

**The Granada Foundation
Annual Report
and Financial Statements
Year ended 31 March 2025**

Registered charity number 241693

The Granada Foundation
Annual Report and Financial Statements
Year ended 31 March 2025

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The Granada Foundation Annual Report and Financial Statements Year ended 31 March 2025

Reference and administrative information

Charity name and number

The Granada Foundation: registered charity number 1206376

Correspondence address

PO Box 3430
Chester CH1 9BZ

Trustees and advisory council

Trustees

Dr Virginia Tandy (Chair)
Martin Ainscough
Jane Davies
Philip Ramsbottom

Advisory council

Dr Virginia Tandy (Chair)
Martin Ainscough
Kathleen Arundale
Dr John Baxter
Jane Davies
Fiona Gasper (resigned 18 February 2025)
Charles Lauder
Kevin McManus
Philip Ramsbottom
Amanda Sutton

Administrator

Irene Langford

Professional advisors

Bankers	Barclays Bank plc 1 Churchill Place London E14 5HP
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Solicitors	ProArtsPlus ACERO 1 Concourse Way Sheffield S1 2BJ
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Reference and administrative information (*continued*)

Investment managers	Rothschild Wealth Management (UK) Limited New Court St Swithin's Lane London EC4N 8AL
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Independent examiner	HGA Accountants & Financial Consultants Ltd <i>t/a</i> Chittenden Horley Chartered Accountants Hyde Park House Cartwright Street SK14 4EH
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The Granada Foundation

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Trustees' report

Following a review of the charity's legal status carried out by its lawyers during 2023 the trustees adopted the recommendation to transfer the net assets and operation of The Granada Foundation, an unincorporated trust, ("the former entity") into a new charitable incorporated organisation ("the new entity"). The new entity has the same name. By resolution of the trustees dated 18 March 2024 and by a general vesting declaration dated 31 March 2024 all assets and liabilities of the former entity as at midnight on 31st March 2024 were transferred to the new entity and from that time the former entity ceased to operate. The trustees of the former entity became the trustees of the new entity.

The trustees present their report together with the financial statements of The Granada Foundation ("the Foundation") for its first year of operation from 1 April 2024 to 31 March 2025, which have been prepared in accordance with the accounting policies set out in note 1 of the financial statements. The trustees confirm that the financial statements comply with current statutory requirements, the Foundation's governing document and the Accounting and Reporting by Charities:- SORP applicable to charities preparing their accounts in accordance with Charities SORP (FRS 102). The reference and administrative information on pages 1 and 2 form part of the Trustees' Report.

1 Structure, governance and management

The Foundation is a charitable incorporated organisation (CIO) with charity registration number 1206376. The power of appointing new or additional trustees is vested in the trustees. There must be at least three charity trustees. If the number falls below this minimum, the remaining trustee or trustees may act only to call a meeting of the charity trustees, or appoint a new charity trustee. There is no maximum number of charity trustees that may be appointed to the Foundation. Members of the advisory council consisting of not less than two and not more than ten are appointed by the trustees for an initial term of three years and may be reappointed for further terms but not more than 4 consecutive terms. The trustees are empowered to apply the income and capital of the Foundation in accordance with the charity's objects and the recommendations of the advisory council. The advisory council meets two or three times a year to consider and approve grant applications. Their recommendations are then approved by the trustees in a separate meeting.

The Foundation has no employees but uses the services of a freelance part-time administrator to process grant applications and manage day-to-day arrangements. One of the trustees is responsible for financial and accounting matters for which he receives an annual fee, details of which are given under Related Party Disclosures in note 2 to the accounts. The trustees are not remunerated for services as trustees. Details of trustee expenses are given in note 5 to the accounts.

There are no formal training procedures in place but trustees keep abreast of developments in the charity sector by reading the Charity Commission website and relevant technical circulars, and attending seminars dealing with current issues affecting the sector.

Trustees and members of the advisory council are required to declare whether they have an interest in an organisation which is a prospective recipient of an award and in those circumstances do not take part in the discussion of that particular application nor vote in the decision whether to award or not.

