world, and led the successful sale of the firm to Accenture. Prior to joining Carbon Intelligence, he built and grew three global digital and media businesses, and was Managing Director at Sky Sports. He is a qualified barrister and holds a law degree from Inns of Court School of Law.
- Matthew Woods trained with Withers, a leading City law firm, where he qualified as a private client lawyer in 2001. He specialises in advising families on succession and governance issues with a focus on family-owned businesses (whether investment or trading) and rural estates (whether farming or with a diverse asset base), and philanthropy is an important part of many of those succession plans. He has sat on the management board of Withers for the last six years and during that period the importance of philanthropy and Environmental, Social and Corporate Governance issues has grown as well as pro bono work.

The Head of Philanthropy & Operations qualified as a Chartered Accountant with Ernst & Young prior to spending over 25 years as a mergers & acquisitions advisory banker with Rothschild & Co, a leading global financial services group involved in financial advisory, wealth and asset management and merchant banking.

5.6 Related party transactions

The Trustees receive no remuneration in the performance of their duties.

Related party transactions are stated in Note 20 to the financial statements.

6. Future plans

East Head Impact's plans include:

- Continuing to develop its brand and communications strategy to enhance the delivery of its charitable activities.
- Developing a strategy to work with experts to enhance the delivery of its charitable objectives.
- Outsourcing certain administrative duties and taking on additional personnel to enhance its grant making activities.

East Head Impact assesses the impact achieved by its grant recipients on an ongoing basis and, based on that impact, makes appropriate decisions on future grant awards and changes to its grant making policy, strategy and procedures as the Trustees deem appropriate.

7. Principal risks and uncertainties

The principal risks and uncertainties faced by East Head Impact are:

- A fall in the value of its investment portfolio and related income stream as a result of negative factors affecting the financial markets and asset values, and thus lower financial resources available to fund East Head Impact's charitable activities. This risk is mitigated by the investment experience of the Board of Trustees, investing in top tier assets, and the appointment of J.P. Morgan, a top tier investment and asset manager, to manage a portion of East Head Impact's investment portfolio.
- Identifying suitable grant making opportunities. This uncertainty is mitigated by the extent of the collective personal contacts and networks of the Trustees. Further, and as a recently established charity, East Head Impact will continue to explore and develop the way in which it operates – this may include building on its brand and communications strategy designed, inter alia, to enhance the identification of grant making opportunities (including co-funding opportunities alongside other charitable foundations) and taking on additional resources with expertise in the charitable areas in which East Head Impact seeks to make an impact.

8. Statement of Trustees responsibilities

8.1 Responsibilities

The Trustees of East Head Impact, who are also its directors for the purposes of company law, are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial period. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of East Head Impact and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102).
- Make judgments and accounting estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards (FRS 102) 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 East Head Impact will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain East Head Impact's transactions and disclose with reasonable accuracy at any time the financial position of East Head Impact and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of East Head Impact and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

8.2 Disclosure of information to auditors

Each of the persons who were Trustees at the time when this Trustees Report was approved has confirmed that:

- So far as that Trustee is aware, there is no relevant audit information of which East Head Impact's auditors are unaware.
- That Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that East Head Impact's auditors are aware of that information.

8.3 Auditors

The auditors, Kreston Reeves LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

9. Trustees approval and authorisation

This report was approved by East Head Impact's Trustees on 13th August 2025, and the Executive Chair was authorised to sign the report on behalf of the Board of Trustees.



Marc Boughton
Founder and Executive Chair

Date 13/8/2025

East Head Impact
(A company limited by guarantee)

Independent auditors' report to the Members of East Head Impact

Opinion

We have audited the financial statements of East Head Impact (the 'charity') for the year ended 31 December 2024 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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 charitable company's affairs as at 31 December 2024 and of its incoming resources and application of resources, including its income and expenditure 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 Companies Act 2006.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charitable company'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.

East Head Impact
(A company limited by guarantee)

Independent auditors' report to the Members of East Head Impact (continued)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company 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 Companies Act 2006 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 received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

East Head Impact

(A company limited by guarantee)

Independent auditors' report to the Members of East Head Impact (continued)

Auditors' responsibilities for the audit of the financial statements

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 Auditors' 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 procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the charity and sector, and through discussion with the trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to anti-bribery and anti-money laundering laws. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities SORP (FRS 102) Second Edition (released October 2019), the Companies Act 2006 and other relevant charity legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated Trustee's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks related to posting inappropriate journal entries and management bias in accounting estimates and judgemental areas of the financial statements such as the valuation of investments. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management; and
- Assessment of identified fraud risk factors; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance and reviewing correspondence with relevant tax and regulatory authorities; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation; and
- Agreeing investment movements and valuations to third party reports, and evaluating the competence of the experts providing those reports.

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 or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or

East Head Impact

(A company limited by guarantee)

Independent auditors' report to the Members of East Head Impact (continued)

error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Kreston Reeves LLP

Kreston Reeves LLP

Chartered Accountants
Statutory Auditor

Chichester

Date: 19 August 2025

East Head Impact
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 December 2024

| | Note | Endowment funds 2024 £ | Unrestricted funds 2024 £ | Total funds 2024 £ | Total funds 2023 £ |
|---|-------|------------------------------|---------------------------------|--------------------------|--------------------------|
| Income and endowments from: | | | | | |
| Investments | 4 | - | 1,140,304 | 1,140,304 | 1,345,831 |
| Total income and endowments | | - | 1,140,304 | 1,140,304 | 1,345,831 |
| Expenditure on: | | | | | |
| Charitable activities: | 5,6,7 | | | | |
| Grants to institutions | | - | 783,831 | 783,831 | 446,159 |
| Other charitable activities | | 58,758 | 149,426 | 208,184 | 321,284 |
| Total expenditure | | 58,758 | 933,257 | 992,015 | 767,443 |
| Net (expenditure)/income before net gains on investments | | (58,758) | 207,047 | 148,289 | 578,388 |
| Net gains on investments | | 1,151,694 | - | 1,151,694 | 871,182 |
| Net movement in funds | | 1,092,936 | 207,047 | 1,299,983 | 1,449,570 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 22,507,247 | 637,843 | 23,145,090 | 21,695,520 |
| Net movement in funds | | 1,092,936 | 207,047 | 1,299,983 | 1,449,570 |
| Total funds carried forward | | 23,600,183 | 844,890 | 24,445,073 | 23,145,090 |

The Statement of financial activities includes all gains and losses recognised in the year.


The notes on pages 30 to 39 form part of these financial statements.

East Head Impact
(A company limited by guarantee)
Registered number: 13669631

Balance sheet
As at 31 December 2024

| | Note | 2024 £ | 2023 £ |
|--|------|--------------------------|--------------------------|
| Fixed assets | | | |
| Investments | 10 | 21,188,443 | 16,701,376 |
| | | <u>21,188,443</u> | <u>16,701,376</u> |
| Current assets | | | |
| Debtors | 11 | 41,758 | 53,277 |
| Cash at bank and in hand | | 3,378,332 | 6,400,202 |
| | | <u>3,420,090</u> | <u>6,453,479</u> |
| Creditors: amounts falling due within one year | 12 | (163,460) | (9,765) |
| Net current assets | | <u>3,256,630</u> | <u>6,443,714</u> |
| Total assets less current liabilities | | <u>24,445,073</u> | <u>23,145,090</u> |
| Total net assets | | <u><u>24,445,073</u></u> | <u><u>23,145,090</u></u> |
| Charity funds | | | |
| Endowment funds | 13 | 23,600,183 | 22,507,247 |
| Unrestricted funds | 13 | 844,890 | 637,843 |
| Total funds | | <u><u>24,445,073</u></u> | <u><u>23,145,090</u></u> |

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


Marc Boughton
Founder and Executive Chair
Date: 17/8/2025

The notes on pages 30 to 39 form part of these financial statements.

East Head Impact
(A company limited by guarantee)

Statement of cash flows
For the year ended 31 December 2024

| | 2024 | 2023 |
|--|--------------------|------------------|
| | £ | £ |
| Cash flows from operating activities | | |
| Net cash used in operating activities | (826,801) | (734,073) |
| | <hr/> | <hr/> |
| Cash flows from investing activities | | |
| Dividends and interest from investments | 1,140,303 | 1,345,831 |
| Proceeds from sale of investments | 3,013,841 | 850,886 |
| Purchase of investments | (6,394,155) | (1,883,645) |
| Deductions from capital (investment accounts) | 44,942 | 64,994 |
| | <hr/> | <hr/> |
| Net cash (used in)/provided by investing activities | (2,195,069) | 378,066 |
| | <hr/> | <hr/> |
| Change in cash and cash equivalents in the year | (3,021,870) | (356,007) |
| Cash and cash equivalents at the beginning of the year | 6,400,202 | 6,756,209 |
| | <hr/> | <hr/> |
| Cash and cash equivalents at the end of the year | 3,378,332 | 6,400,202 |
| | <hr/> <hr/> | <hr/> <hr/> |

The notes on pages 30 to 39 form part of these financial statements

East Head Impact

(A company limited by guarantee)

Notes to the financial statements

For the year ended 31 December 2024

1. General information

The Charity is a private limited company limited by guarantee incorporated in England and Wales. The members of the company and the trustees are named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

The registered office of the Charity is:

9 Donnington Park, 85 Birdham Road, Chichester, West Sussex, England, PO20 7AJ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

East Head Impact meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The financial statements have been prepared on a going concern basis. The Trustees have assessed the financial position of the charity and based on the net asset position and the discretion the charity has over its level of activity and expenditure they have concluded that the charity can continue to operate for at least 12 months beyond the signing date of these financial statements.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

East Head Impact
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2024

2. Accounting policies (continued)

2.4 Expenditure (continued)

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of financial activities.

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

2.8 Debtors

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

2.9 Cash at bank and in hand

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

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

East Head Impact
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2024

2. Accounting policies (continued)

2.11 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Endowment funds comprise capital donated to the charity, together with accumulated realised and unrealised investment gains or losses. The Trustees have the power to expend the endowment funds. Investment management charges and other professional fees relating directly to the fund are charged against the fund. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included in unrestricted income.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity holds certain investments for which open market valuations are not available. The valuations for these investments are provided by expert investment managers. See note 10 for the year-end valuation of investments held by the Charity.

4. Investment and interest income

| | Unrestricted funds 2024 £ | Total funds 2024 £ | Total funds 2023 £ |
|--------------------------------|--|---------------------------------------|-----------------------------|
| Investment and interest income | 1,140,304 | 1,140,304 | 1,345,831 |
| Total 2023 | 1,345,831 | 1,345,831 | |

East Head Impact
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2024

5. Analysis of grants

| | Grants to Institutions 2024 £ | Total funds 2024 £ | Total funds 2023 £ |
|------------|--|---------------------------------------|-----------------------------|
| Grants | 783,831 | 783,831 | 446,159 |
| Total 2023 | 446,159 | 446,159 | |

The Charity awards grants under three key themes; Education, Health and the Planet. Grants in the current year were £195,000 under the Health theme, £387,928 under the Education theme and £200,903 under the Planet theme.

Grants paid to institutions totalled £783,831 and were made up of the following individual grants:

| Recipient | Grant amount (£) | |
|---|-------------------------|----------------|
| | 2024 | 2023 |
| United World Schools | 109,200 | 119,920 |
| Premiership Rugby's HITZ programme | - | 2,250 |
| Dallaglio RugbyWorks | 78,728 | 75,700 |
| West Sussex Mind | 70,000 | 50,000 |
| Chichester Harbour Conservancy | 24,428 | 29,288 |
| Blue Marine Foundation | 176,475 | 169,001 |
| Podium Analytics | 125,000 | - |
| Impetus - The Private Equity Foundation | 50,000 | - |
| Resurgo Trust | 100,000 | - |
| HM Pasties Foundation | 50,000 | - |
| Total | 783,831 | 446,159 |

6. Analysis of expenditure on charitable activities

Summary by fund type

| | Endowment funds 2024 £ | Unrestricted funds 2024 £ | Total 2024 £ | Total 2023 £ |
|--------------------------|---|--|-----------------------------|--------------------|
| Grant funding activities | 58,758 | 933,257 | 992,015 | 767,443 |
| Total 2023 | 59,455 | 707,988 | 767,443 | |

East Head Impact
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2024

7. Analysis of expenditure by activities

| | Grant funding activities 2024 £ | Support costs 2024 £ | Total funds 2024 £ | Total funds 2023 £ |
|--------------------------|--|---|---------------------------------------|---------------------------------------|
| Grant funding activities | 783,831 | 208,184 | 992,015 | 767,443 |
| Total 2023 | 446,159 | 321,284 | 767,443 | |

Analysis of support costs

| | Grant funding activities 2024 £ | Total funds 2024 £ | Total funds 2023 £ |
|--|--|---------------------------------------|---------------------------------------|
| Audit and accountancy | 11,343 | 11,343 | 13,006 |
| Bank fees, Investment management fees and expenses | 67,839 | 67,839 | 63,307 |
| Insurance | 427 | 427 | 427 |
| IT software and consumables | 6,625 | 6,625 | 352 |
| Interest paid | 30,885 | 30,885 | 8,237 |
| Foreign exchange bank revaluations | 91,065 | 91,065 | 235,955 |
| | <u>208,184</u> | <u>208,184</u> | <u>321,284</u> |

Investment management fees, foreign exchange revaluations and bank interest and charges included in support costs totalled £189,789 (2023: £307,499) and represented 91% of total support costs.

Support costs excluding investment management fees, foreign exchange revaluations and bank interest and charges totalled £18,395 (2023: £13,785) and represented 9% of total support costs.

8. Auditors' remuneration

The auditors' remuneration amounts to an auditors' fee of £10,110 (2023 - £9,765), and other services of £1,233 (2023 - £3,241).

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year, no Trustees expenses were incurred (2023 - £NIL).

East Head Impact
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2024

10. Fixed asset investments

| | Investments £ |
|----------------------------|-------------------------------|
| Valuation | |
| At 1 January 2024 | 16,701,376 |
| Additions | 6,394,155 |
| Disposals | (3,013,841) |
| Revaluations | 1,228,800 |
| Capital account deductions | (44,942) |
| Foreign exchange movement | (77,105) |
| | <hr/> |
| At 31 December 2024 | 21,188,443 <hr/> <hr/> |
| Net book value | |
| At 31 December 2024 | 21,188,443 <hr/> |
| At 31 December 2023 | 16,701,376 <hr/> <hr/> |

The carrying value of investments includes holdings in alternative investment funds of £6,974,572 (2023: £6,552,541), corporate bonds of £3,940,288 (2023: £998,440) and diversified investment funds of £10,273,583 (2023: £9,150,395).

11. Debtors

| | 2024 £ | 2023 £ |
|--------------------------------|---------------------------|--------------------|
| Due within one year | | |
| Prepayments and accrued income | 41,758 | 53,277 |
| | <hr/> | <hr/> |
| | 41,758 <hr/> <hr/> | 53,277 <hr/> <hr/> |

12. Creditors: Amounts falling due within one year

| | 2024 £ | 2023 £ |
|------------------------------|----------------------------|-------------------|
| Other creditors | 152,870 | - |
| Accruals and deferred income | 10,590 | 9,765 |
| | <hr/> | <hr/> |
| | 163,460 <hr/> <hr/> | 9,765 <hr/> <hr/> |

East Head Impact
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2024

13. Statement of funds

Statement of funds - current year

| | Balance at 1 January 2024 £ | Income £ | Expenditure £ | Gains/ (Losses) £ | Balance at 31 December 2024 £ |
|---------------------------|--|--------------------------------|--------------------------------|----------------------------------|--|
| Unrestricted funds | | | | | |
| General Funds | <u>637,843</u> | <u>1,140,304</u> | <u>(933,257)</u> | <u>-</u> | <u>844,890</u> |
| Endowment funds | | | | | |
| Endowment Funds | <u>22,507,247</u> | <u>-</u> | <u>(58,758)</u> | <u>1,151,694</u> | <u>23,600,183</u> |
| Total of funds | <u><u>23,145,090</u></u> | <u><u>1,140,304</u></u> | <u><u>(992,015)</u></u> | <u><u>1,151,694</u></u> | <u><u>24,445,073</u></u> |

The expendable endowment fund was established by a donation in December 2022. The trustees have the power to spend the income and capital in accordance with the Charity's objectives.

