

ANNUAL REPORT AND ACCOUNTS

2024



THE BEIT TRUST

THE BEIT TRUST

Charity Registration Number: 232478

Trustees, Committees and Office Holders

| | |
|----------------------------------|---|
| Chairman | Mr Alex Duncan MA MSc, Trustee June 2011, Chairman November 2023 |
| Trustees | Professor CBD Lavy OBE MD MCh FRCS, November 2007 Ms. LLM Bull MA, November 2016 Mr. James Munro, July 2020 Mrs. Alison Tweed, November 2022 Mr Andrew Whittall, July 2024 |
| Secretary | Sir Andrew Pocock KCMG, November 2016 |
| Representative in Africa | Mr. DEB Long, January 2018 |
| Finance Committee Members | Mr. James Munro, 28 October 2020, Chairman November 2023 Professor CBD Lavy OBE MD MCh FRCS, March 2024 Ms. LLM Bull MA, May 2018 Sir Andrew Pocock KCMG, November 2016 Mrs. FM Irwin BSc FCA, May 2018 Mr Thomas Seaman MA, MBA, October 2022 |

Addresses of The Beit Trust

| | |
|------------------|--|
| In the UK | Beit House Grove Road Woking Surrey GU21 5JB |
| In Africa | 5 Ludlow Road Newlands Harare Zimbabwe |

| | | |
|---------------------------------|--|---|
| Auditors & Actuaries | Azets Audit Services Limited Ashcombe Court Woolsack Way Godalming Surrey GU7 1LQ | Cartwright Pension Trusts 250 Fowler Avenue Farnborough Business Park Farnborough Hampshire GU14 7JP |
|---------------------------------|--|---|

| | | |
|----------------------------|--|---|
| Investment Managers | Schroders Ltd 1 London Wall Place London EC2Y 5AU | JP Morgan (from September 2024) 60 Victoria Embankment London EC4Y 0JP |
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TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

THE 118th YEAR OF THE BEIT TRUST

Charity Registration Number 232478

PART 1 - FOUNDATION, GOVERNANCE & MANAGEMENT

FOUNDATION

The Trust was established in 1906 by the Will of Alfred Beit, a financier and philanthropist. He had many interests and left a substantial legacy to a wide range of charitable causes.

His Will created the Beit Railway Fund, to promote regional communications via the development of the railway system in Southern Africa.

It also provided, should Trustees decide that the Fund was no longer needed for its primary purpose, that the income could be applied to "education, public or other charitable purposes." This now forms the mandate for the modern operations of the Trust.

In 1954, the Trust was reconstituted by a British Act of Parliament. Under Section 3 of the Act, the Beit Trust became an incorporated body. With the advent of Federation in the same year, the country of Malawi was included as a beneficiary in the Trust's "Specified Area," joining Zambia and Zimbabwe.



Alfred Beit

GOVERNANCE

Trustees

The Beit Trust Act specifies six Trustees, but is quorate with three. Vacancies are filled as they arise. The Board ended 2023 with five Trustees, following the retirement of Sir Alan Munro. Mr Andrew Whittall joined the Board in November 2024, restoring Trustee numbers to six. Trustees must have a broad knowledge of Southern Africa. The Board (and Finance Committee) also has expertise in the fields of international relations, commerce, medicine, education and investment.

Trustees' Responsibilities Statement

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity, of its incoming resources and the application of resources 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 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Acts 2011 and 2022 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Recruitment, Induction and Training of New Trustees

The Secretary inducts new Trustees and helps with training if there is no previous experience of charity Trusteeship.

The Trust's Objectives

Alfred Beit set out the Trust's objectives in his Will. These were re-affirmed in The Beit Trust Act 1954. The Trust's benevolent mandate is exclusively for Zambia, Zimbabwe and Malawi.

It does not fundraise. The 1906 Beit bequest, and its prudential management for 118 years, remains the Trust's sole funding source.

In 1946, the Trustees changed the focus from communications infrastructure to assistance in **education** (including now postgraduate scholarships, school buildings, teacher training, libraries, books and computers); **health** (including hospitals, clinics, medical equipment, support for regional trainee surgeons and in-country secondments for junior doctors); **welfare** (including care homes for the elderly); and **culture and conservation** (notably the conservation of endangered species and climate action). The Trust takes care to evaluate its priorities and ensure its ways of working remain effective in achieving its objectives. It does so, for Trust-funded projects, through regular spot-checks by Trustees, the Secretary, the Harare-based Representative and the Trust's regional Correspondents; and, in the broader context, through consultations with a wide range of other well-informed interlocutors. An internal Strategic Review in September 2023 confirmed that the Trust is effectively fulfilling its mandate.

Individual project grants seldom exceed £50,000. The Trustees rarely make grants to other UK grant-making charities, but occasionally provide funds for crisis relief.

Public Benefit

The Trustees confirm that in the exercise of their powers and duties they have complied with their responsibility to have due regard to Charity Commission guidance on public benefit (outlined under **The Trust's Objectives** above, and throughout this report).

MANAGEMENT

The Trust's Organisation

Trust Headquarters is Beit House in Woking, Surrey. The Representative in Africa works with his staff from an office in Harare. There are four salaried staff in the UK and three (two part time) in Zimbabwe.

