

THE GATSBY CHARITABLE FOUNDATION

England & Wales · Charity number 251988

Details

Status Registered

Legal form Trust

Registered 1967-04-05

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

Contact

Address The Peak
5 Wilton Road
London
SW1V 1AP

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Activities

Objects: TO FOR OR TOWARDS ANY CHARITABLE OBJECT OR PURPOSE OR OBJECTS OR PURPOSES THAT THE TRUSTEES MAY FROM TIME TO TIME DEEM PROPER.

Activities: MAKE CHARITABLE GRANTS

Classification

- **How:** Makes Grants To Organisations
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Arts/culture/heritage/science, Economic/community Development/employment
- **Who:** Other Charities Or Voluntary Bodies

Geography

- Cameroon
- Israel
- Kenya
- Netherlands
- Switzerland
- Tanzania
- United States
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-04-05	£95,527,000	£144,407,000	£466,297,000	10
2024-04-05	£61,248,000	£82,114,000	£520,255,000	11
2023-04-05	£89,696,000	£156,362,000	£536,221,000	8
2022-04-05	£142,718,000	£82,130,000	£604,395,000	10
2021-04-05	£60,441,000	£61,651,000	£517,051,000	9

Trustees

Name	Role	Appointed
Francesca Elizabeth Sainsbury PERRIN		2024-06-26
JUDITH SUSAN PORTRAIT		
Joseph Christopher Burns		2014-10-17
LUCY ANYA SAINSBURY		2023-03-22

THE GATSBY CHARITABLE FOUNDATION

England & Wales - Charity number 251988

Accounts

THE GATSBY CHARITABLE FOUNDATION

ANNUAL REPORT

5 APRIL 2025

The Peak
5 Wilton Road
LONDON SW1V 1AP
Charity No: 251988

THE GATSBY CHARITABLE FOUNDATION
5 April 2025

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THE GATSBY CHARITABLE FOUNDATION

5 April 2025

REPORT OF THE TRUSTEES

Legal and Administrative

The Gatsby Charitable Foundation (Gatsby) was established under a Trust Deed dated 17 March 1967 and is registered with the Charity Commission under No. 251988.

Settlor	Lord Sainsbury of Turville	
Trustees	Mr J C Burns Miss J S Portrait Ms A L Sainsbury Price Ms F E Sainsbury Perrin	
Registered Office	The Peak, 5 Wilton Road London SW1V 1AP	
Principal Officers	Mr P Hesketh Mr J Highstead Mr J Searancke Mr N Thomas Mr G Wilson Ms A Simmons	Chief Executive Officer Executive Head of Finance Executive Executive, until 16 August 2024 Executive from 3 March 2025
Bankers	Royal Bank of Scotland, 119-121 Victoria Street, London SW1E 6RA	
Solicitors	Broadfield Law UK LLP 1 Bartholomew Close London EC1A 7BL	
Auditor	Crowe U.K. LLP 55 Ludgate Hill, London EC4M 7JW	
Investment Advisers	Sarabaite Limited Lower Mill, Kingston Road, Ewell, Surrey KT17 2AE	
Investment Managers	Troy Asset Management Limited Brookfield House, 44 Davies Street, London W1K 5JA Cooke & Bieler, L.P. 1700 Market Street, Suite 3222, Philadelphia, USA Tweedy Browne Company LLC 350 Park Avenue, New York, NY 10022, USA Devon Equity Management Limited 123 Victoria Street, London, SW1E 6DE	

THE GATSBY CHARITABLE FOUNDATION

5 April 2025

REPORT OF THE TRUSTEES (continued)

Legal and Administrative (continued)

Objects

The objects of Gatsby as given in the Trust Deed are for general charitable purposes.

Objectives

The Trustees' objectives within their current fields of interest are:

- **Plant Science**, to develop basic research in fundamental processes of plant growth and development and molecular plant pathology, and to encourage young researchers in the field of plant science in the UK.
- **Neuroscience**, to support world-class research in the area of neural circuits and behaviour and theoretical neuroscience, and to support activities which enhance understanding in these fields.
- **Science and Engineering Education**, to strengthen science and engineering skills in the UK by developing and enabling innovative programmes and informing national policy.
- **Africa**, to promote economic development in East Africa that benefits low-income communities through supporting the growth and sustainability of key sectors.
- **The Arts**, to support the fabric and programming of institutions with which Gatsby's founding family has connections.
- **Public Policy**, to support: the Institute for Government as an independent centre available to politicians and the civil service focused on making government more effective; the Centre for Cities, which provides practical research and policy advice that helps cities understand how they can succeed economically; the Centre for Sectoral Economic Performance which will investigate ways of improving the competitiveness of the UK economy and driving economic growth; and independent research organisations which provide evidence based advice to policy makers.

The Trustees occasionally support other charitable work which falls outside their main fields of interest.

Within these categories the Trustees make grants in support of work which they judge to have particular merit. Many of their grants fund projects which Gatsby has helped to initiate. It is the policy of the Trustees to evaluate programmes and projects rigorously and carefully, and to assess when the evaluations should most usefully take place.

Generally, the Trustees do not make grants in response to unsolicited applications or to individuals.

Statement on Public Benefit

Trustees are aware of the Charity Commission's guidance on Public Benefit and confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have regard to it. They consider that the information set out in this annual report about the objects, activities and achievements in the many areas of interest that Gatsby supports demonstrates the benefit to its beneficiaries, and through them to the public.

THE GATSBY CHARITABLE FOUNDATION

5 April 2025

REPORT OF THE TRUSTEES (continued)

Appointment and Powers of Trustees

The terms of the Gatsby Charitable Foundation Trust Deed provide that the statutory powers of appointing Trustees are vested in the Settlor during his life. The Trust Deed enables the Trustees to delegate certain powers.

Trustees are provided with relevant information relating to their responsibilities as Trustees.

Investment Powers

The Trust Deed empowers the Trustees to appoint investment advisers, who have discretion to invest the funds of Gatsby within guidelines established by the Trustees.

Charity Governance

Trustees make sure that decision-making processes are informed, rigorous and timely, and that effective delegation, control, risk-assessment, and management systems are set up and monitored. Except for those matters specifically reserved for Trustees, decisions concerning the day to day operation of the Charity are delegated to the Principal Officers, who have implemented suitable programme, financial and related controls and reporting arrangements to make sure Trustees oversee delegated matters. The Trustees have sole authority to approve grants and follow the Charity's conflict of interest policy. Trustees or Executives are excluded from any decision concerning grant approvals for registered charities and other organisations pursuing similar public benefit purposes in which the same may be a related party.

Trustees are aware of the Charity Governance Code published in 2017 (refreshed in 2021) which sets out the principles and recommended practice for good governance within the sector. The Charity has reviewed its governance arrangements against the principles within the code and believes that it is compliant with the code whilst maintaining its need to operate its governance efficiently.

The Charity's Trustees are also trustees of other charities. Details about other charities for which the Trustees also act as trustee may be found on the Charities Commission website.

Organisation

Gatsby is one of the Sainsbury Family Charitable Trusts (SFCT), which share a common administration.

The remuneration of the senior staff (including key management personnel) is reviewed by the Trustees on an annual basis taking into account the requirements of their role and performance during the year. From time to time the SFCT Management Committee benchmarks pay levels against comparable positions in similar organisations.

Financial overview of the past year

Gatsby's annual expenditure in the financial year exceeded its income by £53.9 million, with a consequent decrease in the Charity's expendable endowment for grant making from £520.2 million to £466.3 million.

Total expenditure for the year was £144.4 million, an increase of £62.3million in comparison with the previous year. The Charity's grant expenditure increased to £119.7 million compared to £59.8 million in 2023-24. Charitable programme costs increased by £2.7 million from the previous year to £19.9 million. Gatsby incurred other operating expenditure of £3.9 million and investment management fees of £0.8 million.

THE GATSBY CHARITABLE FOUNDATION

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REPORT OF THE TRUSTEES (continued)

Gatsby recorded a net investment loss of £5.0 million for the year, comprising £14.0 million of realised gains on the sale of investments, offset by £18.0 million in unrealised revaluation losses and £1.0 million foreign exchange loss on investment holdings.

Gatsby received total income of £95.5 million during the year, including further gifts from the Settlor of £73.1 million. Gatsby received £21.8 million of dividends and interest income from its investment portfolio and recognised £0.6 million of foreign exchange gains.

At year end, Gatsby held investments of £206.3 million, short-term deposits of £276.5 million, and cash at bank of £73.9 million. Trustees remain mindful of the continued macroeconomic uncertainty stemming from ongoing geopolitical tensions, including instability in Eastern Europe and the Middle East, and the evolving global economic outlook marked by tariffs, persistent inflationary pressures, interest rate volatility, and uneven growth across major economies. In light of these conditions, the emphasis remains on preserving capital, achieving competitive real returns, and maintaining prudent liquidity management.

Trustees approved grants amounting to £143.6 million during the year and made payments of £80.8 million covering some of these grants as well as other grants approved in earlier years. In addition, payments of £19.9 million were made in relation to directly managed charitable programmes. Gatsby has significant unpaid grant commitments at year end totalling £260.3 million, of which £122.4 million is due to be paid within one year.

Trustees met three times during the year and used virtual communication tools in between meetings as necessary to approve grants.

Future plans

For the immediate future Trustees expect to continue to support long standing major beneficiaries and to continue making grants throughout the year in the areas in which they are interested, as detailed in the objectives section earlier in this report.

Reserves policy

The Trustees treat their expendable endowment and unrestricted funds totalling £466.3 million as a single resource for grant-making, and do not consider it necessary to maintain a particular level of income reserves.

A transfer of £121.1 million has been made from the expendable endowment to unrestricted funds to cover the deficit of income that arises as a result of grant and operating expenditure charged against unrestricted income.

Risk assessment

The Trustees have examined the major strategic, business, and operational risks to which Gatsby may be exposed. Risks considered by Trustees included processes in place to mitigate fraud, the disclosure of related party transactions, and non-financial risks including reputational risk. Through the joint office of SFCT, adequate systems are in place to meet such potential risks as the Trustees have identified in the context of their grant-making.

REPORT OF THE TRUSTEES (continued)

The Trustees have evaluated that a major risk faced by Gatsby is that grant payments may not be applied for the charitable purposes for which they were awarded. To mitigate this risk the Trustees have implemented a rigorous, proportionate set of governance procedures which considers whether programmes and activities of the organisation which are to be the recipients of payments are aligned with the charitable objectives of Gatsby. During implementation of these programmes there is a series of performance reviews which checks, amongst other matters, that the funding paid has been or continues to be applied to programme objectives and outcomes approved when the grant was awarded originally.

Major risks considered by Trustees include the potential loss of institutional knowledge due to the departure or early retirement of senior staff, inadequate workforce planning affecting talent acquisition and retention, and the threat of cyberattacks targeting the Charity's core data platforms. To mitigate these, the organisation is implementing succession planning, improving its knowledge retention through improving documentation and role overlap, and promoting staff wellbeing. Talent risks are addressed through the provision of learning opportunities for staff, and the development of career pathways, inclusive policies, and pay progression frameworks. Contingency plans have been developed to ensure the continuity of IT operations in the event its critical technology services are disrupted.

The Trustees, in consultation with and on the advice of their Investment Advisers, maintain a diverse and balanced portfolio to mitigate so far as possible against adverse risks affecting the overall value of the Charity's investments so that Gatsby can continue to pay approved grants to its beneficiaries. In particular, a high proportion of the investment portfolio is held in cash, and the diversified investment portfolio is professionally managed.

The Trustees regularly review investment strategy and monitor financial performance.

Fundraising

The Charity and its Trustees are mindful of the requirements and duties set out in the Charities (Protection and Social Investment) Act 2016. Gatsby does not raise funds from the public and as such has no fundraising activities requiring disclosure.

Investment policy and performance

The Trustees maintain a diverse and balanced investment portfolio. The Trustees hold cash and near cash investments that equate approximately to at least three years of grant expenditure, which should avoid a forced sale of investments should investment markets deteriorate. Trustees seek to maximise yields received from cash deposits throughout the year, and through active investment and cash management seek to achieve a return above normally available market rates.