East Head Impact
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2024

13. Statement of funds (continued)

Statement of funds - prior year

| | Balance at 1 January 2023 £ | Income £ | Expenditure £ | Gains/ (Losses) £ | Balance at 31 December 2023 £ |
|---------------------------|--------------------------------------|------------------|------------------|-------------------------|---|
| Unrestricted funds | | | | | |
| General Funds | - | 1,345,831 | (707,988) | - | 637,843 |
| Endowment funds | | | | | |
| Endowment Funds | 21,695,520 | - | (59,455) | 871,182 | 22,507,247 |
| Total of funds | 21,695,520 | 1,345,831 | (767,443) | 871,182 | 23,145,090 |

14. Analysis of net assets between funds

Analysis of net assets between funds - current period

| | Endowment funds 2024 £ | Unrestricted funds 2024 £ | Total funds 2024 £ |
|-------------------------------|---|--|---------------------------------------|
| Fixed asset investments | 20,409,190 | 844,890 | 21,254,080 |
| Current assets | 3,354,453 | - | 3,354,453 |
| Creditors due within one year | (163,460) | - | (163,460) |
| Total | 23,600,183 | 844,890 | 24,445,073 |

Analysis of net assets between funds - prior period

| | Endowment funds 2023 £ | Unrestricted funds 2023 £ | Total funds 2023 £ |
|-------------------------------|---|--|---------------------------------------|
| Fixed asset investments | 16,063,533 | 637,843 | 16,701,376 |
| Current assets | 6,453,479 | - | 6,453,479 |
| Creditors due within one year | (9,765) | - | (9,765) |
| Total | 22,507,247 | 637,843 | 23,145,090 |

East Head Impact
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2024

15. Reconciliation of net movement in funds to net cash flow from operating activities

| | 2024 £ | 2023 £ |
|--|--------------------|-------------|
| Net income for the period (as per Statement of Financial Activities) | 1,299,983 | 1,449,570 |
| Adjustments for: | | |
| (Gains)/losses on investments | (1,151,694) | (871,182) |
| Dividends and interests from investments | (1,140,304) | (1,345,831) |
| Decrease in debtors | 11,519 | 32,905 |
| Increase in creditors | 153,695 | 465 |
| Net cash used in operating activities | (826,801) | (734,073) |

16. Analysis of cash and cash equivalents

| | 2024 £ | 2023 £ |
|--|------------------|-----------|
| Cash in hand | 3,378,332 | 6,400,202 |
| Total cash and cash equivalents | 3,378,332 | 6,400,202 |

17. Analysis of changes in net debt

| | At 1 January 2024 £ | Cash flows £ | Changes in market value and exchange rate movements £ | At 31 December 2024 £ |
|--------------------------|------------------------------|--------------------|---|--------------------------------|
| Cash at bank and in hand | 6,400,202 | (2,930,805) | (91,065) | 3,378,332 |
| | 6,400,202 | (2,930,805) | (91,065) | 3,378,332 |

18. Uncalled capital commitments

The charity has uncalled capital commitments relating to its investment funds totalling £1,619,518 (2023: £2,448,383).

East Head Impact

(A company limited by guarantee)

Notes to the financial statements

For the year ended 31 December 2024

19. Grant commitments

The charity has £1,179,207 (2023: £1,238,046) of grant funding commitments to meet, should the grantees meet their respective grant conditions.

20. Related party transactions

Marc Boughton is the Founder and Executive Chair of East Head Impact:

- Throughout 2023, East Head Impact held ownership interests in three investment funds established and managed by CVC Capital Partners plc (CVC) and an associated CVC company. Marc Boughton held an ownership interest in CVC throughout 2023.
- In 2023, East Head Impact provided a US\$2.5 million capital commitment to invest in another fund established and managed by CVC.
- East Head Impact awarded a grant of £nil (2023: £2,250) to Premier Rugby Ltd for the purpose of co-funding Premiership Rugby's award winning HITZ community programme. One of the funds managed by CVC and gifted to East Head Impact in 2021/2022 has an indirect ownership interest in Premier Rugby Ltd.
- CVC completed an Initial Public Offering in 2024. Investments in funds established and managed by CVC are no longer considered to be related party transactions for the purposes of the Charity's financial statements for the year ended 31 December 2024.

Jonathan Sykes is a Trustee of East Head Impact. East Head Impact awarded a grant of £nil (2023: £2,250) to Premier Rugby Ltd. A Jonathan Sykes family member is a senior employee of Premiership Rugby.

21. Events after the reporting period

In January 2025, East Head Impact entered into a €4 million capital commitment to invest in an investment fund and the first capital call was issued by the Manager in February 2025.

In February 2025, the Charity received an unrestricted donation of shares in a publicly listed company which had a market value of £8,918,554 on the 6th of February 2025 settlement date.

EAST HEAD IMPACT

England & Wales - Charity number 1196559

Accounts



Transforming Tomorrow Together

Annual Report and Financial Statements

For the 12 months to 31st December 2023

Company Limited by Guarantee: 13669631

Registered Charity: 1196559

Administrative details

Trustees and Directors

| | | |
|----------------------------------|-----------|------------------------------|
| Marc Boughton, Founder and Chair | Appointed | 8 th October 2021 |
| Jonathan Sykes | Appointed | 8 th October 2021 |
| Matthew Woods | Appointed | 8 th October 2021 |

Registered Office

c/o Kreston Reeves LLP
9 Donnington Park
85 Birdham Road
Chichester
West Sussex
PO20 7AJ

Appointments

| | |
|----------------------------|---|
| Auditor: | Kreston Reeves LLP 9 Donnington Park 85 Birdham Road Chichester West Sussex, PO20 7AJ |
| Bankers: | Coutts & Co 440 Strand London, WC2R 0QS |
| Investment Manager: | J.P. Morgan 60 Victoria Street London, EC4Y 0JP |
| Legal Advisor: | Withers LLP 20 Old Bailey London, EC4M 7AN |

Contents

| | Page |
|--|-------------|
| 1. Administrative details..... | 2 |
| 2. Contents..... | 3 |
| 3. Chair's Report..... | 4 |
| 4. Trustees Report..... | 5 |
| 5. Objects and activities..... | 5 |
| 6. Grants approved, paid and committed..... | 7 |
| 7. Review of 2023 grants..... | 8 |
| 8. Financial review..... | 16 |
| 9. Structure, governance and management..... | 18 |
| 10. Future Plans..... | 20 |
| 11. Principal risks and uncertainties..... | 20 |
| 12. Statement of Trustees' responsibilities..... | 20 |
| 13. Trustees' approval and authorisation..... | 21 |
| 14. Auditors report..... | 22 |
| 15. Financial statements..... | 26 |

Chair's Report

I am proud and delighted to present East Head Impact's second Annual Report and audited financial statements.

We remain focused on making a quantifiable impact in the areas of Health, Education and the Planet consistent with United Nations' Sustainability Development Goals, and have made excellent progress since the award of our first grant in March 2022. By 31st March 2024, the Trustees had approved the award of 16 single-year and multi-year grants aggregating £2,642,455 of which £1,044,409 had been paid, with the remaining £1,598,046 scheduled for payment during the course of the next three years. These grants cover all three of our targeted impact areas.

Further, we continue to increase the level of our grant making. In 2023, the award of £1,514,205 single and multi-year grants was approved compared with £583,250 in 2022, and instalments paid or due for payment in 2024 relating to grants already approved aggregate £778,228 (which compares with the aggregate of grants paid in 2023 of £446,159). This increase in activity reflects our strategy to build partnerships with strong leaders and support specific programmes with multi-year funding.

We also continue to monitor the impact of our funding carefully and are pleased to report the outcomes set out in the Trustees Report.

East Head Impact's endowment is of course key to enabling us to focus on, and carry out our grant making activities for the foreseeable future, and we continue to build the investment portfolio with top tier, high quality assets with the objective of providing a stable and growing income over the long term.

Highlights in 2023 include:

- A continuation of building strong partnerships with organisations such as the Blue Marine Foundation, United World Schools, West Sussex Mind and Dallaglio RugbyWorks.
- Grants approved aggregated £1,514,205 and grants paid aggregated £446,159.
- Our first Planet themed grants were approved – two multi-year grants aggregating £1,000,000 over five years to co-fund the Solent Seascape Project, the largest Seascape project undertaken in Europe.
- Unpaid grant commitments aggregated £1,238,048 as at 31st December 2023 reflecting our multi-year funding approach.
- The value of the investment portfolio increased by £1,482,940 to £23,101,578 after payment of grants and expenses of £531,488 reflecting the high quality of the underlying assets and strong financial markets.
- Net Income amounted to £1,449,570 compared with a net loss of £259,505 in 2021/22 (prior to accounting for receipt of the donation of £21,955,025 in December 2021).

We have established a solid base since inception and have made a strong start to 2024. In the first quarter of 2024, three multi-year grants aggregating £545,000 were approved of which £185,000 was paid, and we have further exciting grant making opportunities which we are in the process of analysing.

I would like to thank my fellow trustees and Head of Philanthropy & Operations for their continued help, advice and hard work in driving East Head Impact forward, and my thanks also to our investment managers, bankers and auditors for their ongoing support.


Marc Boughton
Founder and Chair

26/7/2024
Date

Trustees Report

For the 12 month period to 31st December 2023

The Trustees present East Head Impact's Annual Report and audited financial statements for the 12 month period to 31st December 2023. The Annual Report serves the purposes of both a Trustees Report and a Directors Report under company law. The Trustees confirm that the Annual Report and audited financial statements comply with the current statutory requirements, the requirements of East Head Impact's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1st January 2019).

1. Objects and activities

1.1 Foundation of East Head Impact

East Head Impact was founded by Marc Boughton for the purpose of establishing an independent, self-funded charitable foundation. It was incorporated as a company limited by guarantee on 8th October 2021, was entered onto the Register of Charities by the Charity Commission for England and Wales on 12th November 2021, and received a donation of approximately £22 million in December 2021 which it uses to award charitable grants for the public benefit. It awarded its first grant in March 2022.

Sound health, access to a good education and sustainable employment on a thriving planet are vital to everyone. East Head Impact therefore seeks to deliver a quantifiable impact in these areas consistent with United Nations' Sustainability Development Goals, namely:

- Health: *to ensure healthy lives and promote well-being for all.*
- Education: *to ensure inclusive and equitable quality education and promote lifelong learning opportunities for all; promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all; and reduce inequality within and among countries.*
- The Planet: *to take urgent action to combat climate change and its impact; conserve and sustainably use the oceans, seas and marine resources; and protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, control desertification, and halt and reverse land degradation and biodiversity loss.*

In order to deliver this impact, East Head Impact is driven by the data, supporting strong leaders in proven and impactful interventions that can be scaled, measured and provide superior returns. It seeks to provide the charities it supports with advice in addition to multi-year funding, and build networks and partnerships across the private, governmental and philanthropic sectors.

1.2 Objects

Pursuant to its Articles of Association:

- The objects of East Head Impact are such charitable purposes for the public benefit as the Trustees in their absolute discretion determine.
- Charitable purposes are those that are exclusively charitable under the laws of England and Wales.

East Head Impact pursues these objects by awarding grants that are in accordance with its grant making policy and strategy, and which are in furtherance of a charitable purpose that offers an identifiable benefit to a significant section of the public.

In pursuing these objects and undertaking its grant making activities, the Trustees give due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

1.3 Grant making policy and strategy

Policy

East Head Impact's policy is to award grants which fall into the following three themes:

- **Education:** East Head Impact seeks to advance education and employment, and provide relief to those in need by reason of youth, age, financial hardship, sex, race or other disadvantage. Specifically, it seeks to help people of all ages from disadvantaged backgrounds to overcome their challenges, obtain qualifications through further education and gain apprenticeships or sustained employment. It also seeks to advance racial equality and diversity in employment.
- **Health:** East Head Impact seeks to advance both physical and mental health, with a focus on specific programmes that have a measurable impact.
- **The Planet:** East Head Impact seeks to advance environmental protection and improvement, and advance wildlife, flora and fauna, with a focus on specific projects which have a measurable impact on biodiversity and the climate.

As part of its grant making decision processes, East Head Impact takes into account, inter alia, the extent to which the impact of its funding can be measured, the impact goals (or key performance indicators), the likelihood that those impact goals will be achieved, and the proposed monitoring and reporting of those impact goals.

Strategy

East Head Impact seeks to award grants in any given year across all its three grant making themes and to work with others to support its chosen charities. Accordingly, individual grants awarded to any one recipient in any one year will likely range between £50,000 to £200,000, with the option to award multi-year grants aggregating a higher figure.

East Head Impact uses its personal contacts and networks to identify grant making opportunities, and will co-fund with well-established charities, foundations and government agencies where appropriate. It is in the process of developing a brand and communications strategy which it anticipates will assist with identifying grant making opportunities.

In accordance with its Articles of Association and internal procedures, East Head Impact undertakes extensive due diligence prior to making a decision on whether to award a grant in order to establish, inter alia, the extent to which its funding will have an impact.

East Head Impact seeks to develop and build relationships with its grant recipients and combine expertise and capital in order to align interests and enhance scale and impact.

The amount of grants awarded by East head Impact each year is subject to a variety of factors including: (i) the impact of financial market movements and changes in asset valuations on its endowment and related income stream; and (ii) its ability to source grant making opportunities which fit with its grant making policy and impact objectives.

As a relatively new charitable foundation, East Head Impact will continue to develop and refine its grant making policy and strategy.

1.4 Impact measurement

Given the different nature and objectives of the activities of the charities and entities which East Head Impact seeks to support within its three grant making themes, the impact measurement undertaken by each such charity and entity may vary considerably and may not be comparable.

Further, East Head Impact's grant awards may fund specific programmes and projects within such charities or entities thereby broadening impact measurement and diversity.

Accordingly, East Head Impact measures its own impact on the basis of the impact of each individual grant recipient on a separate and not on a collective basis.

1.5 Funding

East Head Impact uses its endowment and related investment gains and income stream to pursue its objects and fund its grant making activities.

East Head Impact is not required to undertake external fundraising.

2. Grants approved, paid and committed

2.1 Grants approved and paid in 2023

In the 12 month period to 31st December 2023, East Head Impact:

- Approved the award of five grants aggregating £1,514,205 (compared to eight grants aggregating £583,250 in 2022).
- Paid out six grants aggregating £446,159 (compared to seven grants aggregating £413,250 in 2022).

The grants approved and paid in 2023 were as follows:

| <u>Recipient</u> | <u>Approved</u> | <u>Paid</u> |
|--|-------------------|-----------------|
| Blue Marine Foundation (Solent Seascape Project) | £856,407 | £169,001 |
| United World Schools | £357,520 | £119,920 |
| Dallaglio RugbyWorks | £154,428 | £75,700 |
| Chichester Harbour Conservancy (Solent Seascape Project) | £143,600 | £29,288 |
| West Sussex Mind | - | £50,000 |
| Premier Rugby Ltd | <u>£2,250</u> | <u>£2,250</u> |
| | <u>£1,514,205</u> | <u>£446,159</u> |

- The Blue Marine Foundation grant is a multi-year grant payable over a five-year period.
- The United World Schools grant is a multi-year grant payable over a three-year period.
- The Dallaglio RugbyWorks grant is a multi-year grant payable over a two-year period.
- The Chichester Harbour Conservancy grant is a multi-year grant payable over a five-year period.
- The West Sussex Mind grant represents the second instalment of a two-year grant approved in 2022.

The grants approved and paid related to:

| | <u>Approved</u> | | <u>Paid</u> | |
|---------------|-------------------|-------------|-----------------|-------------|
| • The Planet: | £1,000,007 | 66% | £198,289 | 45% |
| • Education: | £514,198 | 34% | £197,870 | 44% |
| • Health: | - | - | £50,000 | 11% |
| | <u>£1,514,205</u> | <u>100%</u> | <u>£446,159</u> | <u>100%</u> |

2.2 Grants approved and paid since inception

In the 1st Quarter 2024, three further multi-year grants aggregating £545,000 were approved of which £185,000 was paid.

The aggregate of the grants approved and paid between the first grant award in March 2022 and 31st March 2024 are as follows:

| | |
|--------------------|------------|
| • Number approved: | 16 |
| • Amount approved: | £2,642,455 |
| • Amount paid: | £1,044,409 |

2.3 Grant commitments

Grant commitments (approved and scheduled for payment) aggregate:

- As at 31st December 2023: £1,238,046
- As at 31st March 2024: £1,598,046

3. Review of 2023 grants

A review of the grants approved and paid in 2023 is set out below.

3.1 Planet themed grants

(i) Blue Marine Foundation (Solent Seascape Project)

Purpose of grant

The Trustees approved the award of a grant of £856,407 over a five-year period to the Blue Marine Foundation (Blue Marine) for the purpose of co-funding the £4,775,056 Solent Seascape Project (SSP). £169,001 of this grant award was paid to Blue Marine in 2023.

As stated below, the Trustees also approved the award of a grant of £143,600 over a five-year period to Chichester Harbour Conservancy (CHC) for the purpose of co-funding CHC's participation in the SSP. As a result, East Head Impact's co-funding of the SSP aggregates £1,000,007.

Overview of Blue Marine Foundation

Blue Marine is dedicated to protecting and restoring life in the ocean, which it considers to be critical if the world is to mitigate and adapt to climate change. It is a registered charity (1137209) founded in 2010 and has grown rapidly, acquiring an international reputation for its ambition, connections and ability to deliver environmental projects at pace.

Blue Marine's vision is a healthy ocean, abundant with life, that supports people and the climate. Its mission is to ensure the effective protection of at least 30% of the ocean by 2030 and the sustainable management of the whole ocean, and to support the livelihoods of coastal communities through the recovery of marine biodiversity.

Blue Marine acts as a catalyst to protect and restore life in the ocean. It works in partnership with small-scale fishers, local organisations and governments to deliver marine conservation and restoration solutions to the climate and biodiversity crisis.

It uses science, community engagement, media and legal campaigns, investigations, education initiatives and policy work to deliver conservation impact. It intervenes strategically but without geographic restriction, responding to the needs of the marine environment.

Blue Marine seeks to achieve its mission through four strategic pillars:

- Securing effective protection of the ocean.
- Tackling overfishing, overexploitation and other damaging activities.
- Supporting low-impact fishing and equitable use of the sea.
- Restoring vital ecosystems.