Trustees meet every six months to agree broad strategy on investments, reserves and risk management, and to consider grant applications. They are supported by a committee of regional Correspondents, three per beneficial country (four in Zambia). These are all volunteers and essential to the Trust's cost-effective performance. The Correspondents Committee Meeting is held six weeks before Trustee Boards, to give expert regional advice on each grant application.

£1.6 million was made available in 2024 for new projects recommended in-country by the Correspondents. In addition, Trustees allocate c£1 million a year to long-term recurrent grants for academic and medical scholarships and bursaries, library books, school computers, contingency support and, for the final time in 2024, student hardship relief at South African universities.

The Trust's Finance Committee meets four weeks prior to the Trustee Boards. The portfolio fund managers (Cazenove Capital until September 2024, JP Morgan since), attend and address finance and investment policy matters. In November, the Finance Committee submits to the Trustees, for their approval, a proposed budget of income and expenditure for the coming year.

Investment Policy

The Trustees' policy, through prudential investment and management, is to maintain and increase the Trust's capital in real terms, using dividend earnings and capital growth to continue beneficial operations in perpetuity. Performance of the Trust's portfolio is monitored by the Finance Committee. In 2024, Beit dividend income was £2.63m (£2.87m in 2023).

The Trust's investment objective, set in 2011, had been an annual return of UK RPI+4% over a business cycle. This had not been achieved since at least the Covid period. With the advent of JP Morgan as fund manager in September 2024, Trustees have agreed with them a revised benchmark of CPI+4% as a realistic target for an annual return on investment.

Trustees take a total return approach to the Beit portfolio. Excluding invested cash balances, the portfolio ended the 2024 calendar year at a valuation of £133.5m (£120.6m in 2023). Total Trust expenditure in 2024 was £3.67m (£3.93m in 2023). The investment portfolio is diversified, to minimize risk and mitigate exposure to market volatility.

Grants Policy

Applications for grants are considered on merit. Trustees seldom give grants to government organisations. Instead, they support independent institutions, in particular schools, hospitals and health centres. Trustees seek to maintain, as far as possible, an equitable distribution of grants between the three countries.

Strict rules are applied to infrastructure grants, to ensure that detailed and serviceable plans are submitted before a grant is paid. A proportion of the funding is routinely withheld until the Trust is sure that a project can be satisfactorily completed, to or below budget. Regular visits within the beneficial area by Correspondents, the Representative, Trustees and the Secretary allow an application to be judged before Trustees consider it; progress reviewed while under construction; and work assessed when finished. Trustees place particular emphasis on the sustainability of new projects in staffing and maintenance terms.

Reserve Policy

The Trust does not run a specific Reserves Policy as, effectively, the whole investment portfolio would be available to act as a reserve for Trust activities.

The level of total reserves on 31 December 2024 was £130.7m, consisting of unrestricted general reserves of £133.6m, less the pension reserve of £2.8m.

The Pension Fund represents the unfunded defined benefit pension scheme liability.

At the year end, the unrestricted reserves consisted solely of the Capital Fund.

In previous years, the Reserve Fund consisted of unspent income which could be used in future years, to smooth and manage cash-flows or to make donations for specific large projects. Net expenditure was historically transferred into this fund. Trustees, having taken guidance from the Charity Commission, have stated that Beit Trust policy is to commit investments accumulated on a total return basis to benevolent and associated administrative expenditure. Since the Trust now takes a total return approach to the portfolio, with unspent income no longer being generated, the Reserve Fund is no longer considered necessary.

Ethical and Socially Responsible Investment Policy

Trustees abide by the restrictions against holding ordinary shares in mining stocks stipulated in Alfred Beit's Will. They delegate to their investment managers the responsibility for taking environmental, social and governance (ESG) considerations into account when assessing the selection, retention and realisation of investments. The investment managers are expected to keep Trustees updated on the sustainable characteristics of the portfolio on a timely basis; observe best practice; and monitor the implementation of this policy.

CHARITABLE VENTURES ASSOCIATED WITH THE BEIT TRUST IN 2024

Beit Trust Postgraduate Scholarships

During 2024, the Trust provided 21 new Scholarships at British and South African institutions, through generous academic partnerships with leading universities. Joint scholarships continued with Stellenbosch, Rhodes and UCT in South Africa, and are beginning with Pretoria; and with the Universities of Cambridge, Edinburgh, Glasgow, Leeds, Oxford, St Andrews and Strathclyde in the UK.

For the final time in 2024, the Trust provided £40,000 in hardship support to financially constrained undergraduate and postgraduate students from the beneficial area. A total of 54 emergency Beit Bursaries were awarded by hardship committees at four South African universities.

COSECSA

Since 2009, the Trust has supported the College of Surgeons of East, Central and Southern Africa (COSECSA). It has sponsored at least one aspiring surgeon per year, per country, throughout their five-year training. In 2024, 11 Beit-COSECSA bursaries were held by four surgeons each from Zimbabwe and Malawi and three from Zambia.