In general Trustees are satisfied with the exposure, yield and spread of the investment portfolio. The macro-economic is difficult, caused by a combination of international events, an inflationary environment and interest rates volatility.

Rather than add more risk assets, the approach to the portfolio is to continue to invest in quality, and take a sensible, cautious approach in view of current market volatility.

THE GATSBY CHARITABLE FOUNDATION

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REPORT OF THE TRUSTEES (continued)

Trustees met formally once during the year with its investment advisers to discuss strategy and review the performance of the investment portfolio. Trustees are in close contact with its investment advisers throughout the year, assessing the performance of the investment portfolio continuously.

Programme related investment

During the year Gatsby purchased the leasehold and freehold of a property located in London for £23.1 million. Trustees intend to gift the property to the Institute for Government to provide premises from which the Gatsby beneficiary can conduct its future charitable activities. The investment is not held for financial return. On 31 October 2025, Gatsby completed the transfer of the property as a gift to the Institute of Government.

CHARITABLE ACTIVITIES

Gatsby was established in 1967 by David Sainsbury (Lord Sainsbury of Turville). Gatsby acts as the enabler for projects, developing, overseeing and, in some cases, delivering activities across a small number of focus areas where the Trustees believe charitable funding can secure significant impact. Gatsby's commitment to these areas dates back many years, as Trustees understand that long-term investment and development are often needed to secure significant, sustainable change. Each of Gatsby's focus areas presents different challenges and each demands different models of support, intervention and evaluation. However, some common characteristics can be identified across the different areas.

Across all of Gatsby's programmes the Trustees aim to secure maximum impact with a minimum of bureaucracy. To this end, as well as limiting itself to a small range of fields, Gatsby also adopts a tight focus within each programme area. Trustees are very aware that across even narrowly-defined fields such as plant science or neuroscience research there will never be a shortage of need, and spreading support too thinly risks a disproportionate reduction in impact.

Gatsby takes a proactive approach to both grant-making and directly managed programmes in its respective areas of focus. Rather than awaiting proposals from third parties, Gatsby identifies areas for action and builds hypotheses for action which can then be tested in the field. Where such tests are successful the intention is that such action is then scaled up and rolled-out. Such hypotheses are informed both by knowledge of the field in question (drawing on the experience of Trustees, expert advisers and staff) and by previous experience of what type of intervention is most likely to work. Where available, independent evaluation evidence is also fed into this process.

While rigorous research from the outset can greatly reduce the chance of failure, underlying Gatsby's approach is an acceptance that not all projects will be successful if innovation is to be fostered. This is especially true of proof-of-principle initiatives which seek novel solutions to stubborn problems. Trustees are therefore willing to take calculated risks with their charitable expenditure in situations where there clearly exists significant potential for positive impact.

This report describes Gatsby's aims in its main areas of interest and gives an indication of how Gatsby pursued them over the last 12 months. More detailed information can be found at www.gatsby.org.uk

REPORT OF THE TRUSTEES (continued)

PLANT SCIENCE

“To develop basic research in fundamental processes of plant growth and development and molecular plant pathology, and to encourage young researchers in the field of plant science in the UK.”

Gatsby’s work in support of plant science seeks to nurture, sustain and increase the number of high-quality researchers for fundamental studies in plant biology. The programme aims to inspire an interest and excitement in plant science at all levels – from school students to graduate researchers – while also attracting world class talent to the UK by creating centres of excellence in the field.

Sainsbury Laboratory Cambridge University (SLCU)

Funded by Gatsby’s largest-ever investment in plant science, the Sainsbury Laboratory opened in 2011 within the grounds of the University of Cambridge Botanic Garden. The Laboratory carries out fundamental quantitative research into how plants grow and develop, using an interdisciplinary approach that combines biology, physics, mathematics and computational modelling.

In 2024, two new Group Leaders joined the Laboratory. Dr Madelaine Bartlett investigates how genes shape flowers in grasses and how these genes have evolved, with potential applications in crop improvement. Dr Neha Bhatia studies how the hormone cytokinin controls leaf growth by regulating when and where cells divide, expand and specialise. Three Group Leaders, Professor Henrik Jönsson, Professor Elliot Meyerowitz and Dr Alexander Jones, had their Fellowships successfully renewed.

Three research groups launched new external collaborations on ground-breaking fundamental bioscience projects. Professor Jönsson and Dr Jones each joined a prestigious ERC Synergy collaborative group. Professor Jönsson is contributing modelling expertise to RESYDE, which explores how symmetry breaks during flower development produce complex shapes. Dr Jones is part of STARMORPH, which focuses on how the hormone auxin governs plant structure and organ formation. Dr Sebastian Schornack is a partner in a BBSRC strategic Longer and Larger (sLoLa) collaboration to identify how pathogens manipulate host plants to gain entry and then establish inside living plant cells.

In 2024, the Laboratory launched a major strategic review to help shape the future of its research in quantitative plant science. This included in-depth workshops with internal researchers and global experts.

As part of its public engagement, the Laboratory earned a prestigious silver-gilt medal at the RHS Chelsea Flower Show for its exhibit, *Blooming Numbers*, which showcased quantitative plant biology research. This marked the first time a plant science research institute has exhibited at the show. The Laboratory also hosted two T-Level students and supported sixth-formers from disadvantaged backgrounds through University-run summer residentials, reflecting its strong commitment to training and widening participation.

Finally, major infrastructure upgrades are underway, including new high-intensity LED lighting for the horticulture facilities and chiller system replacements, addressing the laboratory building’s long-term needs.

The Sainsbury Laboratory (TSL)

Since 1987 Gatsby has supported The Sainsbury Laboratory (TSL) at the Norwich Research Park to investigate how plants defend themselves against microbes that cause disease, and conversely how microbes manipulate host plants and cause disease. Over these three decades TSL has built an outstanding international reputation for scientific excellence.

REPORT OF THE TRUSTEES (continued)

During the reporting period TSL has continued to deliver pioneering plant science research with global impact across agriculture, biotechnology, and education. Renewal of funding for the next research cycle of TSL was agreed after a hugely positive outcome of the five-year review and the continued strength in scientific research and training at TSL. The review noted that the Laboratory demonstrates exceptional impact through its individual research groups providing breakthroughs in plant science, its excellent core facilities, innovation through TSL Ventures, and strong communication and outreach activities.

A number of key TSL staff were recognised for their achievements during the last year. Professor Wenbo Ma was elected Fellow of the Royal Society for her work on plant-pathogen interactions, and Professor Jonathan Jones was awarded the 2025 Wolf Prize in Agriculture, TSL's second in the field. Professor Nick Talbot was elected Fellow of the American Association for the Advancement of Science (AAAS). Recognition for early-career researchers included an ASAPbio award to Dr AmirAli Toghani and the academic progression of two postdoctoral researchers to independent faculty positions.

TSL continued to advance its portfolio of targeted programmes addressing critical challenges in plant science. For example a new £5 million partnership with the Khalifa Center was launched to explore immunity in desert plants, aiming to enhance stress tolerance in cereal crops via the Xerophyte Immunity (X-i) project.

TSL also hosted four T-Level placements and continued its successful MSc in Global Plant Health with the 2024-25 cohort progressing well, while previous graduates secured PhD positions internationally and within TSL.

TSL continued its outreach and communication impact by contributing to UK Precision Breeding Legislation, and educational initiatives such as the Norfolk Teachers Conference, the Plant Biology Education meeting, and the Papillon Project, a school allotment initiative where students can grow their own vegetables.

TSL Ventures aims to build the structures to enable TSL to protect its own intellectual property, carry out proof-of-concept studies, train entrepreneurial scientists, and launch new companies. TSL Ventures continued to host spin-outs exploring potential biotech applications for human health and plant health.

Gatsby Plant Science Research Network

The Gatsby Plant Science Network consists of Gatsby-funded undergraduates, postgraduates, postdocs and alumni, with mentors chosen from UK universities with teaching and research interests in plant science.

The 2024 network meeting was held over two days in Oxford in September. Professor Dame Melanie Welham, Independent Trustee (bioscience) and Former Executive Chair of BBSRC, gave the evening lecture entitled "*Reflections on career paths and life at the science-funding-policy interface*". Sainsbury-funded PhD students gave talks on their progress and results from the previous year. The Sainsbury undergraduate students gave poster presentations on their summer internship projects. The undergraduate studentship scheme aims to identify excellent penultimate year undergraduates and support them to continue their interest in plant science through summer internship research projects in laboratories outside their place of study. During the reporting period six Sainsbury undergraduates were supported. The closing lecture was given by Jonathan Jones, group leader at The Sainsbury Laboratory Norwich, on his research on how plants resist disease.

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REPORT OF THE TRUSTEES (continued)

Four new Sainsbury PhD students started their research training in October 2024: Eloise Maher, supervised by Myriam Charpentier at the John Innes Centre, will work on Regulation of AUK in root legume endosymbioses. Sophie Mason, supervised by Francesco Licausi at the University of Oxford, will work on Hypoxia in Plant Development: Is Hypoxia Beneficial or Detrimental in the Plant Meristem? Alanna McCutcheon, supervised by Sarah McKim at Dundee University, will work on Surviving the Stress: Understanding Stress-Induced Quiescence in Barley. Mike Voyt, supervised by Steven Penfield at the John Innes Centre, will work on Increasing the robustness of wheat floral development, whatever the temperature.

The 2025 training weekend for PhD and Undergraduate students was held in Cambridge in early April with sessions on scientific skills such as drafting papers and applications, and presenting posters and talks. The plenary speaker was Jane Osbourn, CEO of Alchemab Therapeutics, who gave a presentation on ‘*Developing antibodies as drugs; an evolving career in science*’.

Gatsby Plant Science Education Programme (GPSEP)

The GPSEP aims to improve the teaching and learning of plant science at all ages, engaging and inspiring the next generation of plant scientists through projects in both schools and higher education. The programme is overseen by SLCU and the Cambridge University Botanic Garden.

Science and Plants for Schools (SAPS) creates opportunities for teachers, technicians and students to find out more about plants and to become more interested in plant science. Dr Chris Graham’s secondment to the programme has led to a series of articles in the School Science Review sub journal “In Practice” focusing on a back to basics of microscopy (through plants) for secondary science teachers, encouraging uptake of this skill in schools.

In January 2025 the GPSEP attended the Association for Science Education (ASE) annual conference and ran two CPD sessions throughout the conference, one developed for new technicians (*Practical work with plants – get the pondweed bubbling!*) and one for teachers (*Photosynthesis – A Survival Guide*), to achieve their aim of increasing connections with science school teachers and technicians to encourage plant science in schools.

In June 2024, the 20th anniversary of the Gatsby Plant Science Summer School hosted 80 undergraduate students from the Gatsby network of 30 UK universities. The event continues to stimulate interest in plant science for those students who haven’t considered it yet, with 99% of attendees now more interested in the field, 65% of them significantly so. In July 2024 the annual “*Rootstock*” event engaged 30 high calibre bioscience undergraduates already noting an interest in plant science. Rootstock is designed to introduce the participants to networks and contacts across a broad range of research and careers in plant science, and led to 100% of attendees reporting an increased interest in plant science as a career.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £12,268,000

Sainsbury Laboratory Cambridge University (SLCU) - £5,766,000

Towards research activities and core costs at the Sainsbury Laboratory; and start-up funding for new lecturers in the Department of Plant Sciences.

The Sainsbury Laboratory (TSL) - £5,752,000

Towards core costs, new major research equipment and research activities; and funding to accelerate utilisation of intellectual property with the aim of positively impacting agricultural productivity and global food security.

THE GATSBY CHARITABLE FOUNDATION

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REPORT OF THE TRUSTEES (continued)

2Blades Foundation - £500,000

Towards core and project costs.

Cambridge Network - £250,000

Towards core costs of Agri-TechE.