Blue Marine works in any area of the world where its interventions can deliver tangible and rapid results. It has secured commitments to protect over four million square kilometres of ocean, restored key habitats, established sustainable models of fishing and inspired thousands of children and adults through its films and educational programmes. Blue Marine currently operates in 24 countries around the world and is currently managing over 50 conservation projects located in, among other areas, the UK, the UK Overseas Territories, Namibia, the Maldives and the Mediterranean.

Blue Marine is innovative in the blue carbon field and is seeking to prove the value of blue carbon habitat restoration in the UK. It has also pioneered native oyster habitat restoration in the Solent, restoring oyster reefs and delivering over 100,000 oysters onto the reefs.

The Solent Seascape Project

The Solent strait covers an area of 522 square kilometres between mainland England and the Isle of Wight, and contains dynamic and estuarine habitats bursting with life.

The SSP is the first of its kind in the UK to initiate seascape recovery at scale. Its vision is to protect and restore at least 30% of the Solent's seascape, tipping the balance from a degraded state to a naturally expanding, connected and productive ecosystem. By restoring and connecting the Solent's seascape, the SSP is seeking to provide nature-based solutions to many of the issues affecting the seascape and the people who depend on it, as well as helping to fight the impacts of climate change. The SSP will pioneer and monitor the impact of large-scale blue carbon restoration and act as a test site for implementation and further development of blue carbon methodologies. It will quantify the carbon sequestration, nitrate removal and biodiversity enhancement capacity of seascape habitats and develop a stacked credit scheme for seascape recovery.

The five key aims of the SSP are to:

- Collaborate with local stakeholders and communities to develop and co-create a long-term seascape recovery plan that supports better management of existing Solent marine and coastal habitats.
- Actively restore eight hectares of saltmarsh, seven hectares of seagrass, four hectares of oysters, and 10 seabird nesting sites to increase habitat extent and catalyse recovery across the wider seascape, improving ecological connectivity.
- Assess ecosystem service benefits (carbon, biodiversity, nitrates), creating an evidence base of the wider benefits of seascape restoration.
- Develop key interventions and financial mechanisms to upscale the potential for seascape restoration in the longer term by working with government and regulators.
- Empower local communities and build capacity to ignite and improve understanding of seascape processes, catalyse behavioural change, and increase involvement in seascape recovery.

Blue Marine has nine partners in the SSP - the Royal Society for Protection of Birds, the Hampshire & Isle of Wight Wildlife Trust, CHC in partnership with its Chichester Harbour Protection and Recovery of Nature (CHaPRoN) operating arm, the University of Portsmouth, the Isle of Wight Estuaries Project, Coastal Partners, Project Seagrass, Natural England and the Environment Agency. In accordance with the project agreements, each partner has specific deliverables and responsibilities allocated to it.

Funding of Solent Seascape Project

The budgeted cost of the SSP of £4,775,056 is fully funded with grants of: (i) £3,571,429 from the Endangered Landscapes & Seascapes Programme (ELSP); (ii) £1,000,007 from East Head Impact (which is comprised of the £856,407 grant to Blue Marine and the £143,600 grant to CHC (ChaPRoN)); and £203,621 from two other funders.

In accordance with a project funding agreement, Blue Marine will allocate portions of East Head Impact's grant of £856,407 to each of the SSP partners to co-fund the budgeted costs of their specific deliverables and responsibilities over the five-year period (except for CHaPRoN's budgeted costs which are being co-funded by the separate £143,600 grant from East Head Impact). (East Head Impact's grant to CHaPRoN preceded its grant to Blue Marine.)

The SSP is one of 14 large-scale restoration projects funded by the ELSP. The ELSP is building a future in which landscapes and seascapes are enriched with biodiversity, establishing resilient, more self-sustaining ecosystems that benefit both nature and people. It is managed by the Cambridge Conservation Initiative, a collaboration between 10 leading biodiversity conservation organisations and the University of Cambridge, in partnership with Arcadia. Arcadia is a charitable foundation that works to protect nature, preserve cultural heritage and promote open access to

knowledge – since 2002, Arcadia has awarded more than US\$1 billion to organizations around the world.

Impact of Solent Seascape Project

The SSP outcomes over its five-year period include:

- Actively restoring eight hectares of saltmarsh, seven hectares of seagrass meadows, four hectares of oyster reefs and 10 nesting bird sites.
- Protect existing saltmarsh (1,263 hectares), seagrass meadows (650 hectares), oyster reefs (1,761 hectares) and seabird nesting habitat (supporting 12,000 breeding birds) from further degradation through better management measures.
- Test multi-habitat restoration techniques at three sites where habitats will be stored adjacent or within one another, and monitor the impact.
- Deliver a resilient seascape, capable of adapting to climate change impacts while also contributing to climate change mitigation through coastal protection and increased carbon sequestration.
- Quantify the carbon, nitrate, biodiversity and fisheries benefit of restoring these habitats, and explore the multiplier effect of improving condition through protection and restoration to increase the extent of these habitats.
- Contribute to the development of blue carbon methodologies in the UK and, through this, develop a scalable and sustainable model for investment in restoration.
- Establish a replicable model for seascape protection and restoration through securing effective accreditation, regulation and licensing arrangements.
- Build understanding of the socio-economic impact to key stakeholders from a restored landscape.
- Empower local communities and build capacity to ignite and improve understanding of seascape processes, catalyse behavioural change and increase involvement in seascape recovery.
- Provide an evidence base for governments to move towards large-scale, nature-based solutions for mitigating and adapting to climate change.

The SSP outcome targets for 2040 include:

- The SSP is a well-established, pioneering initiative that demonstrates the benefits of a seascape scale approach to ocean recovery.
- The SSP is a replicable, large-scale example of blue carbon ecosystem restoration, self-financed through the sale of carbon, nitrate and biodiversity credits.
- Habitats are recovering naturally due to improved water quality and habitat reconnection.
- Breeding birds have sustained good productivity and key species populations have increased.
- Restoration of saltmarsh and seagrass meadows facilitates further ecosystem recovery and creates greater resilience to coastal change impacts, and plays an important role in improving water quality, enhancing biodiversity and storing carbon through the ecosystem services they provide.

Activities in the first year of the SSP included: commissioning a 'Solent State of Nature Report' and a seascape-wide data mapping portal to inform a 'Seascape Recovery Plan'; commenced a scientific monitoring programme for the Solent; and restored a 0.25 hectare oyster reef in the River Hamble and a 0.34 hectare saltmarsh in West Itchenor. The SSP was also selected by Plan Vivo as one of seven international trial projects for the purpose of developing a methodology for the design of a novel 'high-integrity' biodiversity credit.

(ii) Chichester Harbour Conservancy (Solent Seascape Project)

Purpose of grant

The Trustees approved the award of a grant of £143,600 over a five-year period to CHC for the purpose of funding CHC's £569,582 participation in the SSP not funded by the Endangered Landscapes & Seascapes Programme. £29,288 of this grant award was paid to CHC in 2023.

Overview of Chichester Harbour Conservancy

CHC is a Statutory Harbour Authority which was created by the 1971 Chichester Harbour Conservancy Act for the purpose of protecting the interests of navigation and the conservation of nature in Chichester Harbour. Under the Act, CHC has various duties and powers covering the use of Chichester Harbour by pleasure craft and navigation and the conservation of nature, and gives CHC jurisdiction over the land and water within the Chichester Harbour. CHC is unique from the perspective that it is the only Statutory Harbour Authority in the UK with responsibility for a Natural Landscape (previously referred to as an Area of Outstanding Natural Beauty).

Chichester Harbour was designated an AONB in 1964 with the primary purpose of conserving and enhancing the natural beauty of its landscape and protecting its valuable wildlife, habitats, geology, heritage and scenic views. Chichester Harbour's other designations include a Special Area of Conservation given threats to its internationally important habitats and species, a Special Protection Area under the European Union's Biodiversity Birds Directive, and a Site of Special Scientific Interest (SSSI) given its fauna, flora and geological features. Chichester Harbour has an abundance of wildlife and plants which include birds, seals, fish, oysters, water voles, hedgehogs, orchids, sea kale and sea lavender.

Chichester Harbour has the seventh largest expanse of saltmarsh in the UK. Saltmarsh provides multiple ecosystem services benefits including carbon sequestration, nutrient removal, improved water quality, nursery habitats for fish, habitats for nesting birds and other biodiversity benefits. A Condition Review of Chichester Harbour by Natural England in 2021 downgraded the Harbour's SSSI status from 'Unfavourable Recovering' to 'Unfavourable Declining', in large part due to the continued loss of saltmarsh. Natural England concluded that Chichester Harbour had lost 58% of its saltmarsh between 1946 and 2016, and recommended that at least 552 hectares of saltmarsh be restored for SSSI designation purposes (and ideally up to 717 hectares in order to bring the saltmarsh up to 1946 levels) and potential sources of funding be identified.

CHC conducts its nature recovery activities in partnership with its Chichester Harbour Protection and Recovery of Nature (CHaPRoN) operating arm. CHaPRoN's key aims are to restore ecosystems to favourable condition, increase biodiversity, achieve greater resilience to climate change, sequester blue carbon and contribute to net zero, improve water quality, maximise nature friendly farming opportunities and connect people with nature. CHaPRoN's vision for Chichester Harbour in 2050 is to have created a harbour that functions naturally as a healthy and thriving ecosystem, maximising ecosystem services benefits and supporting nature recovery for generations to come. In seeking to achieve its aims, CHaPRoN works in collaboration with organisations such as the Environment Agency, Natural England, the RSPB, Coastal Partners and the Sussex Inshore Fisheries & Conservation Authority.

Impact of CHaPRoN's participation in Solent Seascape Project

In accordance with the partnership agreements, CHaPRoN's SSP deliverables and responsibilities within Chichester Harbour include leading the development and delivery of saltmarsh restoration measures, undertaking survey work to identify potential seagrass meadow restoration sites, bird monitoring, supporting oyster restoration and seagrass meadow restoration initiatives, and public education and engagement.

To that end, in 2023 CHaPRoN: (i) undertook a trial to restore an area of saltmarsh in West Itchenor using the 'Beneficial use of Dredged Sediment (BuDs) restoration method; (ii) appointed a Nature Recovery Officer to support habitat restoration projects and a Communications & Engagement Officer to handle publicity and engagement with stakeholders; (iii) commissioned a report to identify the condition of saltmarsh and opportunities for saltmarsh restoration in Chichester Harbour; and (iv) commissioned two feasibility studies to explore in detail options for saltmarsh restoration at two sites in the Harbour. Surveys to identify suitable sites for the protection and active restoration of seagrass meadows will be undertaken during the course of 2024.

In February 2023, the BuDs restoration saltmarsh trial at West Itchenor involved the placing of 1,300 cubic metres of sediment dredged from a marina in Chichester Harbour onto a 0.34-hectare area of deteriorated saltmarsh using a combination of barges, pontoons, a winch system, an

innovative 'drag box' and a GPS guidance system. The saltmarsh is now being monitored to measure the stability of the recharge sediment and its ecological development, including the extent of colonisation of saltmarsh plant species. The trial demonstrated that the BuDs restoration method and systems used are technically viable, and the results will be used to inform future saltmarsh restoration projects.

In August 2023, the then Secretary of State for Environment, Food and Rural Affairs visited the restored West Itchenor saltmarsh and commented "The Saltmarsh Restoration Trial in Chichester Harbour is an innovative and exciting approach to nature recovery. Saltmarsh is declining at an alarming rate; it has been inspiring to see this ground-breaking initiative to restore a habitat which is so important in storing carbon and mitigating climate change".

3.2 Education themed grants

(iii) United World Schools

Purpose of grant

The Trustees approved the award of grant of £357,520 over a three-year period to United World Schools for the purpose of supporting UWS with the next stage of its expansion into Madagascar by funding: (i) the operating costs of a training programme for teachers who will work in 25 UWS schools located in the southwest of Madagascar; (ii) the operating costs of four UWS schools located in the same region which were built and opened in 2022/23; and (iii) the capital costs of furniture, handwashing facilities and playgrounds for the four schools. £119,920 of this grant award was paid to UWS in 2023.

This 2023 grant follows-on from East Head Impact's award of a single year grant of £81,000 to UWS in 2022 for the purpose of funding the construction of two schools in Nepal and their operating costs for a two-year period.

Overview of United World Schools

UWS is a registered charity (1187721) with a vision of Zero Education Poverty – a world where every child can reach their full potential through education. UWS builds and runs primary schools for children, who have been marginalised from quality education, living in remote areas of Nepal, Cambodia, Madagascar and Myanmar. It provides children with quality and inclusive education by working in partnership with local communities and runs training programmes for the teachers who work in its schools. UWS works with communities to build primary schools and train community members as teachers, providing a low cost and sustainable way to improve, through education, life opportunities for children in some of the world's most remote and marginalised communities.

Since its foundation in 2008, UWS has established 311 schools, 68 of which have transitioned to the state education system, and provided an education to over 63,800 children. Currently, 24,120 primary school children are enrolled in 243 UWS schools who are taught by 1,330 teachers trained by UWS. UWS' goal is to reach 250,000 primary school children with a life changing education in the next 10 years.

Impact of the 2023 Madagascar grant

UWS successfully expanded into Madagascar in September 2021 and has since built and runs 11 primary schools in the southwest region, with 2,170 children enrolled and 66 new teachers trained. The plan for the next stage of its expansion is to increase the number of schools in the region to 25, and UWS has set a 10-year goal to build and run 200 primary schools, employ and train 500 teachers and enrol 80,000 children in Madagascar. In order to achieve these goals, UWS's strategy to deal with a severe shortage of teachers in the country is to build and run eight regional Administration, Resource and Training Centres (ATRs) where UWS will train its teachers. The construction of the first of these ATRs in Andavadoaka was recently completed and will be used as a 'local hub' to train teachers in UWS' 25 schools in the southwest region. The first training session in the Andavadoaka ATR took place in August 2023 and involved 140 teachers.

The teacher training programme funded by East Head Impact over the three-year period will take place in the Andavadoaka ATR and involve four training courses of 1-2 weeks each year for 200 UWS teachers (eight per school) in this 25-school local hub, and four training courses each year for each of the 250 members of the School Support Committees (10 per school). The teacher training programme will be undertaken by a team of 11 UWS staff - an Education Specialist who will oversee the quality of education delivery and teacher training, two Education Managers who will be responsible for delivering the teacher training programme and eight School Mobilisers who will assess UWS' schools and teacher performance and offer bespoke training in the classroom.

The four schools funded by East Head Impact over the three-year period are:

- The Ankindranoke school: The school opened in September 2022 and 331 children (179 girls and 152 boys) are currently enrolled who are taught by nine teachers trained and employed by UWS. The literacy rate among adults in Ankindranoke is 50%, where 56% of the 270 primary school aged children were not in education prior to the opening of the school.
- The Ambatomilo school: The school opened in February 2023 and 273 children (143 boys and 130 girls) are currently enrolled who are taught by seven teachers trained and employed by UWS. The literacy rate among adults in Ambatomilo is 50%, where 49% of the 266 primary school aged children were not in education prior to the opening of the school.
- The Bevohitse school: The school opened in February 2023 and 348 children (179 girls and 169 boys) are currently enrolled who are taught by seven teachers trained and employed by UWS. The literacy rate among adults in Bevohitse is 50%, where 41% of the 269 primary school aged children were not in education prior to the opening of the school.
- The Tampolove school: The school opened in February 2023 and 205 children (105 boys and 100 girls) are currently enrolled who are taught by five teachers trained and employed by UWS. The literacy rate among adults in Tampolove is 50%, where 47% of the 321 primary school aged children were not in education prior to the opening of the school.

Impact of the 2022 Nepal grant

East Head Impact's 2022 grant to UWS funded the construction of the Tembe village school in eastern Nepal and the Pipaldhara village school in central Nepal together with their operating costs for two years.

Construction of the Tembe village school was completed in January 2023. It is comprised of 11 classrooms, a library and washrooms, and 73 primary school children are currently enrolled who are taught by six teachers trained and employed by UWS. Literacy rates among adults in the village is 30% and 70% of the 275 primary school aged children were not in education prior to the opening of the school.

Construction of the Pipaldhara village school was completed in April 2024. It is comprised of five classrooms and washrooms, and 119 primary school children are currently enrolled who are taught by nine teachers trained and employed by UWS. Literacy rates among adults in the village is below 40% and 85% of the 159 primary school aged children in the village were not in education prior to the opening of the school.

(iv) Dallaglio RugbyWorks

Purpose of grant

The Trustees approved the award of a grant of £154,428 over a two-year period to Dallaglio RugbyWorks (DRW) for the purpose of co-funding DRW's Enhanced Employment Programme (EEP). £75,700 of this grant award was paid to DRW in 2023.

This 2023 grant follows on from East Head Impact's award of a single year grant of £50,000 to DRW in 2022 for the purpose of co-funding the development of 'Player Profiles', DRW's digital app.

Overview of Dallaglio RugbyWorks

DRW is a registered charity (1130353) which, through its three-year RugbyWorks programme involving inter-actions in the classroom, on the rugby field and through Player Profiles, seeks to get

disadvantaged young people between the ages of 12-18 who are disengaged from learning into sustained education, employment or training (EET). DRW's purpose is to help young people change their lives and its mission is to ensure that those who have been excluded from school are not excluded from society, and to help support them in realising their full potential for the future. Its approach to achieve this mission is to use rugby as an engagement tool to develop their life skills, raise their aspirations, improve their physical wellbeing and focus on their mental health wellbeing.