Beit Trust Black Rhino Conservation Project

The only significant black rhino population in the beneficial countries is in Zimbabwe. It remains at risk from poaching and encroachment on reserves. In 2024, Trustees allocated a further £10,000 to the Lowveld Rhino Trust, and £30,000 a year for five years for a community outreach and education initiative connected with black rhino conservation.

Book Aid International (BAI) is a registered UK charity which supplies a broad range of books, educational materials and assistance to libraries in developing countries worldwide. The Trust gave BAI a grant of £85,000 for book provision to Zambia, Zimbabwe and Malawi.

Biblionef (South Africa) is a literary charity working out of Cape Town. It supplies book packs to schools in Southern Africa. The Trust provided up to £30,000 of support.

PERFORMANCE

Expenditure in 2024

The Trustees approved grants totaling £2,643,263 (£2,792,835 in 2023). The table below is a summary of grants paid. Further details are in Part 3 (Note 6).

| PAID | Scholarships & bursaries £ | Education £ | Health £ | Welfare £ | Conservation & culture £ | Total £ |
|----------------|----------------------------------|----------------|-------------|--------------|--------------------------------|------------|
| General grants | 87,341 | 174,347 | 27,199 | 4,800 | 42,143 | 335,830 |
| Zimbabwe | 209,713 | 231,283 | 103,120 | 153,913 | 27,923 | 725,952 |
| Malawi | 255,172 | 246,500 | 118,015 | - | 3,000 | 622,687 |
| Zambia | 141,875 | 564,375 | 133,000 | - | 78,800 | 918,050 |
| Total | 694,101 | 1,216,505 | 381,334 | 158,713 | 151,866 | 2,602,519 |

Support and Governance costs in 2024

Salaries, national insurance, pensions, *ex-gratia* payments and allowances to Trust staff and pensioners increased by 4.9% to £616,243 (£587,387 in 2023). Harare office expenses increased to £97,269 (£83,059 in 2023). Correspondents' expenses increased to £63,073 (£55,133 in 2023). Working office costs decreased to £57,002 (£57,018 in 2023). This included the Auditor's fee of £15,000, including VAT (£13,680 in 2023). Exchange gains were £26,490 (£27,012 loss in 2023).

The Financial Statement

| | 2024 £ | 2023 £ |
|---|------------------|------------------|
| Income & expenditure for the year | | |
| Income | <u>2,794,328</u> | <u>3,018,821</u> |
| Expenditure | | |
| Grants approved | 2,643,263 | 2,792,835 |
| Less grants written back | <u>(163,145)</u> | <u>68,287</u> |
| | 2,480,118 | 2,861,122 |
| Working & Harare office costs, including exchange rate differences | 744,058 | 754,476 |
| Investment Manager's fees | 393,979 | 282,281 |
| Tours | <u>49,189</u> | <u>34,813</u> |
| Total expenditure | <u>3,667,344</u> | <u>3,932,692</u> |
| Total (deficit) | <u>(873,016)</u> | <u>(913,871)</u> |

Expenditure is budgeted on a value-based formula which is intended, by maximizing total return, to preserve the real value of the endowment.

The year-end value of the Beit portfolio, including cash balances after the expenditure outlined above, was £134,386,601 (£121,248,985 in 2023), showing a net increase of 11 %.

Pensions and Gratuities

Trustees established a Defined Benefit arrangement in 2014 for new employees. Given the very small

number of present and retired Beit servants, Trustees have not established a separate Pension Fund. The unfunded pension liability was calculated by actuaries, The Cartwright Group, as £2,835,652 at 31 December 2024.

The Trustees' policy on accounting for this liability is set out in detail at Note 19 (Part 3, page 3.14).

Risk Assessment

Trustees considered the major risks to which the charity could be exposed, and reviewed mitigation. They are not aware of any irregularities, including fraud, involving management or employees. Nor are they aware of any instances of actual or possible non-compliance with laws, regulations, contracts or agreements that might result in the Trust suffering significant penalties or other losses.

The Trust faces both financial and operational risk. The financial risk in maintaining and enhancing the capital value of its endowment is addressed through a professionally managed, diversified portfolio of high-quality assets across a wide variety of asset classes and markets. Performance and risk mitigation are reviewed twice a year, by the Trust's Finance Committee and then the Board.

The major operational risks are twofold: that Beit funding is not used effectively to achieve impact; and from political and financial fragility in the region. The Trust uses its Harare Representative, network of regional Correspondents, and twice-annual tours by Trustees and Trust officials to monitor both, while contingency plans to respond to the latter are routinely reviewed.

Tours in 2024

The Chairman, Mr Alex Duncan, toured the beneficial countries in May 2024. Alison Tweed then made her first tour as a Trustee in September - October. Tours will continue in 2025.

CONCLUSION

In 2024 the Beit Trust continued to deliver on its mandate and objectives by providing support to its beneficial countries; helping institutions remain viable which might otherwise founder; boosting human capital wherever possible; and as a catalyst to self-help and self-improvement. It remained committed, in the words of former Chairman Sir Otto Beit, to underwriting work of "substantial and permanent importance."