2 Objectives and activities for the public benefit

When reviewing the Foundation's aims and objectives and setting the grant-making policy for the year the trustees have had regard to the Charity Commission's guidance concerning the Charities Act 2011 requirement relating to public benefit requirement. The objectives of the Foundation are as set out below and are geographically restricted to activity in the North West of England and the High Peak area of Derbyshire.

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Trustees' report (continued)

2 Objectives and activities for the public benefit (continued)

- to encourage and promote the study, practice and appreciation of the fine arts which for this purpose shall be deemed to include painting, drawing, architecture, sculpture, literature, music, opera, drama, ballet, cinema and the methods and means of their dissemination
- To encourage and promote the study and application of the sciences.
- To promote and advance education.
- To provide or assist in the provision of facilities for recreation or other leisure-time occupation in the interests of social welfare (as defined in the recreational charities act 1958).

The Foundation carries out its objectives by awarding grants across a range of institutions usually with charitable status. In general, we look for imaginative proposals from organisations, which will in some way make the North West a culturally richer and more attractive place in which to live and work. There is a clear preference for new projects. Although the Foundation supports festivals and other annual events, it is on the understanding that such support is not automatically renewable.

Prospective applicants are requested to complete an online enquiry form via the Foundation's website providing a brief summary of their organisation and an outline of the project for which they are seeking funding. This is then assessed against the Foundation's funding criteria and if appropriate a formal grant application is invited. Grant applications are considered by the advisory council at its regular meetings and are approved or rejected on the basis of their merit and the availability of funds.

The advisory council interprets the guidelines in a flexible way, realising that it cannot hope to achieve a true balance across all areas of activity. The council does, however, examine the context of each application and tries to make grants in areas where the benefit will be most widely felt within the community.

3 Achievements and performance

The advisory council met in April and November 2024 and awarded grants in furtherance of the Foundation's aims and objectives as follows:

	2025		<i>Former entity</i>	
	No	£	No	£
Appreciation of the fine arts	19	42,500	36	84,000
Study and application of the sciences	2	4,500	2	3,500
Promotion of education	5	14,000	10	21,000
Recreation and leisure time occupation	20	50,500	14	66,000
	<u>46</u>	<u>111,500</u>	<u>62</u>	<u>174,500</u>

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Trustees' report (continued)

3 Achievements and performance (continued)

The decrease in the number and total amount of grants awarded in the current year reflects the trustees' intention of conserving resources during the current period of global financial uncertainty. The emphasis on awarding more grants of smaller amounts has been maintained with 46 grants awarded with an average of just over £2,500.

The understanding and appreciation of science plays an equal part with the arts in enriching life in the North West and we continue in our endeavours to encourage applications from the regional science community as quality applications continue to fall short of our target.

Details of the individual grants awarded during the year are set out below:	£
20 Stories High	
WTFIS? project.	4,000
Africa Oyé	
The Oyé Active Zone for the 2024 Festival.	3,000
Ashton United in the Community	
Hurst Village Brass Band Contest.	2,000
Ballet Rambert	
Early Moves programme	3,500
Baroque in the North	
Baroque & Beyond project	2,000
Blackpool Heritage & Museum Trust	
Bright Lights in the Shadow of War community programme	4,500
Blaze Arts	
Lancashire Encounter Festival.	2,000
Buxton International Festival	
2025 Shorts – Four 20-minute operas	4,000
Community Arts North West (CAN)	
CAN Young Artists programme - Creative Pulse.	3,000
Cumbria Opera Group	
Tales from Cumbria workshops and two performances.	2,000
Da-Da Disability & Deaf Arts	
DaDaFest International 40 - to mark 40th anniversary 2025	4,000
DanceSyndrome	
Dance Leader Choreography project.	2,000
Dobcross Silver Band	
Celebration Concert for 150th Anniversary in 2025	1,000
FACT	
FACT Together 2024/2025.	2,000
Feelgood Theatre Productions	
Slave – A Question of Freedom project.	2,000
Festival of Making CIC	
Three new commissions for 2025 festival	4,500
Great Ideas Unlimited CIC	
2024 Smithdown Litfest literary festival.	1,500
Greater Manchester Building Preservation Trust	
Workshops and exhibition project.	1,500
Lake District Music	
2024 Festival.	3,000
Lancaster and District Festival	
Reader in Residence for 2025 Litfest	2,000
Lancaster Music Festival	
LMF Academy project 2024.	1,500
	=
<i>Carried forward</i>	55,000

