

Charity number 1197497
Company registration number 13733159

MANOLO BLAHNIK FOUNDATION

REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2023

MANOLO BLAHNIK FOUNDATION

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MANOLO BLAHNIK FOUNDATION

CHARITY INFORMATION

Charity registration number	1197497
Company registration number	13733159
Address	31 Old Burlington Street, London W1S 3AS
Trustees	Mr. Manolo Blahnik Ms. Evangelina Rosa Hülsebus Ms. Eva Kristina Hülsebus
Bankers	Coutts & Co. 440 Strand, London, WC2R 0QS Coutts Crown Dependencies Royal Bank House, 71 Bath Street, St Helier, Jersey, JE4 8PJ
Solicitors:	Withers LLP 20 Old Bailey, London EC4M 7AN
Independent Examiner	Grant Thornton UK LLP Victoria House, 4th Floor, Avebury Boulevard, Milton Keynes, MK9 1AU

MANOLO BLAHNIK FOUNDATION

TRUSTEES' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2023

The Trustees of Manolo Blahnik Foundation (the Foundation) present their report together with the financial statements of the Charity for the year ended 31 December 2023. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Companies Act 2006, the Charities Act 2011 and Charity SORP 2019.

Structure, governance, and management

The Foundation is a charitable company limited by guarantee, incorporated on 09 November 2021, and registered as a Charity on 13 January 2022. The Foundation was established under a Memorandum of Association, which is governed under its Articles of Association setting out the Foundation's objects and powers, and the relevant statutes. In the event of the Foundation being wound up, the Trustees are required to contribute an amount not exceeding £1. All Trustees and Members of the Foundation give their time voluntarily and receive no benefits from the Foundation.

The Directors of the Company are the Foundation's Trustees for the purposes of charity law. Two of the current Trustees are also the first Members of the Foundation. The Foundation Trustee meetings are held at least twice a year to review and agree areas of policy, finance, risk management and charitable donations. New Foundation Trustees can be appointed by the existing Foundation Trustees in future.

The Foundation Trustees have ultimate responsibility for all strategic and operational aspects of the Foundation. The day-to-day administration of grants, prior to consideration by the Foundation Trustees is delegated to Greenwood Place, the Administrator for the Foundation.

Risk management

The Foundation Trustees have considered the major risks to which the Foundation is exposed and have reviewed those risks and established systems and procedures to manage those risks.

The Foundation Trustees consider variability of investment returns to constitute the Foundation's major financial risk as demonstrated by the recent volatility in world stock markets. The Foundation Trustees have therefore decided to manage this risk by keeping reliance on investment income to a minimum in the short term. It has been resolved that the Foundation expenditure including grant making is mainly limited to donations made by Manolo Blahnik International Limited (MBIL) for the foreseeable future allowing the Foundation to reinvest some of income earned. This approach is adopted to enable the Foundation to preserve original investment value, to ensure long-term and sustained support to the charitable activities.

Objectives and activities

The Foundation Trustees have decided to take a learning approach to philanthropy, seeking to understand where we can make a meaningful difference and focusing on those points of inflection where we can help achieve lasting impact.

The Foundation will award grants to charitable organisations that support in the specific areas of mental health, animal welfare and the next generation as well as general humanitarian causes.

As the Foundation starts to make grants, the Foundation will receive regular written reports from all grantees through which to monitor and evaluate its grant funded projects across all programmes. The Foundation will maintain regular contact and communication with all charities supported.

MANOLO BLAHNIK FOUNDATION

TRUSTEES' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2023

The Foundation made several grants during the year, all to institutions, for a total amount of £266,000. The details of the grants awarded in 2023 were as follows:

King's College, London, £100,000

The aim of the pilot programme is to build a framework for NHS Trusts to provide essential mental wellbeing support for frontline workers.

British Red Cross, £100,000

Due to an increase in the number of conflicts around the world, Trustees agreed to approve the unrestricted grant of £100,000.

Mental Health Foundation, £20,000

The Trustees approved a grant for the Mental Health Foundation to support the *Parents Lived Experience Champion Network Project*.

Refuge for Pets, £36,000

The Trustees approved a grant for a specialist animal fostering service across Devon and Cornwall to support victim-survivors of domestic abuse so that they can leave with their much-loved animals.

Dogs on the Streets (DOTS), £10,000

The Trustees approved a Random Act of Kindness grant of £10k for Dogs on the Streets.