Approved by Trustees on 9 July 2025 and signed on their
behalf by:

Mr Alex Duncan MA MSc, Chairman of Trustees



Independent Auditor's Report to the Trustees of The BEIT Trust

Opinion

We have audited the financial statements of The BEIT Trust (the 'charity') for the year ended 31 December 2024 which comprise Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 1443 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

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

Based on our understanding of the charity and the industry, we identified that the principal risks of non-compliance with laws and regulations related to the carrying value of investments; the carrying value of the defined benefit pension scheme liability; the recognition of income; and the recognition of grant obligations and expenditure. 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 financial statements such as the Charities Act 2011, FRS 102 and the Charity SORP. We evaluated 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 were related to posting inappropriate journal entries to increase income or reduce expenditure and management bias in accounting estimates and judgemental areas of the financial statements such as the valuation of investments or the defined benefit pension scheme liability. Audit procedures performed included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations or of fraud.
- Evaluation of management's internal controls designed to prevent and detect irregularities.
- Reading key correspondence with the Charity Commission in relation to compliance with laws and regulations.
- Reviewing relevant meeting minutes.
- Procedures relating to the valuation of investments and the defined benefit pension liability, including testing investment ownership and valuation to third party sources and obtaining and reviewing the pension scheme actuarial valuation and assessing the assumptions and estimates utilised therein.
- Identifying and testing journal entries and other significant transactions, in particular any that appeared unusual or outside the normal course of the charity's activities. Evaluating the rationale for such journal entries or transactions.
- Assessing whether the judgements made in making accounting estimates were indicative of a potential bias.
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement, whether due to fraud or otherwise.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members to enable them to remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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

Azets Audit Services Limited
Statutory Auditor

Ashcombe Court
Woolsack Way
Godalming
Surrey
GU7 1LQ

Date:

Azets Audit Services Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

ANNUAL REPORT

THE BEIT TRUST

PART 3 - FINANCIAL STATEMENTS

Statement of financial activities for the year ended 31 December 2024

| | | Total funds 2024 | Total funds 2023 |
|--|-----------|---------------------|---------------------|
| | Notes | £ | £ |
| Income and expenditure - Unrestricted funds | | | |
| Income | | | |
| Investments | 3 | 2,780,578 | 3,018,821 |
| Other | 4 | 13,750 | - |
| Total income | | 2,794,328 | 3,018,821 |
| Expenditure | | | |
| Raising funds | 5 | 393,979 | 282,281 |
| Charitable activities | | | |
| Grants and donations | 6 | 2,480,118 | 2,861,122 |
| Support costs | 7 | 547,728 | 554,793 |
| | | 3,027,846 | 3,415,915 |
| Other | | | |
| Governance costs | 8 | 245,520 | 234,496 |
| Total expenditure | | 3,667,344 | 3,932,692 |
| Net (expenditure) before investment gains | | (873,016) | (913,871) |
| Net gains on investments | | 14,126,294 | 5,531,942 |
| Net income | | 13,253,278 | 4,618,071 |
| Other recognised gains / (losses) | | | |
| Actuarial gains / (losses) on defined benefit pension scheme | 19 | 237,177 | (31,405) |
| Net movement in funds | | 13,490,455 | 4,586,666 |
| Reconciliation of funds | | | |
| Total funds brought forward | | 117,241,694 | 112,655,028 |
| Total funds carried forward | 20 | 130,732,149 | 117,241,694 |

The notes on pages 3.4 to 3.15 form part of these financial statements

THE BEIT TRUST**Balance sheet at 31 December 2024**

| | | 2024 | 2023 |
|---|--------------|--------------------|--------------------|
| | Notes | £ | £ |
| Fixed assets | | | |
| Tangible assets | 14 | 169,844 | 173,240 |
| Investments | 15 | 133,530,548 | 120,564,216 |
| | | <hr/> | <hr/> |
| | | 133,700,392 | 120,737,456 |
| | | <hr/> | <hr/> |
| Current assets | | | |
| Debtors | 16 | 310,125 | 512,501 |
| Cash at bank and in hand | 17 | 767,704 | 433,458 |
| | | <hr/> | <hr/> |
| | | 1,077,829 | 945,959 |
| Liabilities | | | |
| Creditors falling due within one year | 18 | 1,210,420 | 1,368,892 |
| | | <hr/> | <hr/> |
| Net current (liabilities) | | (132,591) | (422,933) |
| | | <hr/> | <hr/> |
| Total assets less current liabilities | | 133,567,801 | 120,314,523 |
| Unfunded defined benefit pension scheme liability | 19 | 2,835,652 | 3,072,829 |
| | | <hr/> | <hr/> |
| Net assets | | 130,732,149 | 117,241,694 |
| | | <hr/> | <hr/> |
| Funds | | | |
| Unrestricted funds | 20 | 133,567,801 | 120,314,523 |
| Pension reserve | 20 | (2,835,652) | (3,072,829) |
| | | <hr/> | <hr/> |
| | | 130,732,149 | 117,241,694 |
| | | <hr/> | <hr/> |

Approved by the Board of Trustees on 9 July 2025 and signed on its behalf by:

Mr James Munro
Chairman of the Finance Committee

The notes on pages 3.4 to 3.15 form part of these financial statements

THE BEIT TRUST**Cash flow statement for the year ended 31 December 2024**

| | Notes | 2024 £ | 2023 £ |
|---|-------|---------------|--------------|
| Operating activities | | | |
| Net (expenditure) before investment gains | | (873,016) | (913,871) |
| Depreciation charge | | 7,973 | 8,631 |
| Loss on sale of fixed assets | | 571 | - |
| Decrease / (increase) in debtors | | 202,376 | (195,187) |
| (Decrease) / Increase in creditors | | (158,472) | 380,444 |
| | | | |
| Net cash (outflow) from operating activities | | (820,568) | (719,983) |
| Capital expenditure and financial investment | | | |
| | | | |
| Proceeds from sale of investments | | 147,284,049 | 39,355,926 |
| Payments to acquire tangible fixed assets | | (5,148) | (25,671) |
| Purchase of investments | | (149,254,035) | (38,570,067) |
| | | | |
| Net cash flow movement from investing activities | | (1,975,134) | 760,188 |
| Management of liquid resources | | | |
| Net movement in funds on short term deposit | 21 | 3,129,948 | (426,586) |
| | | | |
| Increase /(decrease) in cash | 21 | 334,246 | (386,381) |
| | | | |
| Cash and cash equivalents at 31 December 2023 | | 433,458 | 819,839 |
| | | | |
| Cash and cash equivalents at 31 December 2024 | | 767,704 | 433,458 |

The notes on pages 3.4 to 3.15 form part of these financial statements

THE BEIT TRUST

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

The Beit Trust is registered with the Charity Commissioners (No. 232478).
The Registered Office is Beit House, Grove Road, Woking, Surrey, GU21 5JB, UK.

(1) Basis of preparation

The financial statements have been prepared under the historical cost convention as modified by the inclusion of fixed asset investments at market value. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and 2022 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a ‘true and fair’ view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a ‘true and fair view’. This departure has involved following the relevant version of the 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) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005, which has since been withdrawn.

The Trust constitutes a public benefit entity as defined by FRS 102.

The Trustees consider that there are no material uncertainties about the Trust’s ability to continue as a going concern.

(2) Principal accounting policies

The principal accounting policies remain unchanged from the previous year. The net liability on the unfunded pension scheme has been included on the balance sheet in compliance with FRS 102.

(a) Investments

Investments are included at closing mid-market value at the balance sheet date.

Gains and losses on disposal and revaluation of investments are taken to the Statement of Financial Activities.

(b) Investment income

Investment income is accounted for in the year in which the Trust is entitled to receipt.

(c) Expenditure

Liabilities are recognised as expenditure is incurred, as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is included on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Raising funds comprises costs of managing the investment portfolio.

THE BEIT TRUST

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

(c) Expenditure (cont'd)

Grants payable are to third parties in furtherance of the Trust's charitable objectives. Provisions for grants are made in the year in which the grant is approved by the Trustees, and any over or under provision adjusted once the final amount of the grant has been paid.

Overheads are allocated between support costs within charitable activities and governance. Support costs comprise costs for processing grants and applications, including Harare office costs, trustees' tours and foreign currency translation differences. Governance costs comprise those incurred in meeting the Trust's constitutional and statutory obligations. The costs of the Woking office are apportioned between support and governance costs based upon staff time expended.

(d) Foreign currencies

The financial statements are presented in Pounds Sterling, which is the functional currency. Transactions in foreign currencies are translated at the rate prevailing at the date of the transaction. Balances denominated in foreign currencies are retranslated at the rate of exchange prevailing at the balance sheet date. All differences are taken to the statement of financial activities.

(e) Tangible fixed assets and depreciation

All assets costing more than £100 are capitalised.

Depreciation is charged so as to write off the cost of tangible fixed assets, other than freehold land for which the estimated cost is £52,000, on a straight line basis over the expected useful economic lives of the assets concerned. The annual rates generally applicable are:

| | |
|----------------------------------|--------------------|
| Freehold buildings | 2% |
| Motor vehicles | 25% |
| Computer equipment | 33 $\frac{1}{3}$ % |
| Fixtures, fittings and equipment | 10% |

The freehold building, Beit House, Woking, was valued on 13 May 2022 at £470,000, but is carried in the balance sheet at historical cost less depreciation. Trustees intend to have the property valued again in 2025.

(f) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(g) Pensions

The Trust operates an unfunded defined benefit scheme for all staff. The net actuarial liability representing the net deficit on the scheme is included on the balance sheet in accordance with the requirements of FRS 102. Other pension costs are accounted for as they are paid to retired employees.

THE BEIT TRUST**Notes to the financial statements for the year ended 31 December 2024****(h) Fund accounting**

The following funds held by the Trust are all unrestricted:

Capital fund - this fund can be used in accordance with the charitable objectives at the discretion of the Trustees.

The Reserve Fund consisted of unspent income from previous years which could be used in future years, to smooth and manage cash-flows or to make donations for specific large projects. Net expenditure was historically transferred into this fund.

Since the Trust now takes a total return approach to the portfolio, with unspent income no longer being generated, this reserve is no longer considered necessary.

Pension fund - this fund represents the unfunded defined benefit pension scheme liability.