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Trustees' report (continued)

3 Achievements and performance (continued)

<i>Brought forward</i>	55,000
Liverpool & Merseyside Theatres Trust	
Empowering Adults in Recovery as Artists programme	4,000
Liverpool Cathedral	
Anish Kapoor installation.	2,000
Manchester Baroque	
The Manchester Vivaldi music and education project.	2,000
Manchester Central Library Development Trust	
Music or Creative Crafts elements to mark the 90 th Anniversary of Central Library.	2,000
Manchester Collective	
Music Creator Residencies	2,500
Manchester Histories	
Queer Up North 1992-2002 project.	2,000
Manchester Jazz Festival	
MJF Hothouse and/or New commission for mjf2025.	3,000
Mirador Arts	
Project: Jukebox – The Teenage Revolution	3,000
Music Action International	
Crisis Choirs project	2,000
Music Links	
The Big World Music Project	1,000
Octagon Theatre Trust Ltd	
Women's Group project	2,500
One Tenth Human	
Pipes and Poo project.	3,000
Royal Liverpool Philharmonic Society	
In Harmony Liverpool 11-18 programme.	3,000
Royal Northern College of Music	
Children's Opera 2025	2,500
Salford Astronomical Society	
Community engagement project Reach for the Stars	1,500
South Cumbria Music Festival	
2025 Festival	1,000
String of Hearts CIC	
Intergenerational home visits project	1,500
The Bay International Film Festival Limited	
2024 Festival – Women in Focus.	2,000
The Dentdale Choir	
50th Anniversary Concert	1,000
The Reader	
Wonder Reader Days Spring and Autumn 2024.	2,000
The Silk Heritage Trust	
Weaver in Residence programme in Paradise Mill	2,500
Thick Skin Theatre	
Generator – a new talent programme for young people 16-25 in Wigan.	2,000
Things That Go On Things Ltd	
Light Night Wigan 2024	3,000
Tullie House Museum & Art Gallery	
Sheila Fell Cumberland on Canvas exhibition.	3,000
Unity Theatre	
Radical Re-imagining project	2,500
Total	= 111,500 =

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Trustees' report (continued)

3 Achievements and performance (*continued*)

3 grants awarded during the year totalling £6,000 (not included in the above table) were subsequently withdrawn following the applicants' inability to obtain matching funding. Total grants awarded by the Foundation and the former entity since the latter's inception on 8 March 1965 now amount to £6,722,091.

4 Financial review

The Foundation's grant awarding activity is reliant on returns from its investment portfolio, invested on a total return basis. Over the course of the financial year, the portfolio has returned a modest 1.22% overall, depressed by a fall of 1.1% in the final quarter, a period dominated by tense geopolitics, the threat of trade wars and volatile markets. The extent of the portfolio's decline has been significantly cushioned by defensive portfolio positioning - reducing return assets and adding to diversifying assets such as bonds and put options – and by having no direct exposure to the “Magnificent Seven” (the group of seven large, influential, and high-growth technology companies that have significantly impacted the stock market and are considered key drivers of market performance), which have been hit particularly hard.

Distributions from the portfolio, required for paying awards and overhead costs amounted to £140,000 (2024:£200,000).

The decreases in investment income of £24,996 down from £32,555 in 2024 and investment management costs of £19,522 down from £39,182 in 2024 are the result of the transition from directly held investments to a unitised fund, described in section 5, whereby both investment income and costs are credited/charged directly to the fund and not separately reported. Charges for the direct investment portfolio were calculated on a quarterly basis at 0.95% per annum of the portfolio valuation with the addition of foreign exchange charges, brokers' fees and fund fees debited to the portfolio but not separately identified. Ongoing annual charges for the management of the unitised fund are approximately 1.3%, including Rothschild's management fee of 0.95%, other fund expenses of 0.08% and expenses on underlying fund investments of 0.27%. In addition there are transaction costs which in the last reported year amounted to 0.08%.