TOTAL DIRECT PROGRAMME EXPENSES paid this year: £6,182,000

Sainsbury Laboratory Cambridge University (SLCU) - £3,434,000

Towards Gatsby Fellowships for Principal Investigators at SLCU and the costs of peer review.

The Sainsbury Laboratory (TSL) – £1,518,000

To take forward a programme of research into finalising and then deploying a durable resistant gene-stack to combat wheat stem rust disease.

Science & Plants for Schools (SAPS) and the Gatsby Plant Science Summer School - £549,000

Towards the Gatsby Plant Science Education Programme, including SAPS and the Undergraduate Summer School.

Sainsbury PhD Studentships - £464,000

Towards the Sainsbury PhD studentships in plant science.

Further direct programme expenses totalling £217,000 were also paid in the year.

NEUROSCIENCE

“To support world-class research in the areas of neural circuits and behaviour and theoretical neuroscience, and to support activities which enhance understanding in these fields.”

Understanding how the intricate anatomy of cells and circuits in the brain work together to generate complex behaviours is one of the most exciting challenges facing neuroscience today. Gatsby’s view, shared by many, is to work towards this by harnessing the efforts of a dynamic and multi-disciplinary group of scientists with a common interest in the workings of the brain. To this end, Gatsby is supporting a number of world-class research centres, programmes and activities.

Sainsbury Wellcome Centre for Neural Circuits and Behaviour (SWC)

Gatsby, in partnership with Wellcome and University College London (UCL), supports SWC where scientists are using state-of-the-art techniques to investigate how circuits in the brain process information to create neural representations and guide behaviour. It is directed by Prof Thomas Mrsic-Flogel.

During this reporting period SWC, jointly with the Gatsby Computational Neuroscience Unit, successfully underwent a Quinquennial Review to renew funding, during which the Centre was praised as delivering cutting-edge science with societal impact.

REPORT OF THE TRUSTEES (continued)

Research highlights from the Centre were reported widely in the media, for example research from Professor Sonja Hofer's lab identifying the precise plasticity mechanisms that enable animals to overcome instinctive fears. Other research highlights include work from Professor Tim Behrens exploring how the hippocampus supports navigating new environments by relying on previous experience, and from Dr Marcus Stephenson-Jones' group uncovering a new, value-free dopaminergic mechanism of learning.

As part of sector development and outreach, SWC hosted Blaise Agüera y Arcas, Vice President and Fellow at Google Research and Google's CTO of Technology & Society, for the SWC Lecture 2024. The Centre also ran their first Teacher Experience Day on careers in animal research, and hosted a panel discussion on neuroscience and philosophy moderated by the hosts of the Neuroverse podcast, amongst other activities.

Several researchers won prestigious awards and grants. Professor Andrew Saxe was a Finalist in the 2025 Blavatnik Awards for Young Scientists in the UK, for his work on fundamental contributions to the study of deep neural networks. Dr Caterina Albigaria and Dr Oliver Gauld both won Wellcome Early Career Development Awards.

During the year work commenced to construct the 5th Quad extension within the courtyard of the SWC laboratory, with the project a four-storey building for research and teaching.

Gatsby Computational Neuroscience Unit (GCNU)

Gatsby founded GCNU at UCL over two decades ago to bring together a critical mass of theoreticians focusing on the computational theories of perception and action in neural and machine systems. GCNU is directed by Prof Maneesh Sahani.

Over the past year, the Unit underwent a Quinquennial Review in collaboration with the Sainsbury Wellcome Centre (SWC). The review team, comprising leading external experts, was highly positive in its assessment, commending the Unit's progress, collaborative ethos, and scientific breadth.

In early 2025, the Unit appointed Dr Leena Chennuru Vankadara, who brings an innovative programme in the theory of deep learning and causality. The year also saw the successful recruitment of five new postdoctoral fellows from leading institutions globally. Meanwhile, three postdocs completed their fellowships, moving on to new academic and professional opportunities.

GCNU co-organised and hosted a range of academic and educational events over the past year. Highlights included the GCNU-SWC Student Symposium on "*The Social Brain*", fostering interdisciplinary discussion on the computational and neural basis of social behaviour. The Annual Tri-Centre Gatsby Meeting between GCNU and international theoretical neuroscience partner centres was held in London, and promoted collaboration among early-career researchers.

The Gatsby Bridging Programme is a mathematics summer school bridging theoretical backgrounds with neuroscience. The programme aims to encourage applications from students in underrepresented groups in Science, Technology, Engineering, and Mathematics (STEM) to consider postgraduate study and research in STEM. This year the Unit admitted 39 students from a pool of 852 applicants, supporting diversity and accessibility. Additionally, the Unit engaged in public outreach through initiatives like the Camden STEAM work experience week, welcoming Year-10 students from local schools for exposure to scientific research.

REPORT OF THE TRUSTEES (continued)

Theoretical neuroscience and machine learning

Gatsby's support in the area of theoretical neuroscience and machine learning also includes two other world-class centres - the Centre for Theoretical Neuroscience at Columbia University in the USA and the Gatsby programme in Theoretical Neuroscience at the Safra Centre for Brain Sciences (ELSC) at the Hebrew University in Israel. Gatsby support was used to fund graduate student placements, post-doc scientists, bridging academic personnel, some administrative support, as well as new key pieces of IT infrastructure. Over the last year this has led to advances in the use of artificial intelligence in neuroscience, detailed mechanistic understanding of ecologically relevant behaviors in flies and fish, and uncovering how neural representations support cognition in mammals, including humans.

Over the reporting period the two directors of these centres, Professors Larry Abbott and Haim Sompolinsky, received the Brain Prize and received this in a Prize Ceremony in Copenhagen in May 2024.

Gatsby Initiative in Brain Development and Psychiatry

This five year project is a collaboration between Stanford University and the Sainsbury Wellcome Centre, and aims to investigate neurodevelopmental contributions to human psychiatric conditions, including genetics and early life insights.

Over the reporting period, the research teams involved have made progress in areas including elucidation of neural circuits for anxiety regulation and compulsive behaviour, the role of early life challenges on brain development and myelin plasticity in drug-induced reward learning. The Initiative also held their first annual meeting in London to share scientific outputs and create collaborations.

Society for Neuroscience

Gatsby supports the Trainee Professional Development Award (TPDA) program at the Society for Neuroscience, to provide professional development programming and advancement for neuroscience trainees. This supported travel and attendance for 26 participants in the Neuroscience 2024 Conference in Chicago.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £21,690,000

University College London - £20,675,000

Towards the research activities and core costs of the Sainsbury Wellcome Centre for Neural Circuits and Behaviour; and the Gatsby Computational Neuroscience Unit.

Columbia University, New York - £431,000

Towards the Centre for Theoretical Neuroscience.

British Neuroscience Association - £160,000

To support the British Neuroscience Association to implement its strategic plan.

CAJAL Advanced Neuroscience Training Programme - £211,000

Towards core costs and further development of the CAJAL training courses in cutting-edge neuroscience techniques.

Further grant payments totalling £213,000 were also paid in the year.

THE GATSBY CHARITABLE FOUNDATION

5 April 2025

REPORT OF THE TRUSTEES (continued)

TOTAL DIRECT PROGRAMME EXPENSES paid this year: £2,000,000

Gatsby Initiative in Brain Development and Psychiatry - £2,000,000

To support the neuroscience and psychiatry research initiative at the Sainsbury Wellcome Centre/University College London and at Stanford University.

SCIENCE AND ENGINEERING EDUCATION

“To strengthen science, technology, engineering and mathematics (STEM) education and training in the UK by informing national policy and developing innovative programmes.”

Gatsby’s work in education focuses on five objectives:

- to support improvements in technical education;
- to promote the uptake and recognition of high-quality technical education;
- to support continuing improvements in career guidance;
- to support STEM in schools; and
- to promote business education for professionals working in engineering and science.

Gatsby funds the core costs of a separate organisation – Gatsby Technical Education Projects (GTEP), a registered charity and company limited by guarantee – to oversee several of its programmes in this area.

For technical education to thrive, there must be a strong supply of expert teachers. Yet there is currently a chronic shortage of further education (FE) teachers in several key sectors, including construction, information technology, and engineering and manufacturing. This year, Gatsby has supported research to better understand the challenges in the recruitment, initial training and the retention of FE teachers. Gatsby also continues to support work on improving training pathways for industry professionals who want to contribute to FE teaching.

T-levels are now available in 20 subjects for post-16 students in England. Research supported by Gatsby has identified that students are progressing to a range of positive destinations after completing their T-levels. A key part of each T-level course is an industry placement, where students spend time with an employer to develop their knowledge and skills in the workplace. As this is such an important element of T-levels, Gatsby is supporting employers and T-level providers to develop models of successful industry placements. Gatsby is also supporting training providers to work collaboratively to implement wider reforms for technical education. The changes will ensure that all technical qualifications are aligned to occupational standards that have been developed with input from employers. In addition, Gatsby has continued to support work that encourages coherent planning for technical education in local geographical areas.

In England, most people see higher education as a Level 6 bachelor’s degree, despite evidence that higher technical education (HTE) at Level 4 and 5 helps drive economic growth and improve social mobility. Gatsby seeks to influence policy in this area and ensure that the skills system in England refocuses on higher level qualifications that are aligned with occupational standards and are delivered by institutions with the capacity to teach them well.

REPORT OF THE TRUSTEES (continued)

This year the OECD published Gatsby-funded research that compared HTE in England with more developed systems in other countries. The research found that progress had been made towards a more employer-led quality assurance process, but it recommended further reforms that are needed to create a coherent and effective post-18 education system. Gatsby also published research carried out in collaboration with UCAS into the experiences and characteristics of applicants to Level 4 and 5 courses. The research found that these young people would value more pre-application information, particularly about funding.

Gatsby continues to support providers of HTE through our long-standing relationship with the National Network of Institutes of Technology. Gatsby has co-organised events with the Association of Colleges (AoC) aimed at helping providers of Higher Technical Qualifications (HTQs) feel more confident in recruiting students to these important courses. Further education can play a vital role in the diffusion of innovation. Gatsby has worked with Innovate UK and the AoC to support and share the outcomes of the Further Education Innovation Fund, and has also held a series of workshops with colleges to explore the potential role of AI in the sector.

Technical education courses need to be updated regularly to reflect changes in industry practice and technology. Gatsby supported the Institute for Apprenticeships and Technical Education to develop the SkillsCompass tool, which enables the rapid updating of the occupational standards that underpin all apprenticeships, T-levels and HTQs.

Gatsby has long recognised that investing in technical education delivers economic returns, and that technician careers provide well-paid, future-proof employment opportunities without needing a degree. The Gatsby *Technicians: We Make the Difference* campaign continues to encourage young people to explore a variety of technician careers. This, along with *Technicians: The David Sainsbury Gallery* at the Science Museum in London, is inspiring young people to pursue careers as technicians, which is helping to address the skills shortage.

In January 2025, Gatsby launched a new advertising campaign to raise awareness of technical education among parents of 11 to 18 year-olds. The *Technical Education Opens Doors* campaign encourages parents to find out more about options, such as T-levels, apprenticeships and HTQs, so they can have better informed conversations with their children about their post-16 options. Gatsby has also engaged with employers, mainly through intermediary organisations like trade bodies, to help businesses, particularly small to medium-sized enterprises (SMEs), understand the technical education options, such as T-level industry placements.

Ten years on from the original publication of the *Gatsby Benchmarks for Good Career Guidance*, a recent review evidenced that they have had a positive impact on young people and have had widespread support from practitioners in schools and colleges. Extensive consultation on the benchmarks resulted in refinements being made, based on lessons learned during their implementation and changes in the wider employment landscape. These refinements have strengthened key areas such as inclusion, leadership, data use and parental engagement. They have also placed greater emphasis on every young person having meaningful and high-quality experiences. The language of the benchmarks has been adjusted to explicitly include careers programmes for young people attending independent training providers (ITPs) – including those delivering apprenticeships – to inform the support they provide.