DRW's delivery involves: in Term Time, working in Alternative Provision, Pupil Referral Units and Exclusion Units to build relationships and trust with young people; in the evening, delivering programmes in local youth clubs, rugby clubs and street facilities to reach young people outside the school programme; during the holiday, delivering a programme to feed young people and keep them active outside of the Term Time which is open to all DRW attendees and all young people in the local area who are on free school meals; career taster days hosted by employers which are designed to give young people the chance to experience and be informed about a variety of employment opportunities; and Player Profiles which helps young people to set their goals, manage their progress, access employment options and stay in touch with DRW.

In 2022/23, 2,127 young people participated in DRW's programmes, 87% of its young people were in EET aged 18, 83% showed increased mental resilience, 90% felt an improved sense of self-belief and self-management, 83% felt they had improved problem solving skills, 86% felt they had improved communication skills and 93% showed an improvement in teamwork skills.

Impact of the 2023 Enhanced Employment Programme grant

The majority of East Head Impact's grant is funding additional staff recruited to deliver the EEP.

The objective of the EEP is to develop the employment skills of DRW's young people and get them work ready. The EEP involves: career taster days; employment skills training with employers; developing skills relating to interviews, CV and application writing, public speaking, digital applications, critical thinking and problem solving; and guidance on workplace behaviour. DRW is also developing a 'passport system' which will allow its young people to collect certification stamps that will demonstrate their understanding of workplace-ready skills which DRW's employer network will recognise as being akin to meeting entry-level requirements. Every DRW young person will participate in four career taster days each year with an employer which will enable them to understand the work environment and help them gain an awareness of accessible employment opportunities. The EEP will also help young people to identify and apply for employment opportunities through DRW's employer and recruitment relationships. The EEP is delivered as part of DRW's core RugbyWorks programme which develops teamwork skills, collaboration and leadership.

DRW's research shows that a young person who has four or more meaningful encounters with an employer is 86% less likely to be in NEET (Not in Education, Employment or Training), and can earn up to 22% more in their career – the EEP will result in a substantial increase in such meaningful encounters with employers by DRW's young people.

In 2022/23 (prior to East Head Impact's grant to co-fund the EEP), 98% of DRW's young people who participated in a career taster day felt they understood the work of the employer host, 81% found the day useful and productive, and 95% enjoyed the day, and by the end of 2022/23 over 80% of all participants agreed that their understanding of career options and opportunities available to them had improved as a result of the career taster days.

Impact of the 2022 Player Profiles grant

Player Profiles aims to fill an 'aspiration gap' by allowing its young people to assess, understand and address their skillset and skill gaps, and identify their goals and plan their progression against those goals. Player Profiles is intended to enhance DRW's face-to-face delivery and not replace it, and to extend learning beyond the school day by providing opportunities to achieve valuable life skills and workplace skills through a series of app-based features including videos, games, challenges and support from peers and mentors.

(v) Premiership Rugby's HITZ programme

Purpose of grant

The Trustees approved the award of a grant of £2,250 to Premier Rugby Ltd (PRL) for the purpose of funding bursaries provided to learners participating in the HITZ programme who had been nominated by their Premiership Rugby clubs for a 2023 'HITZ Achievement Award'.

This 2023 grant follows on from East Head Impact's award of a single year grant of £52,250 to PRL in 2022 for the purpose of co-funding the HITZ programme.

Overview of HITZ programme

HITZ is Premiership Rugby's flagship education and employability programme organised by PRL and the Premiership Rugby Clubs and Foundations. HITZ uses rugby's core values of teamwork, respect, enjoyment, discipline and sportsmanship to get young people not in education, employment or training back into education, training, apprenticeships and/or employment (EET). Over 23,000 14-24 year olds have been enrolled in HITZ since its inception in 2008.

Impact of HITZ programme

In 2021/22, 89% of the 213 learners enrolled on the 'HITZ Learning Academy' programme who were predominantly not in EET progressed into EET. In addition, 2,165 learners who were at risk of becoming not in EET were enrolled on the 'HITZ on Track' programme.

3.3 Health themed grants

(vi) West Sussex Mind

Purpose of grant

In 2022, the Trustees approved the award of a grant of £100,000 over a two-year period to West Sussex Mind (WSM) for the purpose of funding a new mental health programme designed to train 'peer volunteers' to use their own lived experience of mental health to help others. The first instalment of £50,000 of the grant award was paid in 2022 and the second instalment of £50,000 was paid in 2023.

In 2024, the Trustees approved a £50,000 increase in the grant to £150,000 for the purpose of funding a third year of the peer volunteer training programme (which will be paid towards the end of 2024).

Overview of WSM

WSM was founded in 1970 and is a registered charity (1155918) which supports people in West Sussex with their mental health, provides specialist mental health training, and campaigns to improve mental health services and promote an understanding of mental health issues. It is affiliated with Mind, the national mental health charity.

WSM's objectives are: (i) to promote the preservation of good mental health, in particular around enabling and empowering everyone experiencing mental health problems to live with, manage and recover from their condition; and (ii) to relieve the needs of people with mental health problems by working to increase an understanding of mental health and mental health problems by gathering and disseminating information and working to raise awareness, promote understanding and challenge stigma and discrimination. To achieve these objectives, WSM offers a variety of services including the delivery of individual and group mental health and social support in person, by telephone or video calls to children, young people, families, adults and the elderly. WSM's mental health services can also be accessed using its website and through courses and videos, and it works proactively and in partnership with many other health, social care and community organisations to deliver its support.

In 2022/23, 45,139 individuals reached out to WSM, 6,230 individuals were provided directly with mental health support, and 24,959 individual and group mental health support interventions were delivered. WSM also provided mental health training to 12,449 individuals.

Impact of grant

WSM's peer volunteer training programme involves the training of 'peer volunteers' to use their own experience of mental health to help others. The grant is funding the delivery of the training programme which creates opportunities for peer volunteers to help WSM deliver its services and develops a supportive pathway that will help peer volunteers take the next steps into either employment, external volunteering or further education. The programme aims to train over 60 peer volunteers who will support over 700 WSM service users over a three-year period.

In the first year of the training programme, 21 peer volunteers were trained who supported 178 WSM service users.

4. Financial review

4.1 Total return investment approach and objectives

As a result of its endowment, East Head Impact has a portfolio of investments and cash which it uses to fund its charitable activities. The performance of this portfolio over the long term is therefore a key component of the long-term sustainability of East Head Impact and its ability to make a charitable impact through its grant making.

The performance of the portfolio will vary year-on-year and will be affected by numerous factors including changes in global investment market volatility and returns (both yield and capital returns), investment strategy and short-to-long term investment return horizons for individual portfolio assets, foreign exchange movements and liquidity. In light of these factors and given its power to spend both income and capital, East Head Impact takes a total return approach by seeking to generate both income and capital growth and taking into account both realised and unrealised short-to-long term income, and capital and foreign exchange gains and losses when assessing, inter alia, the performance of its portfolio and the appropriate level of grant making.

Given this approach, East Head Impact's objective is to pursue a long-term strategy of maximising sustainable charitable expenditure while maintaining the real value of its investment portfolio in perpetuity after expenditure. East Head Impact seeks to spend 4% of its investment portfolio in grant making each year over the long term while generating a 4% real return on its investment portfolio over a rolling 10-year period.

4.2 Investment portfolio asset allocation and diversification

In seeking to achieve a real return on its investment portfolio, East Head Impact invests in a range of assets including private assets and top tier alternative investment funds, publicly traded equity and debt securities, and term deposits. The strategy is to invest over 50% of the portfolio in alternative investments providing high growth returns over the longer term, with the remainder invested in a diversified portfolio of publicly traded and liquid, lower return investments and term deposits.

The portfolio is managed to ensure an appropriate level of liquidity and an exposure to foreign currency denominated assets which reflects an appropriate balance between risk and reward.

East Head Impact has invested in a private investment fund which backs climate tech entrepreneurs, and it takes into account Environmental, Social and Governance issues in the management of its investment portfolio.

4.2 Investment portfolio and performance

The value (in sterling terms) of the investment portfolio as at 31st December 2023 was £23,101,578

which represents a £1,482,940 (7%) increase in the value of the portfolio of £21,618,638 as at 31st December 2022 after payment of the 2023 grants and expenses of £531,488.

As at 31st December 2023, the portfolio was invested as to £6,552,541 in alternative investments, £9,150,395 in a publicly traded investment fund, £998,440 in corporate bonds and £6,400,202 in short-to-medium term deposits and cash. The alternative investments are primarily private equity and credit related, and the publicly traded investment fund is invested primarily in equity and fixed income securities.

In 2023, the investment portfolio generated interest income of £488,412 (£208,679 in 2021/22), investment income of £857,419 (£40,523 in 2021/22) and investment gains of £871,182 (investment loss of £173,033 in 2021/22). The increase in interest income reflects additional interest generated from the corporate bond portfolio and the increase in investment income reflects a higher level of distributions from alternative investments, and the swing from an investment loss to an investment gain was driven primarily by an increase in the market value of the holding in the publicly traded investment fund.

In 2023, alternative investments, deposits and cash denominated in United States Dollars and Euros generated a foreign exchange loss of £259,743 (foreign exchange gain of £403,445 in 2021/22) due to changes in the value of the Pound relative to the United States Dollar and Euro. (£235,955 of the foreign exchange loss of £259,743 in 2023 related to cash and deposits, and £23,788 to investments.)

Uncalled capital commitments relating to East Head Impact's alternative investments aggregated £2,448,383 in sterling terms as at 31st December 2023 (£2,192,267 as at 31st December 2022).

4.4 Financial performance

Net income in 2023 amounted to £1,449,570 compared with a net loss of £259,505 in 2021/22 (excluding the donation of £21,955,025) and breaks down as follows:

| | <u>2023</u> | <u>2021/22</u> |
|--|-------------------|-------------------|
| Income | | |
| Interest income | £488,412 | £208,679 |
| Investment income | <u>£857,419</u> | <u>£40,523</u> |
| | <u>£1,345,831</u> | <u>£249,202</u> |
| Expenses | | |
| Grants paid | £446,159 | £413,250 |
| Expenses | £85,329 | £125,563 |
| Foreign exchange bank revaluations | <u>£235,955</u> | <u>(£203,139)</u> |
| | <u>£767,443</u> | <u>£335,674</u> |
| Net gains/(losses) | | |
| Net gains/(losses) on investments | <u>£871,182</u> | <u>(£173,033)</u> |
| Net Income/(Loss) excluding donations | <u>£1,449,570</u> | <u>(£259,505)</u> |

Net income in 2021/22 aggregated £21,695,520 after accounting for the donation of £21,955,025.

Reasons for the changes in income in 2023 are stated above.

Expenses in 2021/22 included non-recurring legal fees of £49,579 incurred in relation to the foundation of East Head Impact.

Of the expenses of £85,329 in 2023, £59,455 (70%) represent investment management fees and expenses (£54,908 in 2021/22).

As at 31st December 2023, approved but unpaid grant commitments aggregated £1,238,046 (£170,000 as at 31st December 2022). The increase in grant commitments reflects, inter alia, the strategy to support partners with multi-year grants.

4.5 Reserves policy

East Head Impact funds its charitable activities using its endowment and the income stream derived from it, it has a low and narrow cost base relative to its endowment, and the level of its grant making is, inter alia, at the discretion of the Trustees on an ongoing basis.

It is the intention of the Trustees to hold cash and liquid investments sufficient to cover uncalled capital commitments on investments, approved but unpaid grants, and budgeted grant making and operating costs on a rolling 12-month basis.

4.6 Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that East Head Impact has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies section of the financial statements.

4.7 Financial risk management

The Trustees have assessed the major risks to which East Head Impact is exposed, in particular those relating to its operations and finances, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

5. Structure, governance and management

5.1 Structure

East Head Impact is a company limited by guarantee (13669631) and a registered charity (1196559), its governing document is its Articles of Association, and its governing body is the Board of Trustees.

5.2 Appointment of Trustees

Three trustees were appointed upon the formation of East Head Impact, namely Marc Boughton (Founder and Chair), Matthew Woods and Jonathan Sykes.

In accordance with the Articles of Association, the Founder of East Head Impact was appointed a Trustee for an indefinite period of time, and Matthew Woods and Jonathan Sykes were appointed for an initial term of four years. Retiring Trustees may be reappointed, and the minimum required number of Trustees is two.

The appointment of any new trustees will take into account their charitable experience and ability to assist East Head Impact achieve its charitable objectives, and will involve in depth discussions with the Founder and the other Trustees on East Head Impact's objectives and strategy.

5.3 Trustee powers

East Head Impact's Articles of Association set out the powers and duties of the Trustees pursuant to which they control and manage East Head Impact and its assets. No committees have been established.

5.4 Delegation of Trustee duties and management

The Trustees have delegated certain duties to the Chair and the Head of Philanthropy & Operations

in order to carry out the day-to-day management of East Head Impact (who report to the Board of Trustees in the performance of such duties). These delegated duties include:

- To the Chair – to formulate the investment strategy and manage the investment portfolio.
- To the Head of Philanthropy & Operations – to work with the Trustees on grant making policy and the identification of grant making opportunities; structure grants, carry out due diligence, prepare written proposals and recommendations, and monitor grants and charity portfolio performance; liaise with investment and fund managers and report on investment portfolio performance; monitor bank accounts and liquidity; maintain financial and administration records; prepare budgets and reports on operations, income, expenditure, assets and liabilities (including the preparation of financial statements); arrange Trustee meetings, prepare agendas and board documents and take minutes of meetings; liaise with the auditors and legal advisors; and generally manage day-to-day operations.

The duties of the Head of Philanthropy & Operations are carried out pursuant to a management services agreement. The role is performed as a volunteer and is unpaid.

East Head Impact has no employees and no other volunteers.

Pursuant to an investment management mandate, the Trustees have delegated certain duties to J.P Morgan to manage a portion of East Head Impact's investment portfolio under the direction of the Chair.

East Head Impact has corporate governance procedures in place which have been approved by the Trustees.

5.5 Trustee and management experience

The Trustees have a broad range of experience:

- Marc Boughton was a fund manager with an international alternative asset management firm for over 25 years. He qualified as a Chartered Accountant with PwC prior to spending five years as an investment manager with Electra Partners, a private equity fund manager. In 1995, he joined CVC Capital Partners, a leading global alternative investment manager focussed on private equity, secondaries and credit before retiring as a Managing Partner in September 2022. While at CVC, he founded and was Chair of the CVC Foundation, CVC's global philanthropy programme which uses CVC resources and employee donations to make a measurable impact on the lives of disadvantaged children and young people in the communities in which CVC operates.
- Jonathan Sykes provides advice to businesses on their growth plans, either in the capacity of an executive or a non-executive director. He was Executive Chair of Carbon Intelligence, a leading consulting and technology firm committed to helping businesses transform for a net-zero world, and led the successful sale of the firm to Accenture. Prior to joining Carbon Intelligence, he built and grew three global digital and media businesses, and was Managing Director at Sky Sports. He is a qualified barrister and holds a law degree from Inns of Court School of Law.
- Matthew Woods trained with Withers, a leading City law firm, where he qualified as a private client lawyer in 2001. He specialises in advising families on succession and governance issues with a focus on family-owned businesses (whether investment or trading) and rural estates, whether farming or with a diverse asset base, and philanthropy is an important part of many of those succession plans. He has sat on the management board of Withers for the last five years and during that period the importance of philanthropy and Environmental, Social and Corporate Governance issues has grown as well as pro bono work.

The Head of Philanthropy & Operations qualified as a Chartered Accountant with Ernst & Young prior to spending over 25 years as a mergers & acquisitions advisory banker with Rothschild & Co, a leading global financial services group involved in financial advisory, wealth and asset management and merchant banking.

5.6 Related party transactions

The Trustees receive no remuneration in the performance of their duties.

Related party transactions are stated in note 21 to the financial statements.

6. Future Plans

East Head Impact's future plans include:

- Developing a brand and communications strategy to enhance the delivery of its charitable activities.
- Developing a strategy to work with experts to enhance the delivery of its charitable objectives.

East Head Impact assesses the impact achieved by its grant recipients on an ongoing basis and, based on that impact, makes appropriate decisions on future grant awards and changes to its grant making policy, strategy and procedures as the Trustees deem appropriate.

7. Principal risks and uncertainties

The principal risks and uncertainties faced by East Head Impact are:

- Identifying suitable grant making opportunities: This uncertainty is mitigated by the extent of the collective personal contacts and networks of the Trustees. Further, and as a recently established charity, East Head Impact will continue to explore and develop the way in which it operates – this may include: (i) building a brand and communications strategy designed, inter alia, to enhance the identification of grant making opportunities (including co-funding opportunities alongside other charitable foundations); and (ii) taking on additional resources with expertise in the charitable areas in which East Head Impact seeks to make an impact.
- A fall in the value of its investment portfolio and related income stream as a result of negative factors affecting the financial markets and asset values, and thus lower resources available to fund East Head Impact's charitable activities. This risk is mitigated by: (i) the investment experience of the Board of Trustees; (ii) investing in top tier assets; and (iii) the appointment of J.P. Morgan, a top tier investment and asset manager, to manage a portion of East Head Impact's investment portfolio.