Grant Making Policy

The Foundation Trustees are committed to ensuring that the Foundation's funds are used in accordance with its governing document and to further purposes that are exclusively charitable under the law of England and Wales. The Foundation's Grant Making Policy is structured to achieve its objectives for the public benefit and will aim to fund the following strategic priorities in addition to humanitarian causes:

- Charitable purposes connected with mental health and wellbeing.
- Promotion of animal welfare.
- Engagement of new generation advancing education.

The Foundation Trustees have ultimate responsibility for all grant making decisions. The Foundation Trustees do not anticipate any possibility for private benefit arising from their grant making. However, they will keep this under review, assessing each potential grant to be made in isolation and ensuring that no such private benefit arises.

The Foundation Trustees review the Grant Making Policy annually to ensure that it reflects the Foundation's objectives and may make any amendments to the policy at any time to ensure public benefit.

MANOLO BLAHNIK FOUNDATION

TRUSTEES' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2023

Public benefit and fundraising practices

The Foundation Trustees regularly review the objectives of the Foundation to keep them in line with the Charities Act 2011 guidance on public benefit. The planning for future activities and grant awarding process is solely determined by focus on the Foundation's aims and objectives for public benefit.

The Trustees assume their responsibilities under the Charities (Protection and Social Investment) Act 2016. The Foundation does not actively fundraise and seeks to continue the charitable work through the careful stewardship of its existing resources. The Charity has received no complaints in relation to its fundraising activities.

Related parties

All the Foundation's Trustees are Directors of MBIL.

Staffing

The Foundation has no paid or unpaid members of staff. MBIL donates services provided to the Foundation in several areas, including finance, legal and communications.

Plans for future periods

In terms of future plans, focus will be on investing the Foundation's existing capital for long-term sustainability to ensure inflation linked growth and making grants to relevant charities made mainly from donations received from MBIL. The Foundation Trustees have approved funding for charitable work matching the aims, objectives and broader strategic vision of the Foundation as set out in the Grant Making Policy above.

Financial review

In future, the regular funding sources for the Foundation will be:

- 1) Manolo Blahnik International Limited grants.
- 2) Investment income.

Long-term financial modelling was prepared to understand the impact of various income and expenditure scenarios on the Foundation's asset base in the future. This study recommended the best course of action for protecting the real value of initial capital of the Foundation for financial sustainability at the same time as ensuring maximum grant making capacity in line with the Foundation's objectives.

Reserves policy

The Foundation has £7.8m of unrestricted reserves at the end of 2023. The Foundation has invested funds in long-term investment portfolios to ensure inflation linked growth and to sustain the Foundation's operations and objectives.

The Trustees have considered the working capital needs of the Foundation and maintain liquid funds of at least £500,000 to allow the Foundation to meet its commitments to beneficiaries and to cover its ongoing operational costs. The reserves policy, through strategic investment in long-term assets, aims to secure

MANOLO BLAHNIK FOUNDATION

TRUSTEES' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2023

the Foundation's future, ensuring it can provide consistent and sustainable support to the charitable causes it sponsors.

Going concern

The Foundation's financial statements have been prepared on a going concern basis. The Foundation has sufficient funds to cover forecast expenditure for the foreseeable future, including at least 12 months from the date of signing of these financial statements. The Trustees have concluded that there are no material uncertainties about the Foundation's ability to continue as a going concern.

Statement of Trustees' responsibilities

The Trustees (who are also directors of Manolo Blahnik Foundation for the purposes of Company Law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations. The Trustees' Report and financial statements have been prepared in accordance with the provisions of the Companies Act 2006 for small companies.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. 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 the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;

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

The Trustees confirm that:

- so far as each trustee is aware, there is no relevant audit information of which the Charitable company's auditor is unaware; and
- the Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the Charitable company's auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

MANOLO BLAHNIK FOUNDATION

**TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2023**

ON BEHALF OF THE FOUNDATION TRUSTEES

Ms. Eva Kristina Hülsebus

Trustee

Date: 22 October 2024

MANOLO BLAHNIK FOUNDATION

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MANOLO BLAHNIK FOUNDATION

I report to the charity trustees on my examination of the accounts of Manolo Blahnik Foundation ('the Charitable Company') for the year ended 31 December 2023.

Responsibilities and basis of report

As the charity trustees of Manolo Blahnik Foundation (who are also the directors of the Charitable Company for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006.