Support and governance costs continued to be tightly controlled. The fall in total charitable expenditure from £205,641 to £141,470 is mainly attributable to the decrease of grants awarded during the year. Net investment gains of £62,965 comprise a mix of realised losses and unrealised gains and a foreign exchange gain of £75,610.

The Foundation estimated that it needed distributions of £140,000 to service its grant commitments and running costs, meeting this requirement from monthly distributions from the investment portfolio.

5 Investment policy

There are no restrictions on the charity's power to invest.

The trustees' policy is to generate sufficient returns to preserve the real value (after inflation) of the Foundation's assets after meeting a normal level of annual grant awards of around £120,000. However, the trustees acknowledge that this has not been achieved in recent years. While investment returns over a ten-year period have exceeded the cumulative rate of inflation, higher inflation and low interest rates in the last four years, in conjunction with the awarding of several significant capital grants prior to the pandemic, have eroded the value of the Foundation's funds. As a result it has been difficult to increase the level of individual grants to match rising prices. In a move designed to assist in reversing this decline, the trustees decided to adopt a more risk-tolerant approach to managing the Foundation's investments. Following discussions with the Foundation's investment managers, Rothschild Wealth Management (UK) Limited, (Rothschild) early in the financial year, the trustees agreed to re-categorise the risk profile to a higher level by moving from a return objective of inflation plus 3% to a return objective of inflation plus 4%.

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Trustees' report (continued)

5 Investment policy (*continued*)

Concurrently it was agreed to unitise the portfolio by disposing of the direct investments in exchange for units in an appropriate fund, one with a higher proportion of return assets and a correspondingly lower proportion of diversifying assets than the previous profile. Accordingly, all direct investments have now been sold with the proceeds applied to purchase units in Rothschild & Co - New Court Equity Growth Fund, a Société d'Investissement à Capital Variable (SICAV) and specialised investment fund (SIF), or more commonly, an open-ended collective investment fund ("the fund"). The fund aims to generate superior real returns for investors across an economic cycle by investing in high quality global companies in a highly concentrated manner with holding periods averaging 5 to 10 years. At the year-end the Fund was invested in 71.2% of return assets (of which 51.2% was direct investment in companies and 20% in return asset funds) and 28.8% in diversifying assets (of which 7.1% were alternative strategies investments, 5% portfolio protection investments, 8.3% fixed income and 8.4% cash and cash equivalents).

The portfolio is managed on a total return basis such that dividends from the Fund's underlying investments are reinvested in the fund and are not separately reported, forming a component of the overall movement in valuation of the fund. Monthly distributions to pay the Foundation's overhead costs and grants are met from the disposal of fund units.

Rothschild are allowed total discretion to manage the portfolio within the joint framework of the above policy and their own philosophy, which is based on a clear and simple objective: to preserve and grow the real value of their clients' capital over the long term. This objective involves several related factors:

- Outpacing inflation.
- Achieving prudent growth by investing for the longer term in companies with sustainable business models and responsible business practices.
- Avoiding large losses by building sensibly diversified portfolios, combining investments in high quality companies with assets that provide insurance in times of turbulence.

In emphasising sustainability as a key element of their investment criteria due regard is paid to Environmental, Social and Governance issues ("ESG") and as a minimum, investment assets are expected to respect the UN's principles on human rights, the environment, anti-corruption and labour practices. In addition there is a prohibition against investing in activities, no matter how economically sustainable, primarily involving:

- the sale and manufacture of armaments
- gambling
- mining of coal and coal plants
- adult entertainment
- tobacco.

Normally the trustees meet with Rothschild once a year and monitor their performance on a quarterly basis against agreed benchmarks.

The Foundation's policy of maintaining funds with its bankers in the form of cash deposits of approximately £25,000, provides sufficient funds to cover grant payments and administration costs over a two-month period. Additional cash resources to fund larger grant awards, if so required, can be accessed by selling the required number of fund units at short notice.