(i) Key judgements

The trustees consider the only key judgements to be the pension assumptions (described in Note 18).

| (3) Income from investments | 2024 | 2023 |
|---|-------------|-------------|
| | £ | £ |
| Dividends and bond interest | 2,631,755 | 2,872,655 |
| Cash deposits | 110,041 | 107,314 |
| Other bank current and deposit accounts | 38,782 | 38,852 |
| | <hr/> | <hr/> |
| | 2,780,578 | 3,018,821 |
| | <hr/> | <hr/> |
| (4) Other | 2024 | 2023 |
| | £ | £ |
| Rent for flat | 13,750 | - |
| | <hr/> | <hr/> |
| (5) Raising funds | 2024 | 2023 |
| | £ | £ |
| Investment Managers' fees | 393,979 | 282,281 |
| | <hr/> | <hr/> |

THE BEIT TRUST**Notes to the financial statements for the year ended 31 December 2024****(6) Grants and donations**

Grants and donations paid, written back, voted and unspent in 2024.

| | Unspent grants brought forward £ | Grants paid in the year £ | Unspent grants written back £ | New grants voted in 2024 £ | Unspent grants carried forward £ |
|---|--|---------------------------------------|---|--|--|
| Unrestricted funds | | | | | |
| General grants, scholarships and bursaries | 10,954 | 942,590 | 67,063 | 1,014,199 | 15,500 |
| Zimbabwe | 465,614 | 516,239 | 31,097 | 487,364 | 405,642 |
| Malawi | 268,000 | 367,515 | 4,985 | 271,000 | 166,500 |
| Zambia | 452,100 | 776,175 | 60,000 | 870,700 | 486,625 |
| | | | | | |
| | 1,196,668 | 2,602,519 | 163,145 | 2,643,263 | 1,074,267 |

£2,480,118 charged in the statement of financial activities is derived from new grants voted in 2024 less unspent grants written back.

(7) Support costs

| | Notes | 2024 £ | 2023 £ |
|------------------------|-------|-----------|-----------|
| Harare office | 11 | 334,726 | 307,806 |
| Woking office | 13 | 190,268 | 185,162 |
| Overseas tours | 12 | 49,189 | 34,813 |
| Difference on exchange | | (26,455) | 27,012 |
| | | | |
| | | 547,728 | 554,793 |

(8) Governance costs

| | | 2024 £ | 2023 £ |
|---------------|----|-----------|-----------|
| Woking office | 13 | 245,520 | 234,496 |

THE BEIT TRUST**Notes to the financial statements for the year ended 31 December 2024****(9) Analysis of support and governance costs**

| | Staff costs £ | Other costs £ | Depreciation £ | Total 2024 £ | Total 2023 £ |
|------------------|------------------------------|------------------------------|---------------------------|-----------------------------|-----------------------------|
| Support costs | 389,695 | 152,117 | 5,916 | 547,728 | 554,793 |
| Governance costs | 226,548 | 16,915 | 2,057 | 245,520 | 234,496 |
| | 616,243 | 169,032 | 7,973 | 793,248 | 789,289 |

(10) Employee costs

| | 2024 £ | 2023 £ |
|--|-------------------|-------------------|
| Wages and salaries | 317,736 | 306,551 |
| National Insurance | 19,782 | 18,636 |
| Zimbabwe National Insurance | 1,515 | 1,423 |
| Zimbabwe Medical Aid Society costs | 37,786 | 32,405 |
| Pensions | 169,104 | 160,764 |
| Ex gratia payments in lieu of pensions | 70,320 | 67,608 |
| | 616,243 | 587,387 |

Ex gratia payments made to certain retired employees are reviewed annually.

There was 1 employee who earned between £100k - £110k and 1 employee who earned between £60k - £70k (2023: 1 employee who earned between £90k- £100k and 1 employee who earned between £60k - £70k). Both are a members of the Trust pension scheme.

The Trust's key management personnel received remuneration totalling £163,817 (2023, £158,373.)

The six Trustees have not received any remuneration from the Trust, but are reimbursed for their travelling and other expenses incurred on Trust business as disclosed in notes 12 and 13.

The total number of employees in 2024, by location, was: Harare - 3 (2 part time); Woking - 4 (2023, Harare - 3 (2 part time); Woking - 4).

THE BEIT TRUST**Notes to the financial statements for the year ended 31 December 2024**

| (11) Harare office expenses | 2024 | 2023 |
|--|-------------|-------------|
| | £ | £ |
| Salaries | 101,772 | 98,891 |
| Zimbabwe National Insurance | 1,515 | 1,423 |
| Zimbabwe Medical Aid Society costs | 37,786 | 32,405 |
| Pensions | 59,244 | 56,316 |
| Ex gratia payments in lieu of pensions | 37,140 | 35,712 |
| Property (rent, light, heat and maintenance) | 13,428 | 11,930 |
| Office administration | 4,164 | 3,615 |
| Representative's local travel and motor expenses | 6,996 | 6,470 |
| Correspondents' and Scholarship Board expenses | 63,073 | 55,133 |
| Legal & professional | 3,898 | 143 |
| Audit and accountancy | 1,113 | 1,177 |
| Bank charges | 2,431 | 2,311 |
| Depreciation | 2,166 | 2,280 |
| | <hr/> | <hr/> |
| | 334,726 | 307,806 |
| | <hr/> | <hr/> |
| (12) Overseas tours | 2024 | 2023 |
| | £ | £ |
| Trustees' visits to Zimbabwe, Malawi and Zambia | 31,743 | 22,767 |
| Representative's visits | 17,446 | 12,046 |
| | <hr/> | <hr/> |
| | 49,189 | 34,813 |
| | <hr/> | <hr/> |

Two Trustees made separate visits to the beneficial countries in 2024. The Representative made a number of visits within the Trust's countries to ensure that the Trust's funds were being expended for the purpose originally requested, as well as accompanying the Trustees on tour.