Having satisfied myself that the accounts of the Charitable Company are not required to be audited under Part 16 of the Companies Act 2006 and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that, no matter has come to my attention in connection with the examination which gives me reasonable cause to believe that in any material respect:

- accounting records were not kept in respect of the Charitable Company as required by section 386 of the Companies Act 2006; or
- the accounts do not accord with these records; or
- the accounts do not comply with the accounting requirements of section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination: or
- the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities 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).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Our report is made solely to the Charitable Company's trustees, as a body, in accordance with section 154 of the Charities Act 2011. Our work has been undertaken so that we might state to the Charitable Company's trustees those matters we are required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and the Charitable Company's trustees as a body, for our work or for the independent examiner's report, or for the opinions we have formed.

MANOLO BLAHNIK FOUNDATION

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MANOLO BLAHNIK
FOUNDATION (CONTINUED)**

Grant Thornton UK LLP
Chartered Accountants
London

MANOLO BLAHNIK FOUNDATION
CHARITY NUMBER: 1197497

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 £	2022 £
Income from:			
Donations	2	21	7
Investments	2	135	-
Total		<u>156</u>	<u>7</u>
Expenditure on:			
Charitable activities	3	(266	(5
Other	3	102	60
Total		<u>(368</u>	<u>(65</u>
Net (expenditure)/income		<u>(211</u>	<u>7</u>
Other recognised gains/(losses):			
(Losses)/gains on foreign currency translation		(50	50
Gains/(losses) on investments	2	288	-
Net movement in funds		<u>76</u>	<u>7</u>
Reconciliation of funds:			
Total funds brought forward		<u>7</u>	-
Total funds carried forward		<u>7</u>	<u>7</u>

There are no recognised gains or losses other than those included above. The results shown above relate to continuing activities.

The income and expenditure are measured under the historical cost convention.

The notes on pages 13 - 18 form part of these financial statements.

MANOLO BLAHNIK FOUNDATION
CHARITY NUMBER: 1197497

	Note	2023	2022
Fixed assets			
Investments	9		
Current assets			
Debtors	5		
Cash at bank and in hand	12		
		_____	_____
Liabilities			
Creditors: amounts falling due within one year	6	_____	_____ 26
Net current assets		_____	_____
Net assets			
Funds			
Unrestricted funds	10	_____	_____

BALANCE SHEET AS AT 31 DECEMBER 2023

The directors consider that the Charitable Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and the members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved by the Board of Foundation Trustees on 22 October 2024 and were signed on its behalf by:

Ms. Eva Kristina Hülsebus
Trustee

The notes on pages 13 - 18 form part of these financial statements.

MANOLO BLAHNIK FOUNDATION
CHARITY NUMBER 1197497

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 £	2022
Cash flows from operating activities:			
Net cash provided by operating activities	11	1,319,846	
Change in cash and cash equivalents in the reporting period			
Purchase of investments		(6,000,000)	
Credit interest and distributions reinvested		(92,143)	
Cash and cash equivalents at the beginning of the reporting period		6,179,756	
Change in cash and cash equivalents due to exchange rate movements		(50)	50
Cash and cash equivalents at the end of the reporting period		<u>1,407,409</u>	

MANOLO BLAHNIK FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Foundation is a public benefit entity as defined by FRS 102. The financial statements are presented in Sterling (£). Please see Charity Information page for Charity details.

The principal accounting policies adopted in the preparation of the financial statements are as follows:

1.2 Debtors

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

1.3 Investments

Investments held that relate to listed company shareholdings are revalued to market value at the end of each accounting period.

1.4 Cash and cash equivalents

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.

1.5 Creditors

Creditors are recognised where the Foundation has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are recognised at their settlement amount after allowing for any trade discounts due.

Grants only become payable when grantees reach certain milestones. Amounts are only recognised as liabilities once a milestone is reached and the amount becomes payable.

1.6 Donations

All monetary donations (including gift aid and donations in kind) are included in full in the Statement of Financial Activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

MANOLO BLAHNIK FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Accounting Policies (continued)

1.7 Resources expended

Classification of expenditure

Expenditure, which is charged on an accruals basis, is allocated between expenditure incurred directly for the furtherance of the Foundation's objectives including:

- Charitable activities
- governance costs
- administration costs and
- other costs.

All expenditure is shown gross, inclusive of unrecoverable VAT, and has been classified under headings that aggregate all costs related to the specific activity.