THE GATSBY CHARITABLE FOUNDATION

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REPORT OF THE TRUSTEES (continued)

In May 2025, the Department for Education confirmed that from September 2025, schools, colleges and ITPs will be expected to implement the updated Gatsby Benchmarks. This will ensure that even more young people across England benefit from excellent careers guidance. Alongside our continued support for the implementation of good careers guidance for young people in England, Gatsby recently completed research gathering international insights into what constitutes good careers guidance for adults.

As part of its ongoing commitment to strengthening STEM education, Gatsby continues to invest in research that informs national policy on the recruitment and retention of science teachers in schools. Last year, we commissioned modelling work to explore how the government might successfully recruit an additional 6,500 science teachers. We also funded research into how the level of a school's socioeconomic disadvantage impacted on its supply of teachers. Gatsby maintained its support for core STEM engagement programmes including the Big Bang Fair, the National STEM Learning Centre in York and Technician Clubs in schools, which offer young people hands-on STEM experiences.

Gatsby's final objective in education centres on promoting business education, primarily through the Sainsbury Management Fellowships (SMFs) scheme. The scheme was established to give early career engineers the opportunity to study for MBAs at the world's top business schools, with the goal of preparing them to become future business leaders. Since its launch in 1987, the scheme has awarded more than 400 bursaries, which this year are worth £50,000 each. The scheme is managed through the Engineers in Business Fellowship (EIBF) charity, which was set up for this purpose. This year Gatsby agreed to increase its support for the EIBF so it can expand the SMFs scheme to include scientists as well as engineers. The first science bursaries are expected to be awarded in late 2025.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £4,755,000

Gatsby Technical Education Projects – £3,310,000

Towards the core costs of Gatsby Technical Education Projects.

Engineers in Business Fellowship – £1,445,000

Towards the core costs of the Engineers in Business Fellowship and the Sainsbury Management Fellowship bursary scheme.

TOTAL DIRECT PROGRAMME EXPENSES paid this year: £11,459,000

To promote uptake and recognition of high-quality education - £5,028,000

Promoting greater recognition of the importance of technicians, including support for a new gallery at the Science Museum in London – £4,246,000.

Raising awareness of the reformed technical education system among employers, schools and colleges, parents and learners – £782,000.

REPORT OF THE TRUSTEES (continued)

To support continuing improvements in technical education - £4,434,000

Supporting the development and roll-out of technical qualifications and apprenticeships – £2,302,000.

Ensuring infrastructure is in place to deliver high-quality technical education, including Institutes of Technology and an adequate supply of teachers in further education – £1,102,000.

Informing policy on future skills needs, training provision for adults and how colleges can encourage employers to innovate – £1,030,000.

To support continuing improvements in career guidance - £984,000

Supporting awareness and uptake in schools and colleges of the Gatsby Benchmarks for Good Career Guidance – £928,000.

Exploring how career guidance for adults can be improved – £56,000.

To support STEM in schools - £622,000

Supporting the National STEM Learning Centre and STEM Clubs – £445,000.

Seeking to ensure, typically through research, an adequate supply of high-quality STEM teachers – £177,000.

To promote business education for those in the science profession – £391,000

AFRICA

“To promote economic development in East Africa that benefits the poor through supporting the growth and sustainability of key sectors.”

Gatsby has funded, designed, and run programmes in Africa since 1985, with the overall aim of creating jobs and raising incomes for the poor. Gatsby’s programmes in Africa are now mainly implemented by a separate UK charitable company - Gatsby Africa (GA) - with registered branches in Tanzania and Kenya.

GA aims to help more people in East Africa benefit from economic growth, which in turn creates jobs, raises incomes, builds opportunities, and reduces poverty. GA looks to achieve this by:

- Transforming key economic sectors in East Africa by developing ambitious strategies and partnering with others to implement them; and
- Synthesising and sharing lessons from our programmes and elsewhere to enable their application at scale in GA’s own sectors of activity and in others.

In the past year, GA has concentrated on six sector programmes: forestry, livestock, textiles and apparel, tea, aquaculture, and water.

THE GATSBY CHARITABLE FOUNDATION

5 April 2025

REPORT OF THE TRUSTEES (continued)

Despite this breadth of support, it is clear that many other sectors also need support. Each programme thus aims to capture what is working and what is not, and to share this with other stakeholders - particularly donors and governments - so that they can benefit from the lessons learned. In this way, GA aims to contribute to a wider movement and to see a series of sectors in East Africa and beyond transformed by its own efforts and those of others.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £18,466,000

Gatsby Africa (GA) - £18,466,000

Towards GA programmes and operating core costs.

THE ARTS

Gatsby provides core support for organisations with which it has a long-standing history, especially as the country continuously faces a tough economic climate and cost of living challenges, which are seriously impacting parts of the UK Arts sector. Trustees provide additional funding support and flexibility for the repurposing of existing grant commitments as these organisations cope with these challenges.

Trustees are pleased to support the transformation of the Cambridge Arts Theatre building. The vision for the project is truly exciting: to reimagine the purpose and operation of a beloved and iconic theatre and to redefine its audience for the future. It is a rare and compelling opportunity to deliver a cultural legacy for the people of Cambridge and the wider region.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £10,622,000

Cambridge Arts Theatre - £5,000,000

Towards redevelopment of the Theatre.

Backstage Trust - £2,000,000

Towards core costs and project costs.

Sainsbury Centre for Visual Arts - £1,551,000

Towards core costs and exhibitions.

Chamber Orchestra of Europe - £750,000

Towards core costs.

Royal Shakespeare Company - £500,000

Towards the Artist Development Programme.

Sainsbury Institute for the Study of Japanese Art & Culture - £411,000

Towards core costs.

Sainsbury Research Unit for the Arts of Africa, Oceania & the Americas - £275,000

Towards core costs and learning initiatives.

REPORT OF THE TRUSTEES (continued)

Further grant payments totalling £135,000 were also paid in the year.

PUBLIC POLICY

“To support independent research organisations which provide evidence-based advice to policy makers.”

Gatsby’s grant-making in public policy focuses on six organisations: the Institute for Government; the Centre for Cities; the Centre for Sectoral Economic Performance; the Centre for Science, Technology & Innovation Policy; Policy Links; and the Babbage Industrial Innovation Policy Forum.

The Institute for Government (IfG)

In 2024–25, the Institute for Government provided thought leadership and practical support during a pivotal year of political transition. Its research and commentary helped shape public understanding and policy debates across key areas of government reform. Flagship publications such as *20 Ways to Improve the Civil Service* and the *Whitehall Monitor* offered evidence-based recommendations to improve the performance and structure of central government. The Institute also published a draft Civil Service Statute and hosted a high-profile conference to promote statutory reform, while maintaining a strong public presence advocating for better government.

Across public policy, the Institute addressed systemic challenges and long-standing delivery failures. Its *Chronic Policy Problems* series delivered timely insights into housebuilding and asylum policy, while a new research stream on “Policymaking for Left-Behind Groups” tackled structural inequality, starting with school readiness. On devolution, the Institute published five influential reports and engaged with metro mayors, ministers, and local authority leaders to advance thinking on local governance, urban regeneration, and combined authority powers. New work on fiscal frameworks, local growth plans, and public services—including prevention, integrated care, and prison reform—provided a rich evidence base to support more coherent and sustainable policymaking.

The IfG Academy significantly expanded its professional development offer, delivering 96 training workshops for MPs, ministers, select committees, civil servants, and academics. This included support for the incoming government, through ministerial induction and workshops with departmental teams and private offices. Flagship academic programmes with UKRI funders were completed, and new partnerships were launched with leading universities and public bodies. Alongside this, the Institute advanced its research on ministerial roles, ethics and standards, and governance during crises—publishing analysis and making ministerial appointment data publicly accessible. Through this portfolio, the Institute contributed meaningfully to building public service capability, democratic accountability, and institutional resilience during a year of major political change.

The Centre for Cities

The Centre for Cities is an independent research and policy organisation, chaired by Nigel Hugill and directed by Andrew Carter. The Centre is committed to helping Britain’s cities and large towns improve their economic performance by focusing on the drivers of urban economic success. The Centre produces practical research and policy advice for city leaders, national government and businesses.

REPORT OF THE TRUSTEES (continued)

Over the past year, the Centre for Cities advanced its mission to improve the economic performance of UK cities through a sustained programme of research, policy engagement, and public communication. Its work addressed critical challenges in housing, productivity, planning reform, and devolution, with notable outputs including the widely cited *Restarting Housebuilding* report series, a UK–G7 comparative productivity study, and a fiscal devolution model that shaped national debate.

The Centre maintained a visible presence in policy circles, convening over 50 events and publishing 87 blogs, 22 podcasts, and 18 research reports. It engaged directly with Ministers, mayors, and senior officials, while continuing to serve as a trusted data resource and thought leader on urban economic policy.

Centre for Sector Economic Performance

Gatsby has made a long-term commitment to the Centre for Sectoral Economic Performance (CSEP) at Imperial College London which investigates ways of improving the competitiveness of the UK economy and driving economic growth. CSEP focuses on the country’s technology based sectors and industries with the greatest potential for global success. The Centre conducts research and develops actionable recommendations, working with stakeholders from business and government.

During its first year of operation CSEP established a strong platform to inform evidence-based industrial strategy and sectoral policy. CSEP produced its first sector strategy plan for the HealthTech industry, launched in cooperation with the Association of British HealthTech Industries. The Centre has launched a series of six new sector reviews and updated sectoral reviews pre-dating its launch. CSEP initiated its first deep-dive project to explore the research and development productivity of the UK Biopharma industry in greater detail.

Engagement activities included the Centre’s inaugural conference attended by delegates from across government, industry and academia, sector-focused workshops, and targeted policy briefings to senior stakeholders in government and industry. Capacity building milestones were achieved through recruitment of research teams and the launch of doctoral programmes. Collectively, these efforts positioned the Centre as a convener of cross-sector expertise and a catalyst for strengthening the UK’s long-term competitiveness in high-value industries.

The Centre for Science, Technology & Innovation Policy (CSTI)

Based at Cambridge University’s Institute for Manufacturing (IfM), CSTI carries out practical policy research exploring what makes national innovation systems effective at translating new science and engineering ideas into technologies, industries and economic wealth. Under the direction of Dr Eoin O’Sullivan, CSTI brings a science and engineering perspective to innovation and industrial policy.

CSTI made significant progress toward strengthening industrial innovation policy through evidence-based research, high-level policy engagement, and international collaboration. The Centre participated in a number of commissioned studies with UK government departments covering the innovation ecosystem, an improved understanding of the advanced manufacturing sector, and potential approaches to evaluating impact which are distinct from conventional metrics used by traditional research agencies. CSTI hosted a variety of policy related workshops, and completed research on several key projects including aligning research investment with industrial capabilities and tackling scale-up barriers in manufacturing. It delivered thought leadership at global events, hosted strategic workshops on emerging technologies and regional innovation systems, and developed conceptual tools for policymakers. CSTI’s activities contributed to shaping more effective policy processes, supporting the development of national capability, and deepening international policy learning.

REPORT OF THE TRUSTEES (continued)

Policy Links (PL)

The Policy Links unit, directed by Dr Carlos López-Gómez, is a not-for-profit consultancy based at Cambridge University that works with governments and international organisations to develop effective industrial innovation policies based on the latest academic thinking and the study of international best practice. Gatsby supports PL's charitable educational programmes and activities.

During the year PL delivered a wide-ranging programme of work that advanced understanding and practice in industrial innovation policy. Highlights included the launch of the *UK Manufacturing Dashboard*, a digital repository of key statistics on the performance of the UK manufacturing sectors, and the publication of the fourth *UK Innovation Report*, both of which are contributing to more informed policy discussions within government and industry. PL undertook strategic projects with UK government departments to address barriers to manufacturing scale-up (in collaboration with CSTI), value capture from research, and labour market challenges. Internationally, it played a leading role in developing the *Manifesto for Global Industrial Safety* and co-authored a white paper with the World Economic Forum to accelerate decarbonisation through public-private collaboration. The Unit also made significant progress in promoting gender diversity in manufacturing and building policy capability through training and global engagement. These activities contribute to the development of productive, innovation-led growth in the UK and internationally.