THE BEIT TRUST**Notes to the financial statements for the year ended 31 December 2024**

| (13) Working office expenses | 2024 | 2023 |
|---|-------------|-------------|
| | £ | £ |
| Salaries | 215,964 | 207,660 |
| National Insurance | 19,782 | 18,636 |
| Pensions | 109,860 | 104,448 |
| Ex gratia payments in lieu of pensions | 33,180 | 31,896 |
| Property (rent, rates, light, heat and maintenance) | 9,556 | 8,389 |
| Office administration | 10,128 | 13,736 |
| Secretary and Scholarship support expenses | 4,535 | 6,647 |
| Secretary's travel and motor expenses | 379 | 388 |
| Trustees' travel and meeting expenses | 2,909 | 4,398 |
| Audit fees | 15,000 | 13,680 |
| Legal and professional | 7,897 | 3,336 |
| Bank charges | 220 | 93 |
| Depreciation | 5,807 | 6,351 |
| Loss on sale of fixed assets | 571 | - |
| | <hr/> | <hr/> |
| | 435,788 | 419,658 |
| | <hr/> | <hr/> |
| Allocated as: | | |
| Support costs | 190,268 | 185,162 |
| Governance costs | 245,520 | 234,496 |
| | <hr/> | <hr/> |
| | 435,788 | 419,658 |
| | <hr/> | <hr/> |

THE BEIT TRUST**Notes to the financial statements for the year ended 31 December 2024****(14) Tangible assets**

| | Freehold land & buildings £ | Motor vehicles £ | Computer equipment £ | Fixtures fittings & equipment £ | Total £ |
|---------------------------------|--|---------------------------------|-------------------------------------|--|--------------------|
| Cost | | | | | |
| At 01 January 2024 | 254,743 | 54,725 | 11,732 | 37,508 | 358,708 |
| Additions | 3,358 | - | 1,790 | - | 5,148 |
| Disposals | - | - | (2,442) | - | (2,442) |
| | | | | | |
| At 31 December 2024 | 258,101 | 54,725 | 11,080 | 37,508 | 361,414 |
| | | | | | |
| Accumulated depreciation | | | | | |
| At 01 January 2024 | 96,111 | 54,725 | 10,312 | 24,320 | 185,468 |
| Charge for year | 4,122 | - | 2,016 | 1,835 | 7,973 |
| Disposals | - | - | (2,442) | 571 | (1,871) |
| | | | | | |
| At 31 December 2024 | 100,233 | 54,725 | 9,886 | 26,726 | 191,570 |
| | | | | | |
| Net book values | | | | | |
| At 31 December 2024 | 157,868 | - | 1,194 | 10,782 | 169,844 |
| | | | | | |
| At 31 December 2023 | 158,632 | - | 1,420 | 13,188 | 173,240 |

THE BEIT TRUST**Notes to the financial statements for the year ended 31 December 2024****(15) Investments**

| | 2024 | 2023 |
|--|---------------|--------------|
| | £ | £ |
| Listed investments | | |
| Market value at 1 January 2024 | 120,564,216 | 115,391,547 |
| Additions | 149,254,035 | 38,570,067 |
| Disposals | (139,201,733) | (38,963,103) |
| (Decrease) / increase in uninvested cash | (3,129,948) | 426,586 |
| Net Unrealised investment gains | 6,043,978 | 5,139,119 |
| | <hr/> | <hr/> |
| Market value at 31 December 2024 | 133,530,548 | 120,564,216 |
| | <hr/> | <hr/> |
| Cost at 31 December 2024 | 126,000,102 | 104,199,806 |
| | <hr/> | <hr/> |

No single investment comprises more than 5% of the Trust's investments apart from the following funds:

iShares Core S&P 500 USD Acc ETF (43.6%)
Blackstone REIT iCapital Off Access Fund (5.9%)

The investments as at 31 December were divided as follows:

| | 2024 | 2023 |
|-----------------------------------|-------------|-------------|
| | £ | £ |
| UK equities and unit trusts | - | 4,738,942 |
| Overseas equities and unit trusts | 83,863,840 | 80,876,454 |
| UK bonds and fixed interest | 949,561 | 5,588,840 |
| Overseas bonds and fixed interest | 25,485,126 | - |
| Alternative investments | 12,981,324 | 15,881,118 |
| Property unit trusts | 10,097,489 | 10,195,708 |
| Cash on deposit | 153,208 | 3,283,154 |
| | <hr/> | <hr/> |
| | 133,530,548 | 120,564,216 |
| | <hr/> | <hr/> |