1.8 Fund accounting

Unrestricted funds are fees and other incoming resources received or generated for expenditure on the general objectives of the Foundation and which have not been designated for other purposes. All the Foundation's funds have to date been unrestricted.

1.9 Key sources of judgement and estimation uncertainty

In preparing the financial statements, the Foundation Trustees have made no significant judgements or estimates that would have a significant impact on any of the amounts as currently reported.

1.10 Financial Instruments

Financial assets and financial liabilities are recognised in the balance sheet when the Charity becomes a party to the contractual provisions of the instrument.

Basic financial assets, which include receivables and cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

1.11 Going concern

The Foundation's financial statements have been prepared on a going concern basis. The Foundation has sufficient funds to cover forecast expenditure for the foreseeable future, including at least 12 months from the date of signing of these financial statements. The Trustees have concluded that there are no material uncertainties about the Foundation's ability to continue as a going concern.

MANOLO BLAHNIK FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

2 Income

	Unrestricted £	2023 £	Unrestricted £	2022 £
Donations	-	-	6,202,296	6,202,296
Gift aid	-	-	1,549,324	1,549,324
Donated services	21,257	21,257	7,244	7,244
Interest and investment income	128,491	128,491	-	-
Interest on gift aid	6,964	6,964	-	-
Gains on investments	288,350	288,350	-	-
	445,062	445,062	7,758,864	7,758,864

3 Analysis of expenditure on charitable activities

	Charitable activities	Governance costs £	Admin costs	Other costs	2023	2022
Independent examination fees		4				
Audit fees		-				14
Grants payable	266	-			266	
Legal costs		7				28
Administration costs		-	58		58	
Donated services		-	21		21	
Other		-		10	10	955
Total resources expended in 2023	266	12	79	10	368	
Total resources expended in 2022		42	16	955		65

The independent examination fee was £4,100 plus VAT in 2023. All grants payable were paid to charitable institutions. For full details refer to page 3 - 7 of the Trustees' report.

4 Payments to Foundation Trustees

No Trustee or person with a family or business connection with a Trustee, received remuneration or expenses in the period, directly or indirectly, from the Foundation.

MANOLO BLAHNIK FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

5 Debtors and prepayments

	2023 £	2022 £
Accrued income	<u>-</u>	<u>1,540,574</u>
All debtors relate to unrestricted funds.		

6 Creditors: amounts falling due within one year

	2023 £	2022 £
Accruals	<u>17,847</u>	<u>26,769</u>
All creditors related to unrestricted funds.		

7 Employees

The Foundation has no employees. There were therefore no employees who received employee benefits over £60,000 per annum.

8 Related party transactions

No Trustee or person with a family or business connection with a Trustee, received remuneration or expenses in the period, directly or indirectly, from the Foundation.

The Foundation has no paid or unpaid members of staff. The Trustees of the Foundation are Directors of Manolo Blahnik International Limited. Manolo Blahnik International Limited donates services provided by its staff to the Foundation in several areas, including finance, legal and communications.

9 Investments

	2023	2022
Acquisitions		
Net movements in cash balances		
Net realised investment gains		
Net unrealised investment gains	<u>288</u>	
Market value at the end of the year	<u> </u>	<u> </u>

10 Funds reconciliation

Unrestricted Funds	2023	2022
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MANOLO BLAHNIK FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

	£	£
Funds brought forward as at 1 January 2023	7,693,561	-
Net incoming resources	<u>76,494</u>	<u>7,693,561</u>
Funds as at 31 December 2023	<u>7,770,055</u>	<u>7,693,561</u>

11 Reconciliation of net income to net cash flow from operating activities

	2023 £	2022 £
Net income for the reporting period (as per the statement of financial activities)	(211,806)	7,693,511
Adjustments for:		
Decrease/(Increase) in debtors	1,540,574	(1,540,574)
(Decrease)/Increase in creditors	<u>(8,922)</u>	<u>26,769</u>
Net cash provided by / (used in) operating activities	<u>1,319,846</u>	<u>6,179,706</u>

12 Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	<u>1,407,409</u>	<u>6,179,756</u>
Total cash and cash equivalents	<u>1,407,409</u>	<u>6,179,756</u>

MANOLO BLAHNIK FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

13 Analysis of changes in net debt

	2023 £	2022 £
Cash at the start of the year	6,179,756	-
Cash flows	<u>(4,772,347)</u>	<u>6,179,756</u>
Cash at the end of the year	<u>1,407,409</u>	<u>6,179,756</u>