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Trustees' report (continued)

6 Reserves policy

The Foundation's funds are all unrestricted in that they are expendable at the discretion of the trustees in the furtherance of its objectives and are thus available for the awarding of grants. However, the accumulated funds are principally held for investment so as to generate returns to provide grants for the foreseeable future with the acknowledgement that there will be opportunities to apply the funds in payment of major grants if suitable applications are forthcoming. Within the unrestricted funds the trustees maintain sufficient free reserves in cash balances to cover grant payments and administration costs over a two-month period in the event of a sudden downturn in investment performance.

7 Plans for the future and continuity

The existing policy of supporting cultural organisations in the North West and the High Peak by encouraging innovative and forward-thinking projects through its competitive bid process, will continue for the foreseeable future. Applicants must be charitable or not-for-profit organisations and show they have secured or are applying for funding from other sources. As long as the investment market remains volatile the emphasis on project support will continue and applications for large-scale capital funding will be discouraged, although a limited number of capital applications at a lower level may be considered in exceptional cases.

At the year-end there were two vacancies on the Advisory Council, one of which has been filled subsequently and it is likely a suitable candidate will soon be found for the other.

8 Risk management

The trustees annually review the risks the Foundation faces, which mainly relate to the variability of returns on the Foundation's investment portfolio. Regular meetings are held with the investment manager to review performance against appropriate benchmarks and, with the aim of managing risks, to follow a policy of active and diversified portfolio management with a balanced risk profile. The trustees periodically review the internal controls in place at the charity and are satisfied the procedures in place are appropriate for an entity of this size and character.

9 Independent examination

The trustees consider that an audit is not required for this year (under section 144(2) of the Charities Act 2011) as the gross income did not exceed £500,000 and is unlikely to do so in the foreseeable future. The trustees have again elected to have an independent examination of the accounts rather than an audit and this is carried out by Stacey Mason FCCA of Chittenden Horley.

The trustees who held office at the date of approval of this trustees' report confirm that, so far as they are each aware, there is no relevant information of which the independent examiner is unaware; and trustees have taken all the steps that they ought to have taken as trustees to make themselves aware of any relevant information and to establish that the Charity's independent examiner is aware of that information.

This report was approved by the trustees and signed on their behalf of the trustees on 4 November 2025.

Dr Virginia Tandy

Trustee



PO Box 3430

Chester CH1 9BZ

The Granada Foundation

Annual Report and Financial Statements

Year ended 31 March 2025

Statement of trustees' responsibilities in respect of the Trustees' Report and the financial statements

Under the governing document and rules of the charity and charity law, the trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the net movement of funds for that year.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and Statements of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the governing document and rules, subject to any material departures disclosed as explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are required to act in accordance with the governing document and the rules of the charity, within the framework of trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and enable the trustees to ensure that, where any statements of accounts are prepared by them under section 132 of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They have general responsibility for taking steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

The Granada Foundation
The Annual Report and Financial Statements
Year ended 31 March 2025

Independent Examiner's Report to the Trustees of The Granada Foundation

I report to the trustees on my examination of the accounts of the Granada Foundation (the Trust) for the year ended 31 March 2025

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the IIC (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

Stacy Mason *02/10/2025*

HGA Accountants & Financial Consultants Ltd
t/a Chittenden Horley
Chartered Accountants
Hyde Park House
Cartwright Street
SK14 4EH

The Granada Foundation
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Statement of Financial Activities
for the Year ended 31 March 2025

		Unrestricted funds	
			<i>Former entity figures for comparison</i>
	<i>Notes</i>	2025	2024
		£	£
Income			
<i>Investment income</i>			
Investment income	3	24,996	32,555
		—	—
Total income		24,996	32,555
		—	—
Expenditure			
<i>Cost of generating funds</i>			
Investment management costs	4	19,522	39,182
<i>Expenditure on charitable activities</i>	5	141,470	205,641
		—	—
Total expenditure		160,992	244,823
		—	—
Net expenditure before gains/losses on investments		(135,996)	(212,268)
Net gains on investments	7	62,965	414,415
		—	—
Net movement in funds		(73,031)	202,147
<i>Reconciliation of funds</i>			
Fund balances brought forward		-	3,413,856
		-	-
	8	(73,031)	3,616,003
Net assets transferred from former entity on 31 March 2024	9	3,616,003	(3,616,003)
		==	==
Fund balances carried forward		3,542,972	-
		=	=

All funds are unrestricted.