THE BEIT TRUST**Notes to the financial statements for the year ended 31 December 2024****(16) Debtors**

| | 2024 | 2023 |
|--------------------------------|-------------|-------------|
| | £ | £ |
| Prepayments and accrued income | 310,125 | 512,501 |
| | <hr/> | <hr/> |
| | 310,125 | 512,501 |
| | <hr/> | <hr/> |

(17) Cash at bank and in hand

| | 2024 | 2023 |
|-------------------------------------|-------------|-------------|
| | £ | £ |
| United Kingdom: | | |
| Current accounts | 84,633 | 103,370 |
| Deposit accounts | 676,740 | 326,868 |
| In hand | 114 | 174 |
| Zimbabwe, Malawi and Zambia: | | |
| Current accounts * | 873 | 321 |
| In hand * | 5,344 | 2,725 |
| | <hr/> | <hr/> |
| | 767,704 | 433,458 |
| | <hr/> | <hr/> |

* Including £6,127 (2023 - £3,046) in foreign currencies.

(18) Liabilities: creditors falling due within one year

| | 2024 | 2023 |
|--|-------------|-------------|
| | £ | £ |
| Schroder Investment Management Limited | 51,540 | 70,842 |
| Accruals | 74,579 | 91,729 |
| Unspent grants carried forward | 1,074,267 | 1,196,668 |
| Other creditors | 10,034 | 9,653 |
| | <hr/> | <hr/> |
| | 1,210,420 | 1,368,892 |
| | <hr/> | <hr/> |

THE BEIT TRUST**Notes to the financial statements for the year ended 31 December 2024**

| (19) Unfunded defined benefit pension scheme liability | 2024 | 2023 |
|---|-------------|-------------|
| | £ | £ |
| Unfunded defined benefit pension scheme liability | 2,835,652 | 3,072,829 |

The Trust operates a defined benefit pension scheme. This is an unfunded arrangement where benefits are paid out of the Trust's portfolio when due. An actuarial valuation was undertaken as at 31 December 2024 establishing a liability of £2,835,652.

Other key assumptions that have been used in the calculations are:

| | 2024 | 2023 |
|---|-------------|-------------|
| Rate of increase in salaries - current trustee directives | 2.85% | 3.15% |
| Rate of increase in deferred pensions - current trustee directives | 3.25% | 3.15% |
| Rate of increase in ex gratia payments - current trustee directives | 2.85% | 2.65% |
| Discount rate - current AA-rated UK Government Bond yield | 5.50% | 4.50% |
| Inflation assumption - current published information | 3.25% | 3.15% |

Changes in the present value of the plan liabilities are as follows:

| | 2024 | 2023 |
|--|-------------|-------------|
| | £ | £ |
| Present value of plan liabilities at 1 January 2024 | 3,072,829 | 3,041,424 |
| Current service cost | 54,752 | 52,265 |
| Benefits paid | (239,424) | (228,372) |
| Interest on plan liabilities | 134,122 | 140,285 |
| Actuarial (gains) / losses | (186,627) | 67,227 |
| Net actuarial (gains) / losses on defined benefit pension scheme | (237,177) | 31,405 |
| Present value of plan liabilities at 31 December 2024 | 2,835,652 | 3,072,829 |

The scheme is unfunded and holds no assets.

THE BEIT TRUST**Notes to the financial statements for the year ended 31 December 2024****(20) Movements on unrestricted funds during the year**

| | Capital fund £ | Reserve fund £ | Pension Reserve £ | Total funds 2024 £ | Total funds 2023 £ |
|---|-------------------------------|-------------------------------|----------------------------------|-----------------------------------|-----------------------------------|
| Total funds brought forward | 118,511,612 | 1,802,911 | (3,072,829) | 117,241,694 | 112,655,028 |
| Net (expenditure) before investment gains | (873,016) | - | - | (873,016) | (913,871) |
| Actuarial gains / (losses) on defined benefit pension scheme | - | - | 237,177 | 237,177 | (31,405) |
| Transfer from reserve fund to capital fund | 1,802,911 | (1,802,911) | - | - | - |
| Net gains on investments | 14,126,294 | - | - | 14,126,294 | 5,531,942 |
| Total funds carried forward | 133,567,801 | - | (2,835,652) | 130,732,149 | 117,241,694 |

The Reserve Fund consisted of unspent income from previous years which could be used in future years, to smooth and manage cash-flows or to make donations for specific large projects. Net expenditure was historically transferred into this fund.

Since the Trust now takes a total return approach to the portfolio, with unspent income no longer being generated, this reserve is no longer considered necessary.

(21) Analysis of changes in net funds

| | Net funds at 1.1.24 £ | Cash flows £ | Net funds at 31.12.24 £ |
|-------------------------------------|--------------------------------------|-------------------------|--|
| Cash at bank and in hand | 433,458 | 334,246 | 767,704 |
| Cash on deposit awaiting investment | 3,283,156 | (3,129,948) | 153,208 |
| | 3,716,614 | (2,795,702) | 920,912 |

(22) Related party transactions

The trustees consider that there are no related party transactions which require disclosure in the year (2023: none).