8. Statement of Trustees' responsibilities

8.1 Responsibilities

The Trustees of East Head Impact, who are also its directors for the purposes of company law, are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial period. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of East Head Impact and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102).
- Make judgments and accounting estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards (FRS 102) 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 East Head Impact will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain East Head Impact's transactions and disclose with reasonable accuracy at any time the financial position of East Head Impact and enable them to ensure that the financial statements

comply with the Companies Act 2006. They are also responsible for safeguarding the assets of East Head Impact and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

8.2 Disclosure of information to auditors

Each of the persons who were Trustees at the time when this Trustees Report was approved has confirmed that:

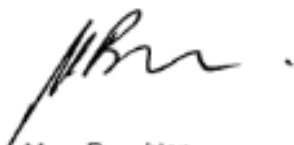
- So far as that Trustee is aware, there is no relevant audit information of which East Head Impact's auditors are unaware.
- That Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that East Head Impact's auditors are aware of that information.

8.3 Auditors

The auditors, Kreston Reeves LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

9. Trustees' approval and authorisation

This report was approved by East Head Impact's Trustees on 23rd July 2024 and the Chair was authorised to sign the report on behalf of the Board of Trustees.



Marc Boughton
Founder and Chair

26/7/2024

Date

East Head Impact
(A company limited by guarantee)

Independent auditors' report to the Members of East Head Impact

Opinion

We have audited the financial statements of East Head Impact (the 'charity') for the year ended 31 December 2023 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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 charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure 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 Companies Act 2006.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charitable company'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.

East Head Impact
(A company limited by guarantee)

Independent auditors' report to the Members of East Head Impact (continued)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company 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 Companies Act 2006 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 received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

East Head Impact

(A company limited by guarantee)

Independent auditors' report to the Members of East Head Impact (continued)

Auditors' responsibilities for the audit of the financial statements

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 Auditors' 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 procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the charity and sector, and through discussion with the trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to anti-bribery and anti-money laundering laws. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities SORP (FRS 102) Second Edition (released October 2019), the Companies Act 2006 and other relevant charity legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated Trustee's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks related to posting inappropriate journal entries and management bias in accounting estimates and judgemental areas of the financial statements such as the valuation of investments. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management; and
- Assessment of identified fraud risk factors; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance and reviewing correspondence with relevant tax and regulatory authorities; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation; and
- Agreeing investment movements and valuations to third party reports, and evaluating the competence of the experts providing those reports.

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 or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or

East Head Impact

(A company limited by guarantee)

Independent auditors' report to the Members of East Head Impact (continued)

error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Kreston Reeves LLP

Chartered Accountants
Statutory Auditor

Chichester

Date: 1 August 2024

East Head Impact
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 December 2023

| | Note | Endowment funds 2023 £ | Unrestricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|--|------|---------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Income and endowments from: | | | | | |
| Donations and legacies | 4 | - | - | - | 21,955,025 |
| Investments | 5 | - | 1,345,831 | 1,345,831 | 249,202 |
| Total income and endowments | | - | 1,345,831 | 1,345,831 | 22,204,227 |
| Expenditure on: | | | | | |
| Charitable activities: | 6,7 | | | | |
| Grants to institutions | | - | 446,159 | 446,159 | 413,250 |
| Other charitable activities | | 59,455 | 261,829 | 321,284 | (77,576) |
| Total expenditure | | 59,455 | 707,988 | 767,443 | 335,674 |
| Net (expenditure)/income before net gains/(losses) on investments | | (59,455) | 637,843 | 578,388 | 21,868,553 |
| Net gains/(losses) on investments | | 871,182 | - | 871,182 | (173,033) |
| Net movement in funds | | 811,727 | 637,843 | 1,449,570 | 21,695,520 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 21,695,520 | - | 21,695,520 | - |
| Net movement in funds | | 811,727 | 637,843 | 1,449,570 | 21,695,520 |
| Total funds carried forward | | 22,507,247 | 637,843 | 23,145,090 | 21,695,520 |

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 29 to 39 form part of these financial statements.

East Head Impact
(A company limited by guarantee)
Registered number: 13669631

Balance sheet
As at 31 December 2023

| | Note | 2023 £ | 2022 £ |
|--|------|-------------------|-------------------|
| Fixed assets | | | |
| Investments | 11 | 16,701,376 | 14,862,429 |
| | | <u>16,701,376</u> | <u>14,862,429</u> |
| Current assets | | | |
| Debtors | 12 | 53,277 | 86,182 |
| Cash at bank and in hand | | 6,400,202 | 6,756,209 |
| | | <u>6,453,479</u> | <u>6,842,391</u> |
| Creditors: amounts falling due within one year | 13 | (9,765) | (9,300) |
| | | <u>6,443,714</u> | <u>6,833,091</u> |
| Net current assets | | 6,443,714 | 6,833,091 |
| Total assets less current liabilities | | 23,145,090 | 21,695,520 |
| Total net assets | | 23,145,090 | 21,695,520 |
| Charity funds | | | |
| Endowment funds | 14 | 22,507,247 | 21,695,520 |
| Unrestricted funds | 14 | 637,843 | - |
| Total funds | | 23,145,090 | 21,695,520 |

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Marc Boughton
 Founder and Chair
 Date: 26/7/2024

The notes on pages 29 to 39 form part of these financial statements.

East Head Impact
(A company limited by guarantee)

Statement of cash flows
For the year ended 31 December 2023

| | 2023 | 2022 |
|--|--------------------|---------------------|
| | £ | £ |
| Cash flows from operating activities | | |
| Net cash used in operating activities | (734,073) | 21,542,469 |
| | <hr/> | <hr/> |
| Cash flows from investing activities | | |
| Dividends and interest from investments | 1,345,831 | 249,202 |
| Proceeds from sale of investments | 850,886 | 211,702 |
| Purchase of investments | (1,883,645) | (15,293,270) |
| Deductions from capital (investment accounts) | 64,994 | 46,106 |
| | <hr/> | <hr/> |
| Net cash provided by/(used in) investing activities | 378,066 | (14,786,260) |
| | <hr/> | <hr/> |
| Change in cash and cash equivalents in the year | (356,007) | 6,756,209 |
| Cash and cash equivalents at the beginning of the year | 6,756,209 | - |
| | <hr/> | <hr/> |
| Cash and cash equivalents at the end of the year | 6,400,202 | 6,756,209 |
| | <hr/> <hr/> | <hr/> <hr/> |

The notes on pages 29 to 39 form part of these financial statements

East Head Impact
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2023

1. General information

The charity is a private limited company limited by guarantee incorporated in England and Wales. The members of the company and the trustees are named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The registered office of the charity is:

9 Donnington Park, 85 Birdham Road, Chichester, West Sussex, England, PO20 7AJ.

The principal place of business is:

10 St Leonards Terrace, London, United Kingdom, SW3 4QB.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

East Head Impact meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The financial statements have been prepared on a going concern basis. The Trustees have assessed the financial position of the charity and based on the net asset position and the discretion the charity has over its level of activity and expenditure they have concluded that the charity can continue to operate for at least 12 months beyond the signing date of these financial statements.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

East Head Impact
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2023

2. Accounting policies (continued)

2.4 Expenditure (continued)

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of financial activities.

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

2.8 Debtors

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

2.9 Cash at bank and in hand

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

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

East Head Impact
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2023

2. Accounting policies (continued)

2.11 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Endowment funds comprise capital donated to the charity, together with accumulated realised and unrealised investment gains or losses. The Trustees have the power to expend the endowment funds. Investment management charges and other professional fees relating directly to the fund are charged against the fund. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included in unrestricted income.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity holds certain investments for which open market valuations are not available. The valuations for these investments are provided by expert investment managers. See note 11 for the year-end valuation of investments held by the Charity.

4. Income from donations and legacies

| | Endowment funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|------------|---|---------------------------------------|---------------------------------------|
| Donations | - | - | 21,955,025 |
| Total 2022 | 21,955,025 | 21,955,025 | |

East Head Impact
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2023

5. Investment and interest income

| | Unrestricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|--------------------------------|--|---------------------------------------|-----------------------------|
| Investment and interest income | 1,345,831 | 1,345,831 | 249,202 |
| Total 2022 | 249,202 | 249,202 | |

6. Analysis of grants

| | Grants to Institutions 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|------------|--|---------------------------------------|-----------------------------|
| Grants | 446,159 | 446,159 | 413,250 |
| Total 2022 | 413,250 | 413,250 | |

The Charity awards grants under three key themes; Education, Health and the Planet. Grants in the current year were £50,000 under the Health theme, £197,870 under the Education theme and £198,289 under the Planet theme.

Grants paid to institutions totalled £446,159, and were made up of the following individual grants:

| Recipient | Grant amount (£) | |
|---|-------------------------|----------------|
| | 2023 | 2022 |
| United World Schools | 119,920 | 81,000 |
| Premiership Rugby's HITZ programme | 2,250 | 52,250 |
| Dallaglio RugbyWorks | 75,700 | 50,000 |
| West Sussex Mind | 50,000 | 50,000 |
| Chichester Harbour Conservancy | 29,288 | |
| Blue Marine Foundation | 169,001 | |
| Old Coulsdon Centre | | 30,000 |
| Impetus - The Private Equity Foundation | | 50,000 |
| Podium Analytics | | 100,000 |
| Total | 446,159 | 413,250 |

East Head Impact
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2023

7. Analysis of expenditure on charitable activities

Summary by fund type

| | Endowment funds 2023 £ | Unrestricted funds 2023 £ | Total 2023 £ | Total 2022 £ |
|--------------------------|---|--|-----------------------------|-----------------------------|
| Grant funding activities | 59,455 | 707,988 | 767,443 | 335,674 |
| Total 2022 | 54,908 | 280,766 | 335,674 | |

8. Analysis of expenditure by activities

| | Grant funding activities 2023 £ | Support costs 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|--------------------------|--|---|---------------------------------------|---------------------------------------|
| Grant funding activities | 446,159 | 321,284 | 767,443 | 335,674 |
| Total 2022 | 413,250 | (77,576) | 335,674 | |

East Head Impact
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2023

8. Analysis of expenditure by activities (continued)

Analysis of support costs

| | Grant funding activities 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|--|--|---------------------------------------|---------------------------------------|
| Advertising and marketing | - | - | 1,007 |
| Audit and accountancy | 13,006 | 13,006 | 11,040 |
| Bank fees, Investment management fees and expenses | 63,307 | 63,307 | 54,953 |
| Insurance | 427 | 427 | 1,733 |
| Legal and professional | - | - | 49,579 |
| IT software and consumables | 352 | 352 | 287 |
| Interest paid | 8,237 | 8,237 | 6,964 |
| Foreign exchange bank revaluations | 235,955 | 235,955 | (203,139) |
| | <u>321,284</u> | <u>321,284</u> | <u>(77,576)</u> |

Investment management fees, foreign exchange revaluations and bank interest and charges included in support costs totalled £307,499 (2022: -£141,222).

Support costs excluding investment management fees, foreign exchange revaluations and bank interest and charges totalled £13,785 (2022: £63,646).

9. Auditors' remuneration

The auditors' remuneration amounts to an auditors' fee of £9,765 (2022 - £9,300), and other services of £3,241 (2022 - £1,740).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year, no Trustees expenses were incurred (2022 - £NIL).

East Head Impact
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2023

11. Fixed asset investments

| | Investments £ |
|----------------------------|-------------------------------|
| Valuation | |
| At 1 January 2023 | 14,862,429 |
| Additions | 1,883,645 |
| Disposals | (850,886) |
| Revaluations | 894,970 |
| Capital account deductions | (64,994) |
| Foreign exchange movement | (23,788) |
| | <hr/> |
| At 31 December 2023 | 16,701,376 <hr/> <hr/> |
| Net book value | |
| At 31 December 2023 | 16,701,376 <hr/> |
| At 31 December 2022 | 14,862,429 <hr/> <hr/> |

The carrying value of investments includes holdings in alternative investment funds of £6,552,541 (2022: £5,155,003), corporate bonds of £998,440 (2022: £1,482,466) and diversified investment funds of £9,150,395 (2022: £8,224,960).

12. Debtors

| | 2023 £ | 2022 £ |
|--------------------------------|---------------------------|--------------------|
| Due within one year | | |
| Prepayments and accrued income | 53,277 | 86,182 |
| | <hr/> | <hr/> |
| | 53,277 <hr/> <hr/> | 86,182 <hr/> <hr/> |

13. Creditors: Amounts falling due within one year

| | 2023 £ | 2022 £ |
|------------------------------|--------------------------|-------------------|
| Accruals and deferred income | 9,765 <hr/> <hr/> | 9,300 <hr/> <hr/> |

East Head Impact
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2023

14. Statement of funds

Statement of funds - current year

| | Balance at 1 January 2023 £ | Income £ | Expenditure £ | Gains/ (Losses) £ | Balance at 31 December 2023 £ |
|---------------------------|--|---------------------|--------------------------|----------------------------------|--|
| Unrestricted funds | | | | | |
| General Funds | - | 1,345,831 | (707,988) | - | 637,843 |
| Endowment funds | | | | | |
| Endowment Funds | 21,695,520 | - | (59,455) | 871,182 | 22,507,247 |
| Total of funds | 21,695,520 | 1,345,831 | (767,443) | 871,182 | 23,145,090 |

The expendable endowment fund was established by a donation in the prior reporting period (see note 21). The trustees have the power to spend the income and capital in accordance with the Trust's charitable objectives.

East Head Impact
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2023

14. Statement of funds (continued)

Statement of funds - prior year

| | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 December 2022 £ |
|---------------------------|-------------------|------------------|--------------------------|-------------------------|---|
| Unrestricted funds | | | | | |
| General Funds | 249,202 | (280,766) | 31,564 | - | - |
| Endowment funds | | | | | |
| Endowment Funds | 21,955,025 | (54,908) | (31,564) | (173,033) | 21,695,520 |
| Total of funds | <u>22,204,227</u> | <u>(335,674)</u> | <u>-</u> | <u>(173,033)</u> | <u>21,695,520</u> |

15. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Endowment funds 2023 £ | Unrestricted funds 2023 £ | Total funds 2023 £ |
|-------------------------------|---------------------------------|------------------------------------|-----------------------------|
| Fixed asset investments | 16,063,533 | 637,843 | 16,701,376 |
| Current assets | 6,453,479 | - | 6,453,479 |
| Creditors due within one year | (9,765) | - | (9,765) |
| Total | <u>22,507,247</u> | <u>637,843</u> | <u>23,145,090</u> |

Analysis of net assets between funds - prior year

| | Endowment funds 2022 £ | Total funds 2022 £ |
|-------------------------------|---------------------------------|-----------------------------|
| Fixed asset investments | 14,862,429 | 14,862,429 |
| Current assets | 6,842,391 | 6,842,391 |
| Creditors due within one year | (9,300) | (9,300) |
| Total | <u>21,695,520</u> | <u>21,695,520</u> |

East Head Impact
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2023

16. Reconciliation of net movement in funds to net cash flow from operating activities

| | 2023 £ | 2022 £ |
|--|--------------------|------------|
| Net income for the year (as per Statement of Financial Activities) | 1,449,570 | 21,695,520 |
| Adjustments for: | | |
| (Gains)/losses on investments | (871,182) | 173,033 |
| Dividends and interests from investments | (1,345,831) | (249,202) |
| Decrease/(increase) in debtors | 32,905 | (86,182) |
| Increase in creditors | 465 | 9,300 |
| Net cash provided by/(used in) operating activities | (734,073) | 21,542,469 |

17. Analysis of cash and cash equivalents

| | 2023 £ | 2022 £ |
|--|------------------|-----------|
| Cash in hand | 6,400,202 | 6,756,209 |
| Total cash and cash equivalents | 6,400,202 | 6,756,209 |

18. Analysis of changes in net debt

| | At 1 January 2023 £ | Cash flows £ | Changes in market value and exchange rate movements £ | At 31 December 2023 £ |
|--------------------------|------------------------------|------------------|---|--------------------------------|
| Cash at bank and in hand | 6,756,209 | (120,052) | (235,955) | 6,400,202 |
| | 6,756,209 | (120,052) | (235,955) | 6,400,202 |

19. Uncalled capital commitments

The charity has uncalled capital commitments relating to its investment funds totalling £2,448,383 (2022: £2,192,267).

East Head Impact
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2023

20. Grant commitments

The charity has £1,238,046 (2022: £170,000) of grant funding commitments to meet, should the grantees meet their respective grant conditions.

21. Related party transactions

Marc Boughton is the Founder and Chair of East Head Impact:

- Throughout 2023, East Head Impact held ownership interests in three investment funds established and managed by CVC Capital Partners and an associated CVC company (and pays a management fee on one of these funds). Marc Boughton held, and continues to hold, an ownership interest in CVC Capital Partners.
- In 2023, East Head Impact provided a US\$2.5 million capital commitment to invest in another fund established and managed by CVC Capital Partners (and does not pay a management fee on this fund).
- In 2021/22, East Head Impact received a gift of £21,955,025 (comprising cash and interests in two investment funds established and managed by CVC Capital Partners) from a private trust. Marc Boughton was a trustee of the private trust and an employee of CVC Capital Partners at the time of the gift. Receipt of interests in the funds was approved by the two other trustees of East Head Impact. No management fees are paid by East Head Impact on these funds.
- In 2021/22, East Head Impact provided a US\$1 million capital commitment to invest in a fund established and managed by an associated company of CVC Capital Partners
- East Head Impact awarded a grant of £2,250 (2021/22: £52,250) to Premier Rugby Ltd for the purpose of co-funding Premiership Rugby's award winning HITZ community programme. One of the funds managed by CVC Capital Partners and gifted to East Head Impact in 2021/22 has an indirect ownership interest in Premier Rugby Ltd.
- In 2021/22, East Head Impact awarded a £50,000 unrestricted grant to Impetus – The Private Equity Foundation. At the time Marc Boughton was a member of the Impetus Investment Committee.