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Balance Sheet as at 31 March 2025

	Notes	2025	Opening balance sheet
		£	2024
		£	£
Fixed assets			
Investments	7	3,525,844	3,538,489
Current assets			
Cash held by investment manager		-	83,138
Cash at bank		22,536	4,624
		<u>22,536</u>	<u>87,762</u>
Creditors: amounts falling due within one year	6	<u>(5,408)</u>	<u>(10,248)</u>
Net current assets		17,128	77,514
Net assets		3,542,972	3,616,003
Unrestricted funds			
Unrestricted funds	8	3,542,972	3,616,003
Total charity funds		3,542,972	3,616,003

These financial statements were approved by the trustees on 4 November 2025 and signed on their behalf by Dr Virginia Tandy.


Trustee

The Granada Foundation

The Annual Report and Financial Statements

Year ended 31 March 2025

Notes

for the year ended 31 March 2025

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are material in relation to the charity's financial statements.

a) Basis of preparation and assessment of going concern

The financial statements have been prepared: under the historic cost convention, as modified by the revaluation of investments (as set out below) through the statement of financial activities; in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective January 1 2019 (second edition - October 2019); and the Charities Act 2011 and UK Generally Accepted Practice.

The accounts (financial statements) have been prepared to give a 'true and fair view' and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements are prepared in £ sterling, the functional currency of the charity.

As this is the first financial year of the new charity's operation, prior year figures for the Statement of Financial Activities and related Notes have been incorporated from the final accounts of the former entity on the basis that the operations of both charities are identical and provide a meaningful comparison. The prior year amounts in the Balance Sheet and its related Notes are based on the balance sheet values transferred from the former entity on 31 March 2024

b) Income recognition

Investment income is accounted for in the period in which the charity is entitled to receipt.

c) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Foundation. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one year or multi-year grant.

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Notes *(continued)*

1 Accounting policies *(continued)*

c) Expenditure recognition *(continued)*

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable. A provision for a multi-year grant is recognised where settlement is due over more than one year from the date of the award, and where there are no unfulfilled performance conditions under the control of the Trust that would permit the Trust to avoid making the future payment, settlement is probable, and the effect of discounting is material. Provisions for grant awards made earlier are written back if it becomes apparent that, as at the balance sheet date, the grantee is unable or unwilling to comply with material conditions or grant.

Costs of generating funds comprise those costs directly attributable to managing the investment portfolio and generating investment income. Support costs include the cost of employing the services of a part time **freelance** administrator and general management costs. Governance costs comprise those costs relating to the public accountability of the charity and its compliance with regulation and good practice.

d) Financial instruments - fixed asset investments and funds held by investment manager

Apart from fixed asset investments and certain funds held by investment managers (included in current assets) all other balance sheet items are simple financial instruments which are initially recorded at cost and subsequently measured at their settlement value.

Investments are initially recognised at their transaction value and subsequently measured at their market value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value.

Investment transactions denominated in foreign currencies are translated at the rate of exchange prevailing at the time of the transaction. Foreign investments and currency balances are translated at the rate of exchange prevailing at the balance sheet date. Foreign exchange gains and losses incurred in respect of overseas transactions are included in the Statement of Financial Activities.

e) Fund accounting

All funds are unrestricted and can be used in accordance with the charity's objects and the directions of the advisory council.

f) Estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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Year ended 31 March 2025

Notes (*continued*)

2 Related party transactions and trustees' expenses and remuneration

The trustees and members of the advisory council all give freely of their time and expertise without any form of remuneration or other benefit in cash or kind (2024: £nil). Expenses paid to the trustees in the year totalled £1,188 (2024:£1,080) representing travel expenses for attending meetings. Philip Ramsbottom, a trustee and member of the advisory council, received fees of £3,100 (2024: £3,100) in respect of accountancy work on the 31 March 2024 accounts and £3,100 (2024: £3,100) is included in creditors for accountancy work on the 31 March 2025 accounts.