The Babbage Industrial Innovation Policy Forum

The Babbage Policy Forum, chaired by Prof Sir Mike Gregory, aims to provide a unique network and symposia within which to develop novel thinking and insights at the interface of economics, engineering, and management. The Forum's purpose is to enhance UK industrial innovation policy by establishing the authoritative international, multidisciplinary forum for industrial innovation policymakers to support the capture, development and delivery of 'best practice' policy recommendations.'

During the initial phase of its third cycle the Babbage Industrial Innovation Policy Forum advanced its mission to support effective industrial innovation policymaking through global dialogue and practitioner-led insights. A major achievement was the development of a new *Babbage Bulletin*—a practitioner-oriented publication structured around guiding principles, regional trends, and thematic priorities to inform and inspire policymakers. The programme also refined its 2025 agenda, with regional meetings confirmed across Europe, Asia, North America, and Scandinavia, each structured around core themes of supply chains, industrial capabilities, and technology scale-up. Contributions to high-level forums, such as at *Wilton Park*, enhanced international engagement and demonstrated growing recognition of the programme's relevance. Early collaboration with UK government departments and institutions also laid groundwork for joint initiatives aligned with emerging industrial strategy priorities.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £8,126,000

Institute for Government - £5,509,000

Towards core costs.

Centre for Cities - £1,100,000

Towards core costs.

Centre for Sectoral Economic Performance – £1,037,000

Towards core costs.

THE GATSBY CHARITABLE FOUNDATION

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REPORT OF THE TRUSTEES (continued)

University of Cambridge - £480,000

Towards the core costs of the Centre for Science, Technology and Innovation Policy, and of Policy Links.

TOTAL DIRECT PROGRAMME EXPENSES paid this year: £282,000

Babbage Symposium and Professor Mike Gregory support - £282,000

Towards Phase 3 of the Babbage Symposium.

GENERAL

'To support on occasion other charitable work which falls outside the Trustees' main fields of interest.'

Proactive and Integrated Management and Empowerment in Parkinson's Disease (PRIME-Parkinson)

The purpose of the PRIME-Parkinson programme is to develop, implement, evaluate and disseminate a proactive, integrated and person-centred healthcare concept for people with Parkinson's disease and their near ones in the UK and the Netherlands. The programme has also supported early-career researchers and clinicians, creating a data-rich environment and talent pipeline to strengthen future capacity in integrated care and complex intervention design.

Joint engineering and business undergraduate programme

Together with Imperial College London, Gatsby is supporting the creation of a unique joint engineering and business undergraduate programme to train the leaders of the future. The programme aims to create a new concept of undergraduate engineering, providing its engineering graduates with strong management foundations and the relevant leadership skills to achieve the highest roles in public organisations and the corporate world.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £4,796,000

Cure Parkinson's Trust - £900,000

To support the Multi-Arm Multi-Stage platform for Accelerating Clinical Trials for Parkinson's Disease.

Radboud University Medical Centre, The Netherlands - £794,000

To support the Proactive and Integrated Management and Empowerment in Parkinson's Disease programme (PRIME- Parkinson) in partnership with the University of Bristol, UK.

Imperial College London - £750,000

Towards the start-up costs of a new joint engineering and business undergraduate programme.

Parkinson's UK - £715,000

To support the *Landmark* programme to identify the causes of Parkinson's Disease.

Imperial College London - £566,000

Towards a children's book, 'Scientists making a Difference', and associated media materials.

Bristol University, UK - £460,000

To support the Proactive and Integrated Management and Empowerment in Parkinson's Disease programme (PRIME- Parkinson) in partnership with the Radboud University Medical Centre, The Netherlands.

THE GATSBY CHARITABLE FOUNDATION

5 April 2025

REPORT OF THE TRUSTEES (continued)

Quentin Blake Centre for Illustration - £350,000

Towards the creation of The Learning Studio.

Further grant payments totalling £261,000 were also paid in the year.

TOTAL DIRECT PROGRAMME EXPENSES paid this year: £17,000

GRANTS CANCELLED

Grants totalling £2,729,000 were cancelled or amended during the year.

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of its net result for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- 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 the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. 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 GATSBY CHARITABLE FOUNDATION
5 April 2025

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS
(continued)

Statement as to disclosure to auditors

In so far as each of the Trustees of the charity at the date of approval of the Trustees' Annual Report is aware:

- there is no relevant audit information (information needed by the charity's auditor in connection with preparing the audit report) of which the charity's auditor is unaware, and
- each Trustee has taken all of the steps that he/she should have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Approved by the Board of Trustees on 3 December 2025 and signed on their behalf by



Mr J C Burns
TRUSTEE

THE GATSBY CHARITABLE FOUNDATION

5 April 2025

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE GATSBY CHARITABLE FOUNDATION

Opinion

We have audited the financial statements of the Gatsby Charitable Foundation ('the charity') for the year ended 5 April 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2025 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 trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the 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.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE GATSBY CHARITABLE FOUNDATION *(continued)*

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 requires 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 and proper accounting records have not been kept by the parent charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 23, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011, and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team member. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

THE GATSBY CHARITABLE FOUNDATION
5 April 2025

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE GATSBY CHARITABLE FOUNDATION (continued)

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), anti-fraud, bribery and corruption legislation, and taxation legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.

Crowe U.K. LLP

Crowe U.K. LLP
 Statutory Auditor

London

8 December 2025

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE GATSBY CHARITABLE FOUNDATION

5 April 2025

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2025

<i>Notes</i>	Unrestricted Funds £'000	Expendable Endowment £'000	Total Funds 2025 £'000	Total Funds 2024 £'000
INCOME AND ENDOWMENTS FROM:				
Donations and gifts	2	-	73,072	73,072
Investments	3	21,834	-	21,834
Foreign exchange gain		621	-	621
Total income		22,455	73,072	95,527
EXPENDITURE ON:				
<i>Raising funds</i>				
Investment management costs	4	-	(808)	(808)
<i>Charitable activities</i>				
Grant expenditure	5	(119,696)	-	(119,696)
Direct programme costs	6	(19,939)	-	(19,939)
Support costs	7,8	(3,964)	-	(3,964)
Foreign exchange loss		-	-	-
Total cost of charitable activities		(143,599)	(808)	(143,599)
Total expenditure		(143,599)	(808)	(144,407)
(Losses)/gains on investment assets			(5,078)	(5,078)
Net (expenditure)/ income for the year before transfers		(121,144)	67,186	(53,958)
Transfers between funds	14	121,144	(121,144)	-
Net movement in funds		-	(53,958)	(53,958)
Reconciliation of funds				
Total funds brought forward at 6 April 2024		-	520,255	520,255
Total funds carried forward at 5 April 2025		-	466,297	536,221

The notes on pages 31 to 41 form part of these accounts.

THE GATSBY CHARITABLE FOUNDATION

5 April 2025

BALANCE SHEET AS AT 5 APRIL 2025

	<i>Note</i>	2025	2024
		£'000	£'000
FIXED ASSETS			
Tangible fixed assets	9	97	146
Investments	10	482,819	470,581
Programme related investment	19	23,100	-
		506,016	470,727
CURRENT ASSETS			
Debtors	11	9,297	8,937
Cash at bank and in hand		73,895	124,671
		83,192	133,608
LIABILITIES			
Creditors - amounts falling due within 1 year	12	(122,911)	(75,568)
NET CURRENT (LIABILITIES)/ASSETS		(39,719)	58,040
TOTAL ASSETS LESS CURRENT LIABILITIES (LIABILITIES)/ASSETS		466,297	528,767
LIABILITIES			
Creditors - amounts falling due after 1 year	13	-	(8,512)
NET ASSETS		466,297	520,255
THE FUNDS OF THE CHARITY			
Capital funds			
Expendable endowment		466,297	520,255
Income funds			
Unrestricted funds		-	-
	14	466,297	520,255

These financial statements were approved and authorised for issue by Trustees on 3 December 2025 and were signed on their behalf by:



Mr J C Burns
TRUSTEE

The notes on pages 31 to 41 form part of these accounts

THE GATSBY CHARITABLE FOUNDATION
5 April 2025

CASH FLOW STATEMENT
FOR THE YEAR ENDED 5 APRIL 2025

	2025	2024
	£'000	£'000
Net cash (used in) operating activities	(49,641)	(133,518)
Net cash (used in)/provided by investing activities	(1,135)	187,783
Change in cash and cash equivalents during the year	(50,776)	54,265
Cash and cash equivalents at the beginning of year	124,671	70,406
Cash and cash equivalents at the end of year	73,895	124,671
Reconciliation of net (expenditure) to net cash (used in) operating activities	2025	2024
	£'000	£'000
Net (expenditure) for the year (as per the Statement of Financial Activities)	(53,958)	(15,966)
Gift of investments	(17,447)	(34,343)
Loss/(gains) on investments	5,078	(4,900)
Depreciation charges	49	49
Income from investments (interest and dividends)	(21,834)	(21,905)
(Increase) in debtors	(360)	(1,246)
Increase/(Decrease) in creditors and provisions	38,831	(55,207)
Net cash (used in) operating activities	(49,641)	(133,518)
Net cash (used in)/provided by investing activities	2025	2024
	£'000	£'000
Purchase of investments	(233,872)	(149,145)
Purchase of programme related investment	(23,100)	-
Income from investments	21,834	21,905
Proceeds from sale of investments	234,003	315,023
Net cash (used in)/provided by investing activities	(1,135)	187,783
Cash and cash equivalents	Change in year	2025
	£'000	£'000
Cash at bank and in hand	(49,968)	73,695
Cash balances held by investment managers	(808)	200
	(50,776)	73,895
		124,671

The notes on pages 31 to 41 form part of these accounts.

NOTES TO THE ACCOUNTS

1. PRINCIPAL ACCOUNTING POLICIES

a) Basis of preparation and consolidation

The financial statements have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019.

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 Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014.

Gatsby constitutes a public benefit entity as defined by FRS102.

In the view of the Trustees, there are no material uncertainties casting doubt on the going concern of the charity. Gatsby's endowment assets remain significant, and this, together with future investment income that is generated, will continue to be paid out to approved beneficiaries in accordance with the objectives of the charity.

b) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and any provision for impairments in value. Fixed assets are depreciated at rates which reflect their useful lives to Gatsby. The following rates have been used:

Leasehold improvements - over the remaining lifetime of the lease
 Equipment - 10-33% straight line

c) Income

- (i) Donations are shown gross which includes the associated tax credit unless the tax so deducted is considered irrecoverable.
- (ii) Dividends are included by reference to their due dates.
- (iii) Interest is recorded on an accruals basis.

d) Grants payable

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

The view of the Trustees is that any instalments payable within 12 months of the reporting date are expected to be paid regardless of the status of attached conditions and so these are accrued. Any payments due in more than 12 months from the reporting date, where conditions exist that have not been met at the reporting date, are not accrued but are reported as an unaccrued future commitment.

e) Investments

Net realised and unrealised gains and losses are reflected in the Statement of Financial Activities. Investments are shown at mid market value. Partial disposals are accounted for using average book value. Investments are liquidated as required. Unquoted investments which represent programme related investments are carried at cost less provision for impairment where required.

f) Support costs

These costs support predominantly the grant-making activity of Gatsby. Such costs include a share of the staff and office costs of the joint office of the Sainsbury Family Charitable Trusts, which are allocated in proportion to time spent on Gatsby matters and grants paid.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include fees for statutory audit, legal fees where relevant, together with an allocation of support costs.

NOTES TO THE ACCOUNTS (continued)

1. PRINCIPAL ACCOUNTING POLICIES (continued)

g) Fund accounting

Details of the nature and purpose of each fund is set out in note 16.

h) Pension costs

Gatsby has a defined contribution scheme for qualifying employees. Pension costs charged to the Statement of Financial Activities represent the contributions payable by Gatsby in the year (See Note 8).

i) Foreign currencies

Foreign currency transactions are translated into sterling at the rate prevailing at the time of the transaction. Balance sheet items are translated using the year end rate of exchange. Foreign exchange gains and losses resulting from the settlement of transactions and from translation using year end rates of exchange, are recognised in the Statement of Financial Activities.

j) Financial instruments

Gatsby has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand, together with accrued interest and other debtors. Financial liabilities held at amortised cost comprise grants payable and accruals. Investments, including bonds held as part of an investment portfolio, are held at fair value at the balance sheet date, with gains and losses being recognised within income and expenditure.