Jonathan Sykes is a Trustee of East Head Impact. East Head Impact awarded a grant of £2,250 (2021/22: £52,250) to Premier Rugby Ltd. A Jonathon Sykes family member is a senior employee of Premiership Rugby.

Matthew Woods is a Trustee of East Head Impact and a partner of Withers LLP, East Head Impact's legal adviser. In 2021/22:

- East Head Impact received a gift of £21,955,025 from a private trust. At the time, Matthew Woods was a director of Withers Trust Corporation Limited which was a trustee of the private trust.
- Withers LLP provided advice to (a) the trustees of the private trust in relation to the gift to East Head Impact and (b) East Head Impact in relation to the foundation of East Head Impact and tax issues on potential investments, and also provided company secretarial services. Fees paid by East Head Impact to Withers LLP for this advice and services aggregated £44,510 in 2021/22.

EAST HEAD IMPACT

England & Wales - Charity number 1196559

Accounts



EAST HEAD
IMPACT
HEALTH • EDUCATION • PLANET

First annual report and financial statements

**For the period 8th October 2021 to 31st
December 2022**

Administrative details

Trustees and Directors

Marc Boughton, Founder and Chair
Jonathan Sykes
Matthew Woods

Appointed 8th October 2021
Appointed 8th October 2021
Appointed 8th October 2021

Registered Office

c/o Withers LLP
20 Old Bailey
London
EC4M 7AN

Appointments

Auditor:

Kreston Reeves LLP
9 Donnington Park
85 Birdham Road
West Sussex
Chichester, PO20 7AJ

Bankers:

Coutts & Co
440 Strand
London, WC2R 0QS

Investment Manager:

J.P. Morgan
60 Victoria Street
London, EC4Y 0JP

Legal Advisor:

Withers LLP
20 Old Bailey
London, EC4M 7AN

Contents

| | Page |
|---|-------------|
| 1. Administrative details..... | 2 |
| 2. Contents..... | 3 |
| 3. Chair's Report..... | 4 |
| 4. Trustees Report..... | 5 |
| 5. Objectives and activities..... | 5 |
| 6. Grants and impact..... | 7 |
| 7. Financial review..... | 12 |
| 8. Structure, governance and management..... | 14 |
| 9. Future Plans..... | 16 |
| 10. Principal risks and uncertainties..... | 16 |
| 11. Statement of Trustees' responsibilities..... | 16 |
| 12. Trustees approval and authorisation..... | 17 |
| 13. Independent auditors' report on the financial statements..... | 18 |
| 14. Statement of financial activities..... | 22 |
| 15. Balance sheet..... | 23 |
| 16. Statement of cash flows..... | 24 |
| 17. Notes to the financial statements..... | 25 |

Chair's Report

I am proud and delighted to present East Head Impact's first Trustees Report and financial statements.

Sound health, access to a good education and sustainable employment on a thriving planet are vital to us all. East Head Impact's objectives are to deliver a quantifiable impact in these areas consistent with United Nations' Sustainability Development Goals, namely:

- Health: to *ensure healthy lives and promote well-being for all.*
- Education: to *ensure inclusive and equitable quality education and promote lifelong learning opportunities for all; promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all; and reduce inequality within and among countries.*
- The Planet: to *take urgent action to combat climate change and its impact; conserve and sustainably use the oceans, seas and marine resources; and protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, control desertification, and halt and reverse land degradation and biodiversity loss.*

East Head Impact's strategy will be driven by the data, supporting strong leaders in proven and impactful interventions that can be scaled, measured and provide superior returns. We will provide the charities we support with advice in addition to multi-year funding, and build networks and partnerships across the private, governmental and philanthropic sectors.

Highlights in 2022 have included:

- Charity Commission approval to establish East Head Impact as a registered UK charity.
- Bringing together a passionate and experienced leadership team.
- Receipt of a significant endowment.
- Developing a long-term investment strategy that will maintain the value of the endowment and sustain our charitable activities for the foreseeable future.
- Trustee approval of eight grants aggregating £583,250.

I am proud of what we have achieved together but there will always be so much more to do. We have made a strong start to 2023 by providing a multi-year grant to co-fund an exciting seascape project that will hopefully provide significant environmental benefits including biodiversity restoration along with the sequestration of blue carbon, nitrates and phosphates.

I would like to take this opportunity to thank my fellow trustees and our invaluable Head of Philanthropy and Operations for their support, advice and help in driving East Head Impact forward, together with the advice provided by our investment portfolio manager, investment fund managers, legal advisor, bankers and auditors.

Marc Boughton
Founder and Chair
June 2023

Trustees' Report

For the period 8th October 2021 to 31st December 2022

The Trustees present their first Annual Report together with the audited financial statements of East Head Impact for the period 8th October 2021 to 31st December 2022. The Annual Report serves the purposes of both a Trustees' Report and a Directors' Report under company law. The Trustees confirm that the Annual Report and financial statements of East Head Impact comply with the current statutory requirements, the requirements of East Head Impact's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1st January 2019).

1. Objectives and activities

1.1 Foundation of East Head Impact

East Head Impact was founded by Marc Boughton for the purpose of establishing an independent, self-funded charitable foundation.

East Head Impact was incorporated as a company limited by guarantee on 8th October 2021 and was entered onto the Register of Charities by the Charity Commission for England and Wales on 12th November 2021. East Head Impact's three Trustees and Directors were appointed on 8th October 2021.

In December 2021, East Head Impact received an endowment of approximately £22 million, comprising multi-currency cash and investments, from a private trust. East Head Impact uses this endowment and the income stream derived from it to make charitable grants for the public benefit.

Following completion of a number of further steps, East Head Impact became operational in early 2022 and awarded its first grant in March 2022. As a newly established charitable foundation, East Head Impact continues to develop and refine the way in which it operates and conducts its activities.

1.2 Objects

Pursuant to its Articles of Association:

- The objects of East Head Impact are such charitable purposes for the public benefit as the Trustees in their absolute discretion determine.
- Charitable purposes are those that are exclusively charitable under the laws of England and Wales.

East Head Impact pursues these objects by awarding grants that are in accordance with its grant making policy and strategy, and which are in furtherance of a charitable purpose that offers an identifiable benefit to a significant section of the public.

In pursuing these objects and undertaking its grant making activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

1.3 Grant making policy and strategy

Policy

East Head Impact's policy is to award grants which fall into the following three themes:

- **Education:** East Head Impact seeks to advance education and employment, and provide relief to those in need by reason of youth, age, financial hardship, sex, race or other disadvantage. Specifically, East Head Impact seeks to help people of all ages from disadvantaged backgrounds to overcome their challenges, obtain qualifications through further education and gain apprenticeships or sustained employment. East Head Impact also seeks to advance racial

- equality and diversity in employment.
- **Health:** East Head Impact seeks to advance both physical and mental health, with a focus on specific programmes which have a measurable impact.
 - **The Planet:** East Head Impact seeks to advance environmental protection and improvement, and advance wildlife, flora and fauna, with a focus on specific projects which have a measurable impact on biodiversity and the climate.

As part of its grant making decision processes, East Head Impact takes into account, inter alia, the extent to which the impact of its funding can be measured, the impact goals (or key performance indicators), the likelihood that those impact goals will be achieved, and the proposed monitoring and reporting of those impact goals.

Strategy

East Head Impact seeks to award grants in any given year across all its three grant making themes and to work with others to support our chosen charities. Accordingly, individual grants awarded to any one recipient in any one year will likely range between £25,000 to £200,000, with the option to award multi-year grants aggregating a higher figure.

East Head Impact uses its personal contacts and networks to identify grant making opportunities, and will co-fund with well-established charities, foundations and government agencies where appropriate. East Head Impact intends to develop a brand and communications strategy which it anticipates will assist with identifying grant making opportunities.

Pursuant to its Articles of Association and internal procedures, East Head Impact undertakes extensive due diligence prior to making a decision on whether to award a grant in order to establish, inter alia, the extent to which its funding will have an impact.

East Head Impact seeks to develop and build relationships with its grant recipients and combine expertise and capital in order to align interests and enhance scale and impact.

The amount of grants awarded each year are subject to a variety of factors including: (i) the impact of financial market movements and changes in asset valuations on East Head Impact's endowment and related income stream; and (ii) East Head Impact's ability to source grant making opportunities which fit with its grant making policy and impact objectives.

As a relatively new charitable foundation, East Head Impact will continue to develop and refine its grant making policy and strategy.

1.4 Impact measurement

Given the different nature and objectives of the activities of the charities and entities which East Head Impact seeks to support within its three grant making themes, the impact measurement undertaken by each such charity and entity may vary considerably and may not be comparable.

Further, East Head Impact's grant awards may fund specific programmes and projects within such charities or entities thereby broadening impact measurement and diversity.

Accordingly, East Head Impact measures its own impact on the basis of the impact of each individual grant recipient on a separate and not collective basis.

1.5 Funding

East Head Impact uses its endowment, investment gains and any income stream derived from it to pursue its objects and fund its grant making activities.

East Head Impact is not required to undertake external fundraising.

2. Grants and impact

Since becoming operational, East Head Impact has undertaken the grant making activities set out below.

2.1 Grant making

From March to December 2022, East Head Impact's Trustees approved the award of eight grants aggregating £583,250. Of this amount:

- £413,250 had been paid out to seven charities and entities by 31st December 2022.
- £50,000 represents a multi-year grant which it is anticipated will be paid out in 2023.
- The remaining £120,000 is subject to grant conditions which have not yet been satisfied.

The grants approved related to:

- Education: £333,250 (57%)
- Health: £250,000 (43%)

In March 2023, East Head Impact's Trustees approved a £146,300, multi-year Planet focused grant.

In addition, East Head Impact has given indicative commitments to award further grants aggregating £125,000 (subject to due diligence and Trustee approval).

2.2 Grant recipients and impact

The recipients of East Head Impact grants paid up to 31st December 2022, and the charitable impact achieved by those recipients, are set out below.

Education grants

(a) Premiership Rugby's HITZ programme

Overview

HITZ is Premiership Rugby's flagship education and employability programme organised by Premier Rugby Ltd (PRL) and its Premiership Clubs and Foundations, and Central YMCA (the education provider funded by the Department of Education). HITZ uses rugby's core values of teamwork, respect, enjoyment, discipline and sportsmanship to get young people not in education, employment or training back into education, training, apprenticeships and/or employment (EET). Over 21,000 14-24 year olds have been enrolled in HITZ since its inception in 2008.

HITZ consists of two programmes:

- The 'HITZ Learning Academy' delivered at the Premiership Clubs to 16-24 year olds who are predominantly not in EET and comprising: a variety of courses ranging from 15 weeks to two years which are delivered by Central YMCA and the Premiership Clubs or Foundations personnel; alternative provisions through qualifications, traineeships, work experience and enrichment; a focus on preventative measures to help learners stay on track and make good choices; and pastoral support from HITZ staff. Delivery involves both classroom work (including education, life skills and employability) and 'enrichment' to improve fitness and mental health, and courses involve maths, english, sports and vocational learning, and formal awards include, for example, BTEC Level 1 Introductory Diploma in Sport.
- 'HITZ on Track' which is a six-week academic only programme delivered in secondary schools to 14-16 year olds who are at risk of becoming not in EET. It focuses on a Relationship, Health and Sex Education curriculum and issues facing young people today, including mental health, drugs and alcohol awareness.

The purpose of East Head Impact's grant is to co-fund the delivery of the two HITZ programmes.

Impact

In the academic year 2021/22 213 learners were enrolled in the HITZ Learning Academy, 89% progressed into EET, and 96% expressed an increase in soft skills. Of those progressing into EET, 45% went into education, 34% went into employment and 5% went into training. In 2021/22 2,165 learners were enrolled in HITZ on Track and 85% expressed an increase in soft skills.

(b) United World Schools

Overview

UWS is a registered charity (No: 1187721) which aims to 'teach the unreached' by building and running primary schools for out-of-school children in remote areas of Nepal, Cambodia, Madagascar and Myanmar, and providing children with quality and inclusive education by working in partnership with local communities. UWS' mission is to end education poverty by working with communities to build primary schools and train community members as teachers, providing a low cost and sustainable way to teach the unreached, and to improve, through education, life opportunities for some of the world's poorest children living in remote and marginalised communities.

UWS provides an inclusive education to primary school children (aged 4-14) so that they are more able to overcome barriers including gender, disability, poverty, ethnicity and language. It works in partnership with communities and governments to develop schools over a 5-7 year period and then transition them to local community and government ownership, thereby empowering communities in governance, leadership and school management.

The purpose of East Head Impact's grant is to fund: (i) construction of the Tembe village school and the Pipaldhara village school in Nepal; and (ii) the running costs of both schools for their first two years of operation. The Tembe village is located in the Tapiejung District in Eastern Nepal and is home to Sherpa and Chetri ethnicities, and consists of around 155 households and 275 children. 70% of primary aged children in the village were not in education prior to construction of the school, and only 30% of adults are able to read, write and count. The Pipaldhara village is located in the Gulmi District in Central Nepal and is home mainly to the Dulit ethnic group, and the literacy rate among adults in the village is below 40%.

Impact

Since its foundation in 2008, UWS has established 289 schools, 59 of which have transitioned to the state education system, and provided an education to 55,158 primary school children. Currently, 22,401 primary school children are enrolled in UWS schools who are taught by 1,250 teachers. In 2022, UWS pupil attendance was 85.9% in Nepal, the student-teacher ratio was 11.8:1 and 100% of primary school students who finished grade 8 progressed onto secondary school.

In the next 10 years, UWS' goal is to have provided 250,000 primary school children with a life changing education.

Construction of the Tembe village school commenced in September 2022 and was completed on 9th January 2023, and comprises 11 classrooms, a library and washrooms. A school management committee comprised of local community leaders and parents was formed in the first week of January 2023 and the school opened on 17th January 2023 (towards the end of the academic year) with 64 pupils (35 girls and 29 boys) and seven teachers. Two of the teachers are from the Tembe village and have been trained by UWS, three of the teachers are funded by government and four of the teachers are funded by UWS. UWS anticipates that pupil numbers will increase at the beginning of the next academic year beginning in mid-April 2023. UWS is planning for the school to be transitioned into the national education system over a seven-year period, thereby freeing up UWS resources and ensuring the school's sustainability for future generations.

When built, it is expected that around 140 children will be enrolled in the Pipaldhara village school.

East Head Impact's grant has enabled UWS to raise additional funding from the UK government by leveraging the Foreign & Commonwealth Development Office's 'Aid Match' programme thereby

further increasing the impact of East Head Impact's grant.

(c) Dallaglio RugbyWorks

Overview

DRW is a registered charity (No:1130353) which, through its 'RugbyWorks' employability skills programme based on the values of rugby, aims to help disengaged young people aged 12-18 who are excluded from mainstream education or at risk of exclusion, and therefore at a heightened risk of being Not in Education, Employment or Training (NEET), either to transition successfully from secondary education into a career that matches their skills and interests or to pursue alternative pathways such as apprenticeships, further education or training. DRW employs coaches and mentors to run weekly sessions during the school day, and more recently in the evening and during the holiday period, for its young people in Alternative Provision, Pupil Referral Units and Exclusion Units, and offers aspiration work and interface with employers through career taster days and employment workshops.

In addition, DRW is developing a digital app, Player Profiles, which aims to fill an 'aspiration gap' by allowing its young people to assess, understand and address their skillset and skill gaps, and identify their goals and plan their progression against those goals. Player Profiles is intended to enhance DRW's face-to-face delivery and not replace it, and to extend learning beyond the school day by providing opportunities to achieve valuable life skills and workplace skills through a series of app-based features including videos, games, challenges and support from peers and mentors. DRW has completed a pilot project, and the development and rollout of Player Profiles continues.

The purpose of East Head Impact's grant is to co-fund the development of Player Profiles.

Impact

In the 2021/22 academic year, DRW's RugbyWorks school time programme reached 604 young people and 89% of its young people secured Education, Employment and Training (EET) status post aged 16 following completion of the RugbyWorks programme. Further, 87% of its young people found they were able to think more clearly in challenging situations and solve more complex problems, 78% found their communication skills improving with programme delivery, and 79% found they had more knowledge and information about career opportunities.

By 2027, DRW is aiming to reach over 7,000 young people in school time, outside school time and digitally.

The Player Profiles pilot project undertaken in January to June 2022 involved 63 young people in five schools. 100% of those young people said they enjoyed using Player Profiles, that they would continue to use it and that it helped them set their goals. The next stage of development will involve a roll out to a further 100 young people in 10 schools.

(d) Impetus – The Private Equity Foundation

Overview

Impetus was founded in 2002 and is a registered charity (No: 1152262) which supports young people from disadvantaged backgrounds to help them succeed in education, employment and life by finding, funding and building the most promising charities. Impetus selects and backs charities dedicated to removing persistent barriers to a good education, decent work and life. Its current portfolio is made up of three funds with 25 charities.