3 Investment income

	2025	<i>Former entity</i> 2024
	£	£
Dividend income and interest	24,996	32,555
	<u> </u>	<u> </u>

4 Investment management costs

	2025	<i>Former entity</i> 2024
	£	£
Investment manager's fees	19,522	39,181
	<u> </u>	<u> </u>

5 Charitable activities

The charity undertakes its charitable activities by awarding grants to a number of institutions. A detailed list of the grants awarded is given in the Trustees' Report on pages 5 to 6. 46 grants (2024:62) were awarded for the following purposes:

	2025	<i>Former entity</i> 2024
	£	£
Appreciation of the fine arts: 19 grants (2024:36)	42,500	84,000
Study and application of the sciences: 2 grants (2024:2)	4,500	3,500
Promotion of education: 5 grants (2024:10)	14,000	21,000
Recreation and leisure time occupation: 20 grants (2024:14)	50,500	66,000
	<u> </u>	<u> </u>
Total grants payable	111,500	174,500
Support costs	23,154	22,743
Governance costs	6,816	8,398
	<u> </u>	<u> </u>
Total charitable expenditure	141,470	205,641
	<u> </u>	<u> </u>

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Notes (*continued*)

5 Charitable activities (*continued*)

	2025	<i>Former entity 2024</i>
Support costs comprise:	£	£
Part time freelance administrator	20,400	19,200
Other support costs	2,754	3,543
	<u>23,154</u>	<u>22,743</u>
	<u><u>23,154</u></u>	<u><u>22,743</u></u>
		<i>Former entity 2024</i>
Governance costs comprise:	£	£
Trustees' travel expenses	1,189	1,080
Fee for independent examination	1,000	1,000
Accountancy	3,100	3,100
Meeting costs	1,527	3,218
	<u>6,816</u>	<u>8,398</u>
	<u><u>6,816</u></u>	<u><u>8,398</u></u>

The trustees are not remunerated for services as trustees.

6 Creditors

	2025	2024
Amounts falling due within one year	£	£
Grants payable	1,000	6,000
Other creditors	4,408	4,248
	<u>5,408</u>	<u>10,248</u>
	<u><u>5,408</u></u>	<u><u>10,248</u></u>

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Notes (*continued*)

7 Investments and net gains and losses

	2025		2024	
	£	£	£	£
<i>Summary analysis of portfolio</i>				
Rothschild & Co New Court Equity Growth Fund	3,525,844		-	
Fixed income securities	-		623,760	
Equities	-		2,434,411	
Other investments	-		480,318	
	<u> </u>	3,525,844	<u> </u>	3,538,489
		<u> </u>		<u> </u>
<i>Analysis of SoFA gain/(loss)</i>				
			<i>Former entity</i>	
Realised (loss)/gain on disposals	(30,103)		40,928	
Unrealised gain on portfolio at end of year	17,458		394,898	
Gain/(loss) on foreign exchange	75,610		(21,411)	
	<u> </u>	62,965	<u> </u>	414,415
		<u> </u>		<u> </u>

8 Unrestricted funds

	Unrestricted funds £
Balance at 1 April 2024	3,616,003
Increase in unrealised losses	(30,103)
Net decrease in funds for the year	<u>(42,928)</u>
Balance at 31 March 2025	<u>3,542,972</u>

Unrestricted funds comprise those funds which the trustees are free to use in accordance with the charitable objects.

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Notes (*continued*)

9 Transfer of net assets

<i>Analysis of net assets transferred from former entity on 31st March 2024</i>	£	£
Fixed assets		
Investments		3,538,489
Current assets		
Cash held by investment manager	83,138	
Cash at bank	4,624	
	<hr/>	
	87,762	
Creditors: amounts falling due within one year	(10,248)	
	<hr/>	
Net current assets		77,514
		<hr/>
Net assets transferred from former entity on 31st March 2024		3,616,003
		<hr/> <hr/>