At the balance sheet date the Charity held financial assets at fair value of £482,819,000 (2024: £470,581,000).

k) Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand, cash held for reinvestment and short term deposits.

l) Provisions for liabilities and charges

Provisions for liabilities and charges are made when a present obligation has arisen as a result of a past event, payment is probable, and the amount can be estimated reliably.

m) Programme related investments

Programme related investments arise from the direct investment of resources into property to advance Gatsby's charitable objectives where the investment offers a meaningful and measurable benefit to its beneficiaries. Such investments are not made for the purpose of generating a financial return, but rather to further the charity's purposes in a manner that aligns with its mission. Programme related investments are stated at cost less any provision for impairment in value.

n) Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in note 1, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, the critical judgments that have been made at arriving at the amounts recognised in the financial statements and the key estimation uncertainty that has a significant risk of causing a material adjustment to the carrying values of assets and liabilities in the next financial year are as follows:

Impairment of programme related investments.

The carrying value of programme related investments is reviewed for impairment when events or circumstances arise which may indicate impairment.

THE GATSBY CHARITABLE FOUNDATION

5 April 2025

NOTES TO THE ACCOUNTS (continued)

2. GRANTS AND DONATIONS

Gatsby received donations from the Settlor during the year totalling £73,072,000 (2024: £39,343,000). Included in this amount are donations of £67,447,000 (2024: £34,343,000) from Innotech Advisers Limited, a company wholly owned by the Settlor, and of which the Settlor and a Trustee, Mr JC Burns, are Directors.

3. INVESTMENT INCOME

Income received on investments may be analysed as follows:

	2025		2024	
	£'000	%	£'000	%
UK equities	3,475	16	3,797	18
Overseas equities	1,585	7	1,551	7
Term deposits	16,678	77	16,470	75
Bank interest	96	-	87	-
	21,834	100	21,905	100

4. COST OF RAISING FUNDS

Fund raising costs comprise the fees of investment managers. Investment management fees amount to £808,000 (2024: £765,000). The Trustees are of the opinion that these costs contribute to the generation of a total return on the investment portfolio and, as such, have charged the Expendable Endowment with these fees.

5. GRANTS PAYABLE

	2025		2024	
	£'000	£'000	£'000	£'000
Reconciliation of grants payable:				
Commitments at 6 April 2024		83,458		138,806
Grants not accrued at 6 April 2024	117,271		85,654	
Grants approved in the year	143,608		95,610	
Grants cancelled, refunded or amended	(2,741)		(2,084)	
Revaluation of liabilities	(510)		(2,092)	
Grants not accrued at 5 April 2025	(137,932)		(117,271)	
Grants expenditure for the year		119,696		59,817
Grants paid during the year		(80,799)		(115,165)
Commitments at 5 April 2025		122,355		83,458

Commitments at 5 April 2025 are payable as follows:

	2025		2024	
	£'000	£'000	£'000	£'000
Within one year (note 13)		122,355		74,946
After more than one year (note 14)		-		8,512
		122,355		83,458

THE GATSBY CHARITABLE FOUNDATION

5 April 2025

NOTES TO THE ACCOUNTS (continued)

5. GRANTS PAYABLE (continued)

Gatsby provides funding to charities in which the following Trustees and/or staff had appointments: Mr JC Burns (JB), Mr P Hesketh (PH) Ms F Perrin (FP), Miss J S Portrait (JP), Ms AL Sainsbury Price (LP). These relationships, grants paid in the year and grants payable at year end are set out below:

	Appointment (as Trustee)	2025		2024	
		Grants paid	Grants payable	Grants paid	Grants payable
		£'000	£'000	£'000	£'000
Centre for Cities	JB	1,100	-	1,300	1,100
Gatsby Africa	JB, PH, JP	18,466	24,566	13,548	25,550
Gatsby Technical Education Projects	JB, JP	3,310	2,917	3,279	2,091
Sainsbury Centre for Visual Arts	JB, PH, JP*	1,551	1,153	910	1,563
Sainsbury Institute for the Study of Japanese Arts and Cultures	JB, PH, JP*	411	450	466	411
Sainsbury Research Unit for the Arts of Africa, Oceania & the Americas	JB, PH, JP*	275	434	275	275
The Indigo Trust	FP	-	-	5,000	-
The Sainsbury Laboratory	PH	5,752	5,941	6,407	2,657
The True Colours Trust	LP	-	-	10,000	-

*as Trustee of HON&V Trustee Limited

Commitments

In addition to the amounts committed and accrued noted above, the Trustees have also authorised certain grants which are subject to the recipient fulfilling certain conditions relating to the delivery of the grant-funded activities.

The total amount authorised but not accrued as expenditure at 5 April 2025 was £137,932,000 (2024: £116,596,000). Of this total, £38,168,000 will be payable during 2026/27 and £29,954,000 during 2027/28.

The amount payable during 2025/26 includes the following:

	£'000
<u>Neuroscience</u>	
University College London – Sainsbury Wellcome Centre for Neural Circuits and Behaviour	32,568
University College London - Gatsby Computational Neuroscience Unit	5,330
Stanford University - Stanford Human Interactive Neural Exploration (SHINE) Programme	2,623
Columbia University New York	387
Hebrew University of Jerusalem - Edmond and Lily Safra Center for Brain Science	327
Federation of European Neuroscience Societies (FENS)	180
Other grants	207
<u>Plant Science</u>	
The Sainsbury Laboratory – Norwich	5,941
University of Cambridge – the Sainsbury Laboratory	5,775
Cambridge Network	250
Other grants	119
<u>Science and Engineering Education</u>	
Gatsby Technical Education Projects	2,917
Engineers in Business Fellowship (formerly Sainsbury Management Fellows' Society)	1,192
<u>Africa</u>	
Gatsby Africa	24,566
The Wood Foundation	1,165

THE GATSBY CHARITABLE FOUNDATION

5 April 2025

NOTES TO THE ACCOUNTS (continued)

5. GRANTS PAYABLE (continued)

£'000

Arts

Cambridge Arts Theatre	11,400
Sainsbury Centre for Visual Arts	1,153
Royal Shakespeare Company	500
Sainsbury Institute for the Study of Japanese Art and Culture	450
Sainsbury Research Unit for the Arts of Africa, Oceania & the Americas	434
University of Cambridge	250
Dulwich Picture Gallery	150
Smaller grants	165

Public Policy

Institute for Government	6,292
Imperial College – Technology & Medicine	4,365
Institute for Manufacturing, University of Cambridge	1,520
University of Cambridge, King's College	300
Smaller grants	110

General

University of Cambridge, King's College	5,501
Radboud University Medical Centre	1,477
Parkinson's UK	1,415
St Mark's Hospital	920
Cure Parkinson's Trust	800
Imperial College London	683
University of Bristol	643
Sainsbury Archive	150
Smaller grants	130
Total due within one year (Note 13)	122,355

6. DIRECT PROGRAMME EXPENSES

	2025	2024
	£'000	£'000
Science and Engineering Education	11,459	10,600
Plant Science	6,182	3,596
Neuroscience	2,000	2,052
Public Policy	282	917
General	16	-
	19,939	17,165

7. SUPPORT COSTS

	Charitable Activities	Governance	2025 Total	2024 Total
	£'000	£'000	£'000	£'000
Staff costs	1,902	-	1,902	1,792
Share of joint office costs	1,335	-	1,335	1,190
Direct costs including travel, consultancy, legal and professional fees	636	-	636	450
Depreciation	49	-	49	49
	3,922	-	3,922	3,481
Auditor's remuneration	-	42	42	41
	3,922	42	3,964	3,522

THE GATSBY CHARITABLE FOUNDATION

5 April 2025

NOTES TO THE ACCOUNTS (continued)

7. SUPPORT COSTS (continued)

Audit fees include irrecoverable VAT of £7,034 (2024: £6,825).

8. ANALYSIS OF STAFF COSTS

	2025	2024
	£'000	£'000
Wages and salaries	1,569	1,476
Social security costs	203	195
Other pension costs	130	121
	1,902	1,792

The average number of employees within the charity was as follows

	2025	2024
	No.	No.
Charity	3	4

The number of employees whose earnings in relation to time spent on Gatsby's affairs exceeded £60,000 p.a. excluding pension contributions was:

	2025	2024
	No.	No.
£70,000 - £80,000	1	2
£90,000 - £100,000	1	1
£300,000 - £310,000	-	1
£330,000 - £340,000	1	-

As mentioned in Note 1a, Gatsby is one of the Sainsbury Family Charitable Trusts which share a joint administration at the Registered Office. 18.8% of the total support and administration costs of these trusts have been allocated to the Gatsby Charitable Foundation, including a proportionate share of the costs of employing the total number of staff serving in the office in 2024/25.

Staff costs equivalent to 10 staff (2024: 11) were charged to Gatsby during the year under joint administration arrangement, with some being on a part-time basis. This equates to 3.19 full-time employees (2024: 3.67).

The Trust considers its key management personnel to comprise of 4 staff (2024: 4). The total employment benefits, including employer pension contributions, of these key management personnel, were £674,000 (2024: £684,000).

One Trustee had travel expenses of £997 paid during the year (2024: One Trustee, £1,542).

THE GATSBY CHARITABLE FOUNDATION

5 April 2025

NOTES TO THE ACCOUNTS (continued)

8. ANALYSIS OF STAFF COSTS (continued)

Mr P Hesketh and Mrs K Everett were appointed as Trustees of Gatsby Africa in January 2023 to enable its better administration. Gatsby Charitable Foundation has met staff costs of £267,000 (2024: £245,000) apportioned under joint administration arrangements for executive services provided by Mr P Hesketh and Mrs K Everett to Gatsby Africa, and will continue to do so for the duration of the appointments.

Amounts paid by Gatsby Charitable Foundation in connection with executive services on behalf of Gatsby Africa were:

	P Hesketh	K Everett	2025	2024
	£'000	£'000	£'000	£'000
Wages and salaries	143	91	234	212
Social security costs	19	12	31	31
Other pension costs	-	2	2	2
	162	105	267	245

9. TANGIBLE FIXED ASSETS

	Leasehold Improvements	Equipment	Total
	£'000	£'000	£'000
Cost			
At beginning and end of year	1,106	34	1,140
Depreciation			
At beginning of year	960	34	-
Charge for the year	49	-	-
At end of year	1,009	34	1,043
Net book value 5 April 2025	97	-	97
Net book value 5 April 2024	146	-	146

Leasehold improvements consist of Gatsby's share of the cost of refurbishment of leasehold premises at The Peak, 5 Wilton Road, London SW1.

10. FIXED ASSET INVESTMENTS

Term deposits	2025	2024
	£'000	£'000
Market value 6 April 2024	202,764	286,828
Disposals	(142,126)	(215,321)
Acquisitions at cost	217,098	131,144
Net (loss)/gain on investments	(1,233)	113
Market value 5 April 2025	276,503	202,764

THE GATSBY CHARITABLE FOUNDATION

5 April 2025

NOTES TO THE ACCOUNTS (continued)

Other investments	2025	2024
	£'000	£'000
Market value 6 April 2024	267,817	310,387
Disposals	(91,877)	(99,701)
Acquisitions at cost	16,774	18,001
Gift of shares	17,447	34,343
Net (loss)/gain on investments	(3,845)	4,787
Market value 5 April 2025	206,316	267,817

Total disinvestments from fixed asset investments during the year to meet operating cash requirements amounted to £109,500,000 (2024: £125,500,000).