Impetus supports its charity partners with expert advice as well as long-term strategic funding, and its charities must achieve three objectives – build strong leadership, beat benchmarks and scale their solutions. Impetus helps its charities achieve these objectives by building capacity through 1:1 support, pro bono work provided by third party supporters and peer forums, providing core funding, arranging co-investment and formulating policy. Impetus funds charities through its Direct Fund which has an education and employment focus, its Engage Fund which has a school exclusion

focus, and its Connect Fund which has an ethnic minority employment focus.

Impetus also established the Youth Endowment Fund Charitable Trust (YEF) in March 2019 with a £200 million endowment and 10-year mandate from the Home Office. Impetus is the sole corporate trustee of YEF whose mission is to prevent children and young people becoming involved in violence.

The purpose of East Head Impact's grant is to co-fund Impetus' charitable activities.

Impact

Since it was established in 2002, Impetus has raised £149.7 million of value in support of its charitable objectives (excluding the £200 million Home Office endowment to YEF). This value includes donations and investment income, pro-bono services donated to Impetus and its charity partners, and additional funds which the charities have raised with the support of Impetus. In 2021, Impetus raised £13.0 million of value in support of its charity partners which included £3.5 million of grants awarded, £1.0 million in pro-bono services and £1.9 million in value provided by the Impetus team.

In a 2021 review, Impetus concluded that the charities in its Direct Fund had benefited from a 24% average annual increase in reach since entry into the Fund. For example, the Tutor Trust which provides small group (1:3) and 1:1 tutoring to disadvantaged children in schools across the North of England grew significantly through the National Tutoring Programme from supporting 2,500 young people in 2019/20 to 6,500 in 2021/22.

Impetus believes that its work enables its charity partners to improve their success over time and that they consistently beat the available benchmarks. For example:

- Action Tutoring charity – its young people achieving grade 4 in GCSE Maths and English increased from 62% in 2017 to 80% in 2021.
- Think Forward charity – its young people entering employment, education or training increased from 55% in 2017 to 65% in 2021.
- Access Project charity – its young people securing university places increased from 53% in 2017 to 67% in 2021.

Impetus' target is to reach 378,000 young people in 2023.

Health grants

(e) Podium Analytics

Overview

Podium is a registered charity (No: 1183716) which was established by Ron Dennis CBE in February 2019 with a vision for a safer world of sport and a mission to significantly reduce the impact and incidence of sports injuries, especially in youth sport (11-24 year olds). Podium's premise is that youth sports injury is under-researched, under-resourced and often overlooked, despite being a critical part of the development pyramid for professional sport, and given the broader health and wellbeing benefits. Podium believes that minimising the likelihood and the impact of sports injury in the crucial years of 11-24 will have a hugely positive effect on participation in sport and on the health and wellbeing of young people as they grow.

Podium's approach is science led and data driven. Its objectives are to: (i) develop the world's best insight and intelligence into youth sport injury, prevention and treatment; (ii) build a leading edge digital platform to enable Podium's activities and create solutions; (iii) identify opportunities for the development of new and improved standards to enhance sports safety and minimise the incidence and impact of injury by improving the overall quality, effectiveness, availability and adoption of products, training and education; and (iv) build strong collaboration and partnerships in order to establish Podium as the 'go-to' authority in sports safety.

Podium's programme has two core elements: (i) injury surveillance in schools and clubs; and (ii)

research. Injury surveillance and safety will be carried out in schools and clubs using digital App technology (SportSmart) which will collect data and analysis in order to feed into the research programme. The App will be provided to schools and clubs at no cost and will be supplemented by wearables and other tech innovations. Data collection will focus on injury, illness, exposure and wellbeing. The research will be carried out by Podium's in-house SportSmart Applied Research Team and the Oxford Podium Institute of Sports Medicine and Technology, a sports medicine partnership between Podium and Oxford University.

The purpose of East Head Impact's grant is to co-fund Podium's research programme.

Impact

The work of Podium is at an early stage. It has set itself multiple impact ambition targets in order to measure whether it succeeds in creating a safer world of sport. Broadly, these targets cover: sports, education and health stakeholders change sport policy and governance to improve safety in sport; the incidence and impact of priority injuries in youth sport are reduced; the overall quality, effectiveness and adoption of training and education in youth sport health is improved; sports safety is enhanced through new and improved standards in sports safety equipment and apparel, improving the overall quality, effectiveness, availability and adoption of products; and a sustainable, long-term model for the delivery of youth sport health nationally is achieved.

Data collection involves a targeted roll-out of the App to 500 schools and up to 1,000 clubs by Summer 2024. Podium has also entered into agreements with organisations such as England Athletics, England Rugby, The Lawn Tennis Association, The Royal Ballet School, Gloucester Rugby and England Hockey for data collection.

(f) West Sussex Mind

Overview

WSM was founded in 1970 and is a registered charity (No: 1155918) which supports people in West Sussex with their mental health, provides specialist mental health training, and campaigns to improve mental health services and promote an understanding of mental health issues. It is affiliated with Mind, the national mental health charity.

WSM's objectives are: (i) to promote the preservation of good mental health, in particular around enabling and empowering everyone experiencing mental health problems to live with, manage and recover from their condition; and (ii) to relieve the needs of people with mental health problems by working to increase an understanding of mental health and mental health problems by gathering and disseminating information and working to raise awareness, promote understanding and challenge stigma and discrimination. To achieve these objectives, WSM offers a variety of services including the delivery of individual and group mental health and social support in person, by telephone or video calls to children, young people, families, adults and the elderly. WSM's mental health services can also be accessed using its website and through courses and videos, and it works proactively and in partnership with many other health, social care and community organisations to deliver its support.

The purpose of East Head Impact's grant is to fund a new WSM mental health programme involving the training of 'peer volunteers' who will use their own experience of mental health to help others. The grant will help WSM to develop and deliver the training programme, create opportunities for peer volunteers to help WSM deliver its services and develop a supportive pathway that will help peer volunteers take the next steps into either employment, external volunteering or further education.

Impact

In 2021/22, 5,365 individuals reached out to WSM for help and WSM delivered 24,032 individual and group mental health support interventions to these individuals. WSM also provided mental health training to 4,686 individuals, and 14,210 individuals were reached by WSM's mental health anti-stigma and raising awareness initiatives.

WSM's peer volunteer training programme aims to train close to 60 peer volunteers who will support 450 WSM service users over a three-year period.

(g) Old Coulsdon Centre

Overview

The Old Coulsdon Centre is a registered charity (No: 1147569) and was founded in 1984 by residents of Coulsdon for the purpose of improving the conditions of life for the retired by providing facilities in the interests of social welfare, recreation and leisure, and helping people live healthier, happy and longer independent lives. The Centre caters for people over 60 who have minimal resources and may otherwise experience hardship due to loneliness. It is a place where its users can visit to meet up with friends, have meals, watch films and enjoy other forms of entertainment, and it arranges outings to places of interest. The Centre also allows partner organisations such as the Royal Air Force Association, St Lawrence Hospital Retirement Club and Coulsdon Manor Rotary Club to use its facilities.

The purpose of East Head Impact's grant is to co-fund: (i) two years of operating costs following the withdrawal of the primary funder due to financial reasons; and (ii) the cost of a new minibus.

Impact

The Centre's core client base is approximately 38 retired visitors together with approximately 65 other core visitors from the Royal Air Force Association and other organisations. In 2022, the Centre was open for 245 days, had 3,364 visitors and served 2,571 meals and snacks. The Centre's minibus, which ferries visitors between their homes and the Centre, covered 5,858 miles and carried 3,685 passengers.

3. Financial review

3.1 Context

East Head Impact was incorporated on 8th October 2021 and its first financial reporting period is 8th October 2021 to 31st December 2022. In the context of a financial review:

- East Head Impact became operational in early 2022.
- It awarded its first charitable grant in March 2022.
- As part of the endowment received in December 2021, it received £17,638,124 (in sterling terms) in multi-currency cash which required investment in accordance with the development of East Head Impact's investment policy.
- It incurred non-recurring legal fees of £41,179 in relation to its set up.

3.2 Total return investment approach and objectives

As a result of its endowment, East Head Impact has a portfolio of investments and cash which it can use to fund its charitable activities. The performance of this portfolio over the long term is therefore a key component of the long-term sustainability of East Head Impact and its ability to make a charitable impact through its grant making.

The performance of the portfolio will vary year-on-year and will be affected by numerous factors including changes in global investment market volatility and returns (both yield and capital returns), investment strategy and short-to-long term investment return horizons for individual portfolio assets, foreign exchange movements and liquidity. In light of these factors and given its power to spend both income and capital, East Head Impact takes a total return approach by seeking to generate both income and capital growth and taking into account both realised and unrealised short-to-long-term income, and capital and foreign exchange gains and losses when assessing, inter alia, the performance of its portfolio and the appropriate level of grant making.

Given this approach, East Head Impact's objective is to pursue a long-term strategy of maximising sustainable charitable expenditure while maintaining the real value of its investment portfolio in

perpetuity after expenditure. East Head Impact seeks to spend 4% of the investment portfolio in grant making each year over the long term while generating a 4% real return on its investment portfolio over a rolling 10-year period.

3.3 Investment portfolio asset allocation and diversification

In seeking to achieve a real return on its investment portfolio, East Head Impact invests in a range of assets including private assets and top tier alternative investment funds, publicly traded equity and debt securities, and cash deposits. Over 50% of the portfolio will likely be invested in private alternative investments providing high growth returns over the longer term, with the remainder of the portfolio invested in a diversified portfolio of liquid, lower return investments and cash deposits.

The portfolio is managed to ensure an appropriate level of liquidity and an exposure to foreign currency denominated assets which reflects an appropriate balance between risk and reward.

East Head Impact has invested in a private investment fund which backs climate tech entrepreneurs, and it takes into account Environmental, Social and Governance issues in the management of its investment portfolio.

3.4 Investment portfolio performance

As at 31st December 2022, the total value (in sterling terms) of the investment portfolio and cash was £21,618,638 which was invested as to £5,155,003 in alternative investment funds, £8,224,960 in a publicly traded investment fund, £1,482,466 in corporate bonds and £6,756,209 in short-to-medium term deposits and cash.

The publicly traded investment fund aims to achieve a total level of return in sterling in excess of global equity and fixed income markets by investing in a diversified portfolio of assets which have exposure primarily to equity and fixed income securities.

The market value of East Head Impact's investment portfolio fell by £173,033 (1.1%) in 2022, net of foreign currency investments exchange gains and before investment management fees and expenses, while the MSCI World Total Return Net Index fell by 7.8%. The strong performance in East Head Impact's fully invested alternative investment funds was offset by its investment in the publicly traded investment fund.

In 2021/22, the investment portfolio generated interest income of £208,679 and investment income of £40,523.

3.5 Financial performance

East Head Impact's endowment of £21,955,025 received in December 2021 is included in the income statement for this first financial reporting period. Other income aggregated £652,647 which comprised total foreign currency exchange gains of £403,445 and interest and investment income of £249,202. Offset against this income was £373,339 of net unrealised gains and losses on investments.

Expenditure aggregated £538,813 which included grant awards paid of £413,250, legal fees of £49,579 and investment management fees and expenses of £54,908. The legal fees related primarily to the set-up of East Head Impact and receipt of the endowment, and therefore represented one-off charges.

Net income for the period amounted to £21,695,520.

As at 31st December 2022, uncalled capital commitments on alternative investment funds aggregated £2,192,267 and grants approved but unpaid aggregated £170,000.

3.6 Reserves policy

East Head Impact funds its charitable activities using its endowment and the income stream derived from it, it has a low and narrow cost base relative to the endowment, and the level of its grant making is, inter alia, at the discretion of its Trustees on an ongoing basis.

It is the intention of the Trustees to hold cash and liquid investments sufficient to cover uncalled capital commitments on investments, approved but unpaid grants, and budgeted grant making and operating costs on a rolling 12-month basis.

3.7 Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that East Head Impact has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

3.8 Financial risk management

The Trustees have assessed the major risks to which East Head Impact is exposed, in particular those related to its operations and finances, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

4. Structure, governance and management

4.1 Structure

East Head Impact is a company limited by guarantee (No: 1366696) and a registered charity (No: 1196559), the governing document is the Articles of Association, and the governing body is the Board of Trustees.

4.2 Appointment of Trustees

Three trustees were appointed upon the formation of East Head Impact, namely Marc Boughton (Founder and Chair), Matthew Woods and Jonathan Sykes.

In accordance with the Articles of Association, the Founder of East Head Impact was appointed a Trustee for an indefinite period of time, and Matthew Woods and Jonathan Sykes were appointed for an initial term of four years. Retiring Trustees may be reappointed, and the minimum required number of Trustees is two.

The appointment of any new trustees will take into account their charitable experience and ability to assist East Head Impact achieve its charitable objectives, and will involve in depth discussions with the Founder and the other Trustees on East Head Impact's objectives, strategy, governance and procedures.

4.3 Trustee powers

East Head Impact's Articles of Association set out the powers and duties of the Trustees pursuant to which they control and manage East Head Impact and its assets. No committees have been established.

4.4 Delegation of Trustee duties and management

The Trustees have delegated certain duties to the Chair and Head of Philanthropy and Operations in order to carry out the day-to-day management of East Head Impact (who report to the Board of Trustees in the performance of such duties). These delegated duties include:

- To the Chair – to manage and operate the bank accounts; formulate the investment strategy; and manage and operate the investment portfolio.

- To the Head of Philanthropy and Operations – to work with the Trustees on grant making policy and the identification of grant making opportunities; structure grants, carry out due diligence, prepare written proposals and recommendations, and monitor grants and charity portfolio performance; liaise with investment and fund managers and report on investment portfolio performance; monitor bank accounts and liquidity; maintain financial and administration records; prepare budgets and reports on operations, income, expenditure, assets and liabilities (including the preparation of financial statements); arrange Trustee meetings, prepare agendas and board pack documents and take minutes of meetings; liaise with the auditors and legal advisors; and generally manage day-to-day operations.

The duties of the Head of Philanthropy and Operations are carried out pursuant to a management services agreement. The role is performed as a volunteer and is unpaid.

East Head Impact has no employees and no other volunteers.

The Trustees have also delegated certain duties to J.P Morgan, the investment manager for part of East Head Impact's investment portfolio, and to Withers LLP, its legal adviser. These delegated duties include:

- To J.P. Morgan: to manage a portion of the investment portfolio under the direction of the Chair.
- To Withers LLP: to perform secretarial duties including advising on regulatory compliance and assisting in the preparation of regulatory filings.

An investment management mandate is in place with J.P. Morgan, and a secretarial services agreement is in place with Withers LLP.

East Head Impact has Trustee approved corporate governance procedures in place.

4.5 Trustee and management experience

The Trustees have a broad range of experience:

- Marc Boughton was a fund manager with an international alternative asset management firm for over 25 years. He qualified as a Chartered Accountant with PwC prior to spending five years as an investment manager with Electra Partners, a private equity fund manager. In 1995, he joined CVC Capital Partners, a leading global alternative investment manager focussed on private equity, secondaries and credit with a global network of 25 offices and €133 billion under management, before retiring as a Managing Partner in September 2022. While at CVC, he founded and was Chair of the CVC Foundation, CVC's global philanthropy programme which uses CVC resources and employee donations to make a measurable impact on the lives of disadvantaged children and young people in the communities in which CVC operates. His other volunteering roles include: (i) since 2010, a member of the Investment Committee of Impetus – The Private Equity Foundation, a registered charity which seeks to transform the lives of 11-24 year olds from disadvantaged backgrounds by ensuring that they get the support they need in education, finding and keeping jobs, and achieving their potential. He was also a trustee of Impetus; and (ii) between 2015 and 2022, a member of the Advisory Board of the Rugby Football Union which established 'RFU for Change', the RFU's flagship social responsibility programme aimed at growing the power of rugby as a tool for social good.
- Jonathan Sykes provides advice to businesses on their growth plans, either in the capacity of an executive or a non-executive director. He was Executive Chair of Carbon Intelligence, a leading consulting and technology firm committed to helping businesses transform for a net-zero world, and recently led the successful sale of the firm to Accenture. Prior to joining Carbon Intelligence, he built and grew three global digital and media businesses, and was Managing Director at Sky Sports. He is a qualified barrister and holds a law degree from Inns of Court School of Law.
- Matthew Woods trained with Withers, a leading City law firm, where he qualified as a private client lawyer in 2001. He specialises in advising families on succession and governance issues with a focus on family-owned businesses (whether investment or trading) and rural estates, whether farming or with a diverse asset base. Philanthropy is an important part of many of those succession plans and he was involved with the legal set-up of East Head Impact. He has sat on the management board of Withers for the last four years and during that period the importance of philanthropy and Environmental, Social and Corporate Governance issues has

grown as well as pro bono work. In addition to advising families, he gets involved in raising funds for the Withers' charity of the year or matters that are personal to him, such as Alzheimer's Research UK, which has seen him complete the Royal Parks half marathon. He sits as a charitable trustee for a family making annual grants and is also a trustee of the Compton Verney Fund which is an endowment fund supporting the house opening activities of the Compton Verney House Trust, which has a nationally accredited art gallery and historic Capability Brown Park.

The Head of Philanthropy and Operations qualified as a Chartered Accountant with Ernst & Young prior to spending over 25 years as a mergers & acquisitions advisory banker with Rothschild & Co, a leading global financial services group involved in financial advisory, wealth and asset management and merchant banking.

4.6 Related party transactions

The Trustees receive no remuneration in the performance of their duties.

Related party transactions are stated in note 21 to the financial statements.

5. Future plans

East Head Impact's future plans include:

- Developing a brand and communications strategy to enhance the delivery of its charitable activities.
- Developing a strategy to work with experts to enhance the delivery of its charitable objectives.
- Developing a strategy to assist grant recipients in furthering their impact goals.

East Head Impact assesses the impact achieved by its grant recipients on an ongoing basis and, based on that impact, makes appropriate decisions on future grant awards and changes to its grant making policy, strategy and procedures as the Trustees deem appropriate.

6. Principal risks and uncertainties

The principal risks and uncertainties faced by East Head Impact are as follows:

- Identifying suitable grant making opportunities: This uncertainty is mitigated by the extent of the collective personal contacts and networks of the Trustees. Further, and as a newly established charity, East Head Impact will continue to explore and develop the way in which it operates – this may include: (i) appointing a consultant to build a brand and communications strategy designed, inter alia, to enhance the identification of grant making opportunities (including co-funding opportunities alongside other charitable foundations); and (ii) taking on additional resources with expertise in the charitable areas in which East Head Impact seeks to make an impact.
- Required resources to process grant making opportunities: East Head Impact monitors its operations on an ongoing basis and will take steps that the Trustees deem appropriate to improve and enhance its operational capabilities.
- A fall in the value of its investment portfolio and related income stream as a result of negative factors affecting the financial markets and asset values, and thus lower resources available to fund East Head Impact's charitable activities. This risk is mitigated as a result of: (i) the investment experience of the Board of Trustees; and (ii) the appointment of J.P. Morgan, a top tier investment and asset manager, to manage a portion of East Head Impact's investment portfolio.

7. Statement of Trustees' responsibilities

7.1 Responsibilities

The Trustees of East Head Impact, who are also its directors for the purposes of company law, are

responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial period. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of East Head Impact and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102).
- Make judgments and accounting estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards (FRS 102) 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 East Head Impact will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain East Head Impact's transactions and disclose with reasonable accuracy at any time the financial position of East Head Impact and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of East Head Impact and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

7.2 Disclosure of information to auditors

Each of the persons who were Trustees at the time when this Trustees' Report was approved has confirmed that:

- So far as that Trustee is aware, there is no relevant audit information of which East Head Impact's auditors are unaware.
- That Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that East Head Impact's auditors are aware of that information.

7.3 Auditors

The auditors, Kreston Reeves LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

8. Trustees' approval and authorisation

This report was approved by East Head Impact's Trustees on 21st June 2023 and the Chair was authorised to sign the report on behalf of the Board of Trustees.


Marc Boughton
Founder and Chair
June 2023

East Head Impact
(A company limited by guarantee)

Independent auditors' report to the Members of East Head Impact

Opinion

We have audited the financial statements of East Head Impact (the 'charity') for the period ended 31 December 2022 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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 charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure for the period 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 Companies Act 2006.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charitable company'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.

East Head Impact
(A company limited by guarantee)

Independent auditors' report to the Members of East Head Impact (continued)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial period for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company 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 Companies Act 2006 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 received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

East Head Impact

(A company limited by guarantee)

Independent auditors' report to the Members of East Head Impact (continued)

Auditors' responsibilities for the audit of the financial statements

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 Auditors' 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 procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the charity and industry, and through discussion with the trustees and management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to anti-bribery and money laundering law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities SORP (FRS 102) Second Edition (released October 2019), the Companies Act 2006 and other relevant charity legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated Trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks related to posting inappropriate journal entries and management bias in accounting estimates and judgemental areas of the financial statements such as the valuation of investments. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management; and
- Assessment of identified fraud risk factors; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance and reviewing correspondence with relevant tax and regulatory authorities; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation; and
- Agreeing investment movements and valuations to third party reports, and evaluating the competence of the experts providing those reports.

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 or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or

East Head Impact

(A company limited by guarantee)

Independent auditors' report to the Members of East Head Impact (continued)

error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Kreston Reeves LLP

Chartered Accountants
Statutory Auditor

Chichester

Date: 28 June 2023

East Head Impact
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the period ended 31 December 2022

| | Note | Endowment funds 2022 £ | Unrestricted funds 2022 £ | Total funds 2022 £ |
|--|------|---------------------------------|------------------------------------|-----------------------------|
| Income and endowments from: | | | | |
| Donations and legacies | 4 | 21,955,025 | - | 21,955,025 |
| Investments | 5 | - | 249,202 | 249,202 |
| Total income and endowments | | 21,955,025 | 249,202 | 22,204,227 |
| Expenditure on: | | | | |
| Charitable activities: | 6,7 | | | |
| Grants to institutions | | - | 413,250 | 413,250 |
| Other charitable activities | | 54,908 | (132,484) | (77,576) |
| Total expenditure | | 54,908 | 280,766 | 335,674 |
| Net income/(expenditure) before net losses on investments | | 21,900,117 | (31,564) | 21,868,553 |
| Net losses on investments | | (173,033) | - | (173,033) |
| Net income/(expenditure) | | 21,727,084 | (31,564) | 21,695,520 |
| Transfers between funds | 14 | (31,564) | 31,564 | - |
| Net movement in funds | | 21,695,520 | - | 21,695,520 |
| Reconciliation of funds: | | | | |
| Net movement in funds | | 21,695,520 | - | 21,695,520 |
| Total funds carried forward | | 21,695,520 | - | 21,695,520 |

The Statement of financial activities includes all gains and losses recognised in the period.


The notes on pages 25 to 33 form part of these financial statements.

East Head Impact
 (A company limited by guarantee)
 Registered number: 13669631

Balance sheet
 As at 31 December 2022

| | Note | 2022 £ |
|--|------|--------------------------|
| Fixed assets | | |
| Investments | 11 | 14,862,429 |
| | | <u>14,862,429</u> |
| Current assets | | |
| Debtors | 12 | 86,182 |
| Cash at bank and in hand | | 6,756,209 |
| | | <u>6,842,391</u> |
| Creditors: amounts falling due within one year | 13 | (9,300) |
| | | <u>6,833,091</u> |
| Net current assets | | <u>6,833,091</u> |
| Total assets less current liabilities | | <u>21,695,520</u> |
| Total net assets | | <u><u>21,695,520</u></u> |
| Charity funds | | |
| Endowment funds | 14 | 21,695,520 |
| Unrestricted funds | 14 | - |
| Total funds | | <u><u>21,695,520</u></u> |

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


 Marc Boughton
 Founder and Chair
 Date: 21st June 2023

The notes on pages 25 to 33 form part of these financial statements.

East Head Impact
(A company limited by guarantee)

Statement of cash flows
For the period ended 31 December 2022

| | 2022 |
|---|---------------------|
| | £ |
| Cash flows from operating activities | |
| Net cash used in operating activities | 21,542,469 |
| | <hr/> |
| Cash flows from investing activities | |
| Dividends and interest from investments | 249,202 |
| Proceeds from sale of investments | 211,702 |
| Purchase of investments | (15,293,270) |
| Deductions from capital (investment accounts) | 46,106 |
| | <hr/> |
| Net cash used in investing activities | (14,786,260) |
| | <hr/> |
| Change in cash and cash equivalents in the period | 6,756,209 |
| | <hr/> |
| Cash and cash equivalents at the end of the period | 6,756,209 |
| | <hr/> <hr/> |

The notes on pages 25 to 33 form part of these financial statements

East Head Impact

(A company limited by guarantee)

Notes to the financial statements

For the period ended 31 December 2022

1. General information

The charity is a private limited company limited by guarantee incorporated in England and Wales. The members of the company and the trustees are named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The registered office of the charity is:

Third Floor, 20 Old Bailey, London, United Kingdom, EC4M 7AN.

The principal place of business is:

10 St Leonards Terrace, London, United Kingdom, SW3 4QB.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

East Head Impact meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The financial statements have been prepared on a going concern basis. The Trustees have assessed the financial position of the charity and based on the net asset position and the discretion the charity has over its level of activity and expenditure they have concluded that the charity can continue to operate for at least 12 months beyond the signing date of these financial statements.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

East Head Impact
(A company limited by guarantee)

Notes to the financial statements
For the period ended 31 December 2022

2. Accounting policies (continued)

2.4 Expenditure (continued)

Grants payable are charged in the period when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the period end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of financial activities.

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

2.8 Debtors

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

2.9 Cash at bank and in hand

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

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

East Head Impact
(A company limited by guarantee)

Notes to the financial statements
For the period ended 31 December 2022

2. Accounting policies (continued)

2.11 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Endowment funds comprise capital donated to the charity, together with accumulated realised and unrealised investment gains or losses. The Trustees have the power to expend the endowment funds. Investment management charges and other professional fees relating directly to the fund are charged against the fund. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included in unrestricted income.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity holds certain investments for which open market valuations are not available. The valuations for these investments are provided by expert investment managers. See note 11 for the year-end valuation of investments held by the Charity.

4. Income from donations and legacies

| | Endowment funds 2022 £ | Total funds 2022 £ |
|-----------|---|---------------------------------------|
| Donations | 21,955,025 | 21,955,025 |

East Head Impact
(A company limited by guarantee)

Notes to the financial statements
For the period ended 31 December 2022

5. Investment and interest income

| | Unrestricted funds 2022 £ | Total funds 2022 £ |
|--------------------------------|--|---------------------------------------|
| Investment and interest income | 249,202 | 249,202 |

6. Analysis of grants

| | Grants to Institutions 2022 £ | Total funds 2022 £ |
|--------|--|---------------------------------------|
| Grants | 413,250 | 413,250 |

The Charity awards grants under three key pillars; Education, Health and the Planet. Grants in the current year were £180,000 under the Health pillar, and £233,250 under the Education pillar.

Grants paid to institutions totalled £413,250, and were made up of the following individual grants:

| Recipient | Grant amount (£) |
|---|-------------------------|
| Old Coulsdon Centre | 30,000 |
| United World Schools | 81,000 |
| Premiership Rugby's HITZ programme | 52,250 |
| Dallaglio RugbyWorks | 50,000 |
| Impetus - The Private Equity Foundation | 50,000 |
| West Sussex Mind | 50,000 |
| Podium Analytics | 100,000 |
| Total | 413,250 |

7. Analysis of expenditure on charitable activities

Summary by fund type

| | Endowment funds 2022 £ | Unrestricted funds 2022 £ | Total 2022 £ |
|--------------------------|---|--|-----------------------------|
| Grant funding activities | 54,908 | 280,766 | 335,674 |

East Head Impact
(A company limited by guarantee)

Notes to the financial statements
For the period ended 31 December 2022

8. Analysis of expenditure by activities

| | Grant funding activities 2022 £ | Support costs 2022 £ | Total funds 2022 £ |
|--------------------------|--|---|---------------------------------------|
| Grant funding activities | 413,250 | (77,576) | 335,674 |

Analysis of support costs

| | Grant funding activities 2022 £ | Total funds 2022 £ |
|--|--|---------------------------------------|
| Advertising and marketing | 1,007 | 1,007 |
| Audit and accountancy | 11,040 | 11,040 |
| Bank fees, Investment management fees and expenses | 54,953 | 54,953 |
| Insurance | 1,733 | 1,733 |
| Legal and professional | 49,579 | 49,579 |
| IT software and consumables | 287 | 287 |
| Interest paid | 6,964 | 6,964 |
| Foreign exchange bank revaluations | (203,139) | (203,139) |
| | <u>(77,576)</u> | <u>(77,576)</u> |

9. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £9,300 (2021 - £ -), and other services of £1,740 (2021 - £ -).

10. Trustees' remuneration and expenses

During the period, no Trustees received any remuneration or other benefits.

During the period ended 31 December 2022, no Trustee expenses were incurred.

East Head Impact
(A company limited by guarantee)

Notes to the financial statements
For the period ended 31 December 2022

11. Fixed asset investments

| | Investments £ |
|----------------------------|--------------------------------|
| Valuation | |
| Additions | 15,293,270 |
| Disposals | (211,702) |
| Revaluations | (373,339) |
| Capital account deductions | (46,106) |
| Foreign exchange movement | 200,306 |
| At 31 December 2022 | <u>14,862,429</u> |
| Net book value | |
| At 31 December 2022 | <u>14,862,429</u> |

The carrying value of investments includes holdings in alternative investment funds of £5,155,003, corporate bonds of £1,482,466 and diversified investment funds of £8,224,960.

12. Debtors

| | 2022 £ |
|--------------------------------|-------------------------|
| Due within one year | |
| Prepayments and accrued income | 86,182 |
| | <u>86,182</u> |

13. Creditors: Amounts falling due within one year

| | 2022 £ |
|------------------------------|-------------------------|
| Accruals and deferred income | 9,300 |
| | <u>9,300</u> |

East Head Impact
(A company limited by guarantee)

Notes to the financial statements
For the period ended 31 December 2022

14. Statement of funds

Statement of funds - current period

| | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 31 December 2022 £ |
|---------------------------|---------------------------------|--------------------------------|--------------------------|--------------------------------|---|
| Unrestricted funds | | | | | |
| General Funds | <u>249,202</u> | <u>(280,766)</u> | <u>31,564</u> | <u>-</u> | <u>-</u> |
| Endowment funds | | | | | |
| Endowment Funds | <u>21,955,025</u> | <u>(54,908)</u> | <u>(31,564)</u> | <u>(173,033)</u> | <u>21,695,520</u> |
| Total of funds | <u><u>22,204,227</u></u> | <u><u>(335,674)</u></u> | <u><u>-</u></u> | <u><u>(173,033)</u></u> | <u><u>21,695,520</u></u> |

The expendable endowment fund was established by a donation in the current reporting period (see note 21). The trustees have the power to spend the income and capital in accordance with the Trust's charitable objectives.

15. Analysis of net assets between funds

Analysis of net assets between funds - current period

| | Endowment funds 2022 £ | Total funds 2022 £ |
|-------------------------------|---------------------------------|---------------------------------|
| Fixed asset investments | 14,862,429 | 14,862,429 |
| Current assets | 6,842,391 | 6,842,391 |
| Creditors due within one year | (9,300) | (9,300) |
| Total | <u><u>21,695,520</u></u> | <u><u>21,695,520</u></u> |

East Head Impact
(A company limited by guarantee)

Notes to the financial statements
For the period ended 31 December 2022

16. Reconciliation of net movement in funds to net cash flow from operating activities

| | 2022 £ |
|--|-------------------|
| Net income for the period (as per Statement of Financial Activities) | 21,695,520 |
| Adjustments for: | |
| (Gains)/losses on investments | 173,033 |
| Dividends and interests from investments | (249,202) |
| Decrease/(increase) in debtors | (86,182) |
| Increase in creditors | 9,300 |
| Net cash provided by operating activities | 21,542,469 |

17. Analysis of cash and cash equivalents

| | 2022 £ |
|--|------------------|
| Cash in hand | 6,756,209 |
| Total cash and cash equivalents | 6,756,209 |

18. Analysis of changes in net debt

| | Cash flows £ | Changes in market value and exchange rate movements £ | At 31 December 2022 £ |
|--------------------------|------------------|---|--------------------------------|
| Cash at bank and in hand | 6,553,070 | 203,139 | 6,756,209 |
| | <u>6,553,070</u> | <u>203,139</u> | <u>6,756,209</u> |

19. Uncalled capital commitments

The charity has uncalled capital commitments relating to its investment funds totalling £2,192,267.

East Head Impact
(A company limited by guarantee)

Notes to the financial statements
For the period ended 31 December 2022

20. Grant commitments

The charity has £170,000 of grant funding commitments to meet, should the grantees meet their respective grant conditions.

21. Related party transactions

Marc Boughton is the Founder and Chair of East Head Impact:

- In December 2021, East Head Impact received a donation of £21,955,025 (comprising cash and interests in investment funds established and managed by CVC Capital Partners) from a private trust. Marc Boughton was a trustee of the private trust and an employee of CVC Capital Partners at the time of the donation and continues to hold an ownership interest in CVC Capital Partners. Receipt of the investment funds was approved by the two other trustees of East Head Impact. No fees are paid by East Head Impact to CVC Capital Partners for managing the investment funds.
- East Head Impact provided a US\$1 million capital commitment to invest in an investment fund established and managed by a subsidiary of CVC Capital Partners.
- East Head Impact awarded a £52,250 grant to Premier Rugby Ltd for the purpose of co-funding Premiership Rugby's award winning HITZ community programme. One of the investment funds managed by CVC Capital Partners and gifted to East Head Impact has an indirect ownership interest in Premier Rugby Ltd.
- East Head Impact awarded a £50,000 unrestricted grant to Impetus – The Private Equity Foundation. Marc Boughton is a member of the Impetus Investment Committee.

Jonathan Sykes is a trustee of East Head Impact. East Head Impact awarded a £52,250 grant to Premier Rugby Ltd. A Jonathan Sykes family member is a senior employee of Premiership Rugby.

Matthew Woods is a trustee of East Head Impact and a partner of Withers LLP, East Head Impact's legal adviser:

- East Head Impact received a donation of £21,955,025 from a private trust in December 2021. Matthew Woods is a director of Withers Trust Corporation Limited which is a trustee of the private trust.
- In 2021/2022, Withers LLP provided advice to (a) the trustees of the private trust in relation to the £21,955,025 million gift to East Head Impact and (b) East Head Impact in relation to the foundation of East Head Impact and related tax issues and on potential investments, and also provided company secretarial services (which are ongoing). Fees paid by East Head Impact to Withers LLP for this advice and services since incorporation aggregated £44,510.