The investments held as at 5 April 2025 were as follows:

	2025		2024	
	Cost	Market Value	Cost	Market Value
	£'000	£'000	£'000	£'000
U.K. equities	124,383	159,866	123,696	160,516
Overseas equities	40,151	46,450	84,412	107,301
Overseas equities – unquoted	2,581	-	2,581	-
Other investments	167,115	206,316	210,689	267,817
Term deposits	276,508	276,503	202,737	202,764
Total fixed asset investments	443,623	482,819	413,426	470,581

UK equities held at 5 April 2025 has the following market values:

	2025	2024
	£'000	£'000
Trojan Investment Funds	68,458	65,069
LF Ruffer Funds	58,239	57,455
J Sainsbury plc	29,540	33,052
Other UK equities	3,629	4,940
	159,866	160,516

Overseas equities - unquoted principally comprises programme related investments to provide both equity finance and loans to small and medium sized enterprises in the agricultural sector in East Africa, and similar investments to improve overall employment opportunities, and support sector development. Gatsby is exiting its programme related investments.

Term deposits include Lloyds Bank and Natwest Bank money market deposits and a treasury facility with Barclays Bank which at 5 April 2025 had a market value of £274,632,000 (2024: £199,330,000).

11. DEBTORS

	2025	2024
	£'000	£'000
Gift Aid receivable	1,125	1,000
Other debtors	1,440	1,547
Accrued income	6,732	6,390
	9,297	8,937

Included in other debtors is a concessionary loan of £675,000 to the Centre for Sectoral Economic Performance, repayable over a period of 9 years.

THE GATSBY CHARITABLE FOUNDATION

5 April 2025

NOTES TO THE ACCOUNTS (continued)

12. CREDITORS - amounts falling due within 1 year

	2025	2024
	£'000	£'000
Grants payable (note 5)	122,355	74,946
Trade creditors	22	29
Other creditors	408	471
Accruals and deferred income	126	122
	122,911	75,568

13. CREDITORS - amounts falling due after more than 1 year

	2025	2024
	£'000	£'000
Grant payable (note 5)	-	8,512

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Fund	Expendable Endowment	Total Funds 2025
	£'000	£'000	£'000
Fund balances at 5 April 2025 are represented by:			
Tangible fixed assets	-	97	97
Investments	-	482,819	482,819
Programme investments	-	23,100	23,100
Current assets	-	83,192	83,192
Current liabilities	-	(122,911)	(122,911)
Long term liabilities	-	-	-
	-	466,297	466,297

Movement in the year

Opening balance as at 5 April 2024	-	520,255	520,255
Total income and endowments	22,455	73,072	95,527
Cost of raising funds	-	(808)	(808)
Cost of grant-making	(143,599)	-	(143,599)
Net gain on investments	-	(5,078)	(5,078)
Transfers between funds	121,144	(121,144)	-
Closing balance as at 5 April 2025	-	466,297	466,297

THE GATSBY CHARITABLE FOUNDATION

5 April 2025

NOTES TO THE ACCOUNTS (continued)

15. CONTINGENT LIABILITIES AND GUARANTEES

Gatsby acts as guarantor for certain property leasehold arrangements on behalf of the Sainsbury Family Charitable Trusts (for which Gatsby has received counter-indemnities). Gatsby has provided undertakings in connection with funds it has received from third parties.

16. FUNDS

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

Restricted funds comprise those funds held by Gatsby which can be used solely for the purpose which they were given.

Expendable Endowment represents those assets held by the Trustees principally in investments. Income arising on the expendable endowment fund can be used in accordance with the objects of the charity and is included as unrestricted income. Investment management charges are charged against the fund. The fund is available to meet grant commitments as the Trustees may see fit.

Material transfers between funds

Transfers have been made from expendable endowment to eliminate the deficit on unrestricted funds where the deficit is considered to be non-reversing with regard to Gatsby's normal grant making.

17. COMPARATIVE ANALYSIS OF NET ASSETS BETWEEN FUNDS AS AT 5 APRIL 2024

	<i>Unrestricted Fund</i>	<i>Expendable Endowment</i>	<i>Total Funds 2024</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Fund balances at 5 April 2024 are represented by:			
Tangible fixed assets	-	146	146
Investments	-	470,581	470,581
Current assets	-	133,608	133,608
Current liabilities	-	(75,568)	(75,568)
Long term liabilities	-	(8,512)	(8,512)
	-	520,255	520,255
Movement in the year			
Opening balance as at 5 April 2023	-	536,221	536,221
Total income and endowments	21,905	39,343	61,248
Cost of raising funds	-	(765)	(765)
Cost of grant-making	(81,349)	-	(81,349)
Net gain on investments	-	4,900	4,900
Transfers between funds	59,444	(59,444)	-
Closing balance as at 5 April 2024	-	520,255	520,255

THE GATSBY CHARITABLE FOUNDATION
5 April 2025

NOTES TO THE ACCOUNTS (continued)

18. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2024

	<i>Note</i>	<i>Unrestricted Funds</i>	<i>Expendable Endowment</i>	<i>Total Funds 2024</i>
		<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
INCOME AND ENDOWMENTS FROM:				
Donations and gifts	2	-	39,343	39,343
Investments	3	21,905	-	21,905
Total income		21,905	39,343	61,248
EXPENDITURE ON				
<i>Raising funds</i>				
Investment management costs	4	-	(765)	(765)
<i>Charitable activities</i>				
Grant expenditure	5	(59,817)	-	(59,817)
Direct programme costs	6	(17,165)	-	(17,165)
Support costs	7,8	(3,522)	-	(3,522)
Foreign exchange loss		(845)	-	(845)
Total cost of grant making		(81,349)	-	(81,349)
Total expenditure		(81,349)	(765)	(82,114)
Gains/(Losses) on investment assets		-	4,900	4,900
Net (expenditure) /income for the year before transfers		(59,444)	43,478	(15,966)
Transfers between funds		59,444	(59,444)	-
Net movement in funds		-	(15,966)	(15,966)
Reconciliation of funds				
Total funds brought forward at 6 April 2023		-	536,221	536,221
Total funds carried forward at 5 April 2024		-	520,255	520,255

19. PROGRAMME RELATED INVESTMENT

In the reporting period Gatsby purchased the leasehold and freehold of premises located in London for £23.1 million with the intention to gift the premises to the Institute for Government, a Gatsby beneficiary, to support their charitable activities. The investment was made solely to achieve charitable outcomes and is not held for financial return. No provision for impairment has been made against the cost of the property. Gatsby completed the transfer of the property as a gift to the Institute for Government on 31 October 2025.

THE GATSBY CHARITABLE FOUNDATION

England & Wales - Charity number 251988

Accounts

THE GATSBY CHARITABLE FOUNDATION

ANNUAL REPORT

5 APRIL 2024

The Peak
5 Wilton Road
LONDON SW1V 1AP

THE GATSBY CHARITABLE FOUNDATION
5 April 2024

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THE GATSBY CHARITABLE FOUNDATION

5 April 2024

REPORT OF THE TRUSTEES

Legal and Administrative

The Gatsby Charitable Foundation (Gatsby) was established under a Trust Deed dated 17 March 1967 and is registered with the Charity Commission under No. 251988.

Settlor	Lord Sainsbury of Turville	
Trustees	Mr J C Burns Miss J S Portrait Ms A L Sainsbury Price Ms Francesca Perrin, from 26 June 2024	
Registered Office	The Peak, 5 Wilton Road London SW1V 1AP	
Principal Officers	Mr P Hesketh Mr J Highstead Mr J Searancke Mr N Thomas Mr G Wilson	Chief Executive Officer Executive Head of Finance Executive Executive, until 16 August 2024
Bankers	Royal Bank of Scotland, 119-121 Victoria Street, London SW1E 6RA	
Solicitors	BDB Pitmans LLP 1 Bartholomew Close London EC1A 7BL	
Auditor	Crowe U.K. LLP 55 Ludgate Hill, London EC4M 7JW	
Investment Advisers	Sarabaite Limited Lower Mill, Kingston Road, Ewell, Surrey KT17 2AE	
Investment Managers	Troy Asset Management Limited Brookfield House, 44 Davies Street, London W1K 5JA Cooke & Bieler, L.P. 1700 Market Street, Suite 3222, Philadelphia, USA Tweedy Browne Company LLC 350 Park Avenue, New York, NY 10022, USA Devon Equity Management Limited 123 Victoria Street, London, SW1E 6DE	

THE GATSBY CHARITABLE FOUNDATION

5 April 2024

REPORT OF THE TRUSTEES (continued)

Legal and Administrative (continued)

Objects

The objects of Gatsby as given in the Trust Deed are for general charitable purposes.

Objectives

The Trustees' objectives within their current fields of interest are:

- **Plant Science**, to develop basic research in fundamental processes of plant growth and development and molecular plant pathology, and to encourage young researchers in the field of plant science in the UK.
- **Neuroscience**, to support world-class research in the area of neural circuits and behaviour and theoretical neuroscience, and to support activities which enhance understanding in these fields.
- **Science and Engineering Education**, to strengthen science and engineering skills in the UK by developing and enabling innovative programmes and informing national policy.
- **Africa**, to promote economic development in East Africa that benefits the poor through supporting the growth and sustainability of key sectors.
- **The Arts**, to support the fabric and programming of institutions with which Gatsby's founding family has connections.
- **Public Policy**, to support: the Institute for Government as an independent centre available to politicians and the civil service focused on making government more effective; the Centre for Cities, which provides practical research and policy advice that helps cities understand how they can succeed economically; the Centre for Sectoral Economic Performance which will investigate ways of improving the competitiveness of the UK economy and driving economic growth; and independent research organisations which provide evidence based advice to policy makers.

The Trustees occasionally support other charitable work which falls outside their main fields of interest.

Within these categories the Trustees make grants in support of work which they judge to have particular merit. Many of their grants fund projects which Gatsby has helped to initiate. It is the policy of the Trustees to evaluate programmes and projects rigorously and carefully, and to assess when the evaluations should most usefully take place.

Generally, the Trustees do not make grants in response to unsolicited applications or to individuals.

Statement on Public Benefit

Trustees are aware of the Charity Commission's guidance on Public Benefit and confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have regard to it. They consider that the information set out in this annual report about the objects, activities and achievements in the many areas of interest that Gatsby supports demonstrates the benefit to its beneficiaries, and through them to the public.

THE GATSBY CHARITABLE FOUNDATION

5 April 2024

REPORT OF THE TRUSTEES (continued)

Appointment and Powers of Trustees

The terms of the Gatsby Charitable Foundation Trust Deed provide that the statutory powers of appointing Trustees are vested in the Settlor during his life. The Trust Deed enables the Trustees to delegate certain powers.

Trustees are provided with relevant information relating to their responsibilities as Trustees.

Investment Powers

The Trust Deed empowers the Trustees to appoint investment advisers, who have discretion to invest the funds of Gatsby within guidelines established by the Trustees.

Charity Governance

Trustees make sure that decision-making processes are informed, rigorous and timely, and that effective delegation, control, risk-assessment, and management systems are set up and monitored. Except for those matters specifically reserved for Trustees, decisions concerning the day to day operation of the Charity are delegated to the Principal Officers, who have implemented suitable programme, financial and related controls and reporting arrangements to make sure Trustees oversee delegated matters.

Trustees are aware of the Charity Governance Code published in 2017 (refreshed in 2021) which sets out the principles and recommended practice for good governance within the sector. The Charity has reviewed its governance arrangements against the principles within the code and believes that it is compliant with the code whilst maintaining its need to operate its governance efficiently.

The Charity's Trustees are also trustees of other charities. Details about other charities for which the Trustees also act as trustee may be found on the Charities Commission website.

Organisation

Gatsby is one of the Sainsbury Family Charitable Trusts (SFCT), which share a common administration.

The remuneration of the senior staff (including key management personnel) is reviewed by the Trustees on an annual basis taking into account the requirements of their role and performance during the year. From time to time the SFCT Management Committee benchmarks pay levels against comparable positions in similar organisations.

Financial overview of the past year

The expenditure of Gatsby exceeded its income by £16.6 million for the financial year. In the previous financial year the expenditure of Gatsby exceeded its income by £68.2 million.

Gatsby received total income of £61.2 million during the year - gifts from the Settlor of £39.3 million and investment income of £21.9 million. Gatsby received £21.9 million of dividends and interest income from its investment portfolio, an increase of £7.5 million in comparison to the £14.4 million of investment income received in the previous year.

THE GATSBY CHARITABLE FOUNDATION

5 April 2024

REPORT OF THE TRUSTEES (continued)

The income was used to meet total Charity expenditure of £82.8 million - grant expenditure of £60.5 million, charitable programme costs of £17.2 million and other operating expenditure of £3.5 million. Gatsby incurred foreign exchange losses of £0.8 million and investment management fees of £0.8 million.

A net gain of £4.9 million was made on the investment portfolio during the year.

At year end Gatsby held other investments of £267.8 million, short term deposits of £202.8 million and cash at bank of £124.7 million. Trustees remain concerned about the uncertain macro-environment caused by conflict in Europe and the Middle East, the outcome of elections in the United States, and growth prospects of major economies across the globe. In view of such conditions emphasis remains in preserving capital, achieving competitive real returns, and managing cash.

Trustees approved grants amounting to £95.6 million during the year, and made payments of £115.9 million covering some of these grants, as well as other grants approved in earlier years. In addition, payments of £17.2 million were made in relation to directly managed charitable programmes. Gatsby has significant unpaid grant commitments at year end totalling £83.4 million, of which £74.9 million is due to be paid within one year.

It is the intention of the Trustees to spend out the assets of Gatsby, with grant making over the next two to three years likely to be maintained at a significant level.

Trustees met three times during the year and used virtual communication tools as necessary to approve grants.

Future plans

For the immediate future Trustees expect to continue to support long standing major beneficiaries and to continue making grants throughout the year in the areas in which they are interested, as detailed in the objectives section earlier in this report.

Reserves policy

The Trustees treat their expendable endowment and unrestricted funds totalling £519.6 million as a single resource for grant-making, and do not consider it necessary to maintain a particular level of income reserves.

A transfer of £60.2 million has been made from the expendable endowment to unrestricted funds to cover the deficit of income that arises as a result of grant and operating expenditure charged against unrestricted income.

REPORT OF THE TRUSTEES (continued)

Risk assessment

The Trustees have examined the major strategic, business, and operational risks to which Gatsby may be exposed. Risks considered by Trustees included processes in place to mitigate fraud, the disclosure of related party transactions, and non-financial risks including reputational risk. Through the joint office of SFCT, adequate systems are in place to meet such potential risks as the Trustees have identified in the context of their grant-making.

The Trustees have evaluated that a major risk faced by Gatsby is that grant payments may not be applied for the charitable purposes for which they were awarded. To mitigate this risk the Trustees have implemented a rigorous, proportionate set of governance procedures which considers whether programmes and activities of the organisation which are to be the recipients of payments are aligned with the charitable objectives of Gatsby. During implementation of these programmes there is a series of performance reviews which checks, amongst other matters, that the funding paid has been or continues to be applied to programme objectives and outcomes approved when the grant was awarded originally.

Another major risk is the possibility of systems or user devices being hacked by threat actors, or infected with viruses leading to wider contamination, including ransomware. To mitigate cyber security risks the organisation maintains a number of procedures including multi factor authentication, up to date virus detection software, boundary security testing, the application of patches to devices, and user training on best practice to pre-emptively prevent infection.

The Trustees, in consultation with and on the advice of their Investment Advisers, maintain a diverse and balanced portfolio to mitigate so far as possible against adverse risks affecting the overall value of the investment portfolio so that Gatsby can continue to pay approved grants to its beneficiaries. In particular, a high proportion of the investment portfolio is held in cash, and the diversified investment portfolio is professionally managed.

The Trustees regularly review investment strategy and monitor financial performance.

Fundraising

The Charity and its Trustees are fully aware of the requirements and duties set out in the Charities (Protection and Social Investment) Act 2016. Gatsby does not raise funds from the public and as such has no fundraising activities requiring disclosure.

Investment policy and performance

The Trustees maintain a diverse and balanced investment portfolio. The Trustees hold cash and near cash investments that equate approximately to at least three years of grant expenditure, which should avoid a forced sale of investments should investment markets deteriorate. Trustees seek to maximise yields received from cash deposits throughout the year, and through active investment and cash management seek to achieve a return above normally available market rates.

In general Trustees are satisfied with the exposure, yield and spread of the investment portfolio. The macro-economic is difficult, caused by a combination of international events, an inflationary environment and upcoming elections.

THE GATSBY CHARITABLE FOUNDATION

5 April 2024

REPORT OF THE TRUSTEES (continued)

Rather than add more risk assets, the approach to the portfolio is to continue to invest in quality, and take a sensible, cautious approach in view of current market volatility.

Trustees met formally twice during the year with its investment advisers to discuss strategy and review the performance of the investment portfolio. Trustees are in close contact with its investment advisers throughout the year, assessing the performance of the investment portfolio continuously.

CHARITABLE ACTIVITIES

Gatsby was established in 1967 by David Sainsbury (Lord Sainsbury of Turville). Gatsby acts as the enabler for projects, developing, overseeing and, in some cases, delivering activities across a small number of focus areas where the Trustees believe charitable funding can secure significant impact. Gatsby's commitment to these areas dates back many years, as Trustees understand that long-term investment and development are often needed to secure significant, sustainable change. Each of Gatsby's focus areas presents different challenges and each demands different models of support, intervention and evaluation. However, some common characteristics can be identified across the different areas.

Across all of Gatsby's programmes the Trustees aim to secure maximum impact with a minimum of bureaucracy. To this end, as well as limiting itself to a small range of fields, Gatsby also adopts a tight focus within each programme area. Trustees are very aware that across even narrowly-defined fields such as plant science or neuroscience research there will never be a shortage of need, and spreading support too thinly risks a disproportionate reduction in impact.

Gatsby takes a proactive approach to both grant-making and directly managed programmes in its respective areas of focus. Rather than awaiting proposals from third parties, Gatsby identifies areas for action and builds hypotheses for action which can then be tested in the field. Where such tests are successful the intention is that such action is then scaled up and rolled-out. Such hypotheses are informed both by knowledge of the field in question (drawing on the experience of Trustees, expert advisers and staff) and by previous experience of what type of intervention is most likely to work. Where available, independent evaluation evidence is also fed into this process.

While rigorous research from the outset can greatly reduce the chance of failure, underlying Gatsby's approach is an acceptance that not all projects will be successful if innovation is to be fostered. This is especially true of proof-of-principle initiatives which seek novel solutions to stubborn problems. Trustees are therefore willing to take calculated risks with their charitable expenditure in situations where there clearly exists significant potential for positive impact.

This report describes Gatsby's aims in its main areas of interest and gives an indication of how Gatsby pursued them over the last 12 months. More detailed information can be found at www.gatsby.org.uk

REPORT OF THE TRUSTEES (continued)

PLANT SCIENCE

“To develop basic research in fundamental processes of plant growth and development and molecular plant pathology, and to encourage young researchers in the field of plant science in the UK.”

Gatsby’s work in support of plant science seeks to nurture, sustain and increase the number of high-quality researchers for fundamental studies in plant biology. The programme aims to inspire an interest and excitement in plant science at all levels – from school students to graduate researchers – while also attracting world class talent to the UK by creating centres of excellence in the field.

Sainsbury Laboratory Cambridge University (SLCU)

Gatsby's largest ever commitment in plant science funded the building of a state-of-the-art research institute, the Sainsbury Laboratory Cambridge University (SLCU), which opened in 2011. Set within the inspirational grounds of the University’s Botanic Garden, the aim of the Laboratory is to elucidate the regulatory systems underlying plant growth and development.

Over the past year, Dr Katharina Schiessl joined SLCU as a David Sainsbury Career Development Fellow. This new research group will use cutting edge genetic and imaging methods to understand how organ diversity of plants can be reshaped by their colonisers, such as symbiotic root nodules in legumes. SLCU made two new awards for new Group Leaders who will start in the autumn. The first is to Dr Neha Gupta, currently at the Max Planck Institute in Cologne, who will use quantitative approaches to investigate the role of cytokinin and other hormones in growth and differentiation in different stages of leaf development. The second award is to Prof Madelaine Bartlett, currently at the University of Massachusetts in Amherst, who will bring exceptional expertise in developmental and evolutionary questions in grasses, which will be a new model system at SLCU. These new groups will collaborate with the other SLCU members.

SLCU's extensive public engagement programme includes participating in local festivals, collaborating with other departments, and hosting secondary students (e.g. T-level and the Aspiring Scientist Training Programme). As an example, at the Cambridge Festival, SLCU hosted a public event, *Moving without Muscles - Plants as Mechanical Engineers*, exploring how plants have evolved a wide range of mechanisms to generate motion. This activity involved using scientific tools, generating and interpreting data relating to current research on plant biomechanics at SLCU, and connecting these topics to broader scientific ideas.

The Sainsbury Laboratory (TSL)

Since 1987 Gatsby has supported The Sainsbury Laboratory (TSL) at the Norwich Research Park to investigate how plants defend themselves against microbes that cause disease, and conversely how microbes manipulate host plants and cause disease. Over these three decades TSL has built an outstanding international reputation for scientific excellence.

During the reporting period, TSL teams have found new insights into effector biology and plant immune signalling using genomic analysis. These breakthroughs, involving TSL researchers as well as TSL core scientific support teams with cutting edge expertise in proteomics and bioinformatics, have provided key insights into the control of plant diseases. Research teams also have ongoing projects to help develop disease resistant crops for farmers in the Global South, focusing on staple food security crops such as potatoes, soybean and rice.

THE GATSBY CHARITABLE FOUNDATION

5 April 2024

REPORT OF THE TRUSTEES (continued)

TSL Ventures was launched by TSL to fully realise the bioengineering potential of the fundamental discoveries made by the teams. TSL Ventures provides in-house support for the creation of new companies, the protection of intellectual property, and to train entrepreneurial scientists.

TSL Ventures is currently hosting two spin-outs exploring potential biotech applications for human health and plant health. The TSL/John Innes Centre spin-out, Norfolk Healthy Produce, achieved its first sales of engineered purple tomatoes with high anti-oxidants in US supermarkets. There is already considerable consumer enthusiasm for these tomatoes, where 13,000 packets of seeds sold out within weeks of their launch.

TSL and the Khalifa Center for Genetic Engineering and Biotechnology, United Arab Emirates, started a collaboration related to climate resilient plant immunity. The research will take advantage of Khalifa's expertise in desert plant research. This collaborative programme will see an investment of £5.0 million from Khalifa as well as two scholarships for UAE University students to join TSL's MSc in Global Plant Health.

TSL had two stands at the Royal Norfolk Show in June 2023. One stand showcased the genetic approaches used to create blight-resistant PiperPlus potatoes that greatly reduces the need for chemical fungicides. The other stand provided an opportunity for all aspiring scientists and plant enthusiasts to meet TSL technicians and learn more about science T-Levels at Norwich City College, and about local opportunities to receive technical laboratory training.

TSL contributed to the national debate on precision breeding technologies, engineering biology and biosecurity, including providing evidence to the House of Lords Selection Committee, authoring a major Royal Society report, and meeting with Ministers and a wide range of MPs and policymakers.

Gatsby Plant Science Research Network

Gatsby further supports excellence in plant science in the UK through a suite of activities overseen by the Gatsby Plant Science Advisers.

The Gatsby Plant Science Network consists of Gatsby-funded undergraduates, postgraduates, postdocs and alumni, with mentors chosen from UK universities with teaching and research interests in plant science. The 2023 network meeting was held over two days in Oxford in September. Prof Gideon Henderson, a Professor of Earth Sciences at Oxford, and Chief Scientific Adviser and Director General for Science and Analysis, DEFRA, gave the evening lecture entitled *Feeding the world while addressing climate change and biodiversity loss; how can plant scientists help?* Sainsbury-funded PhD students gave talks on their progress and results from the previous year. The closing lecture was given by Prof Wenbo Ma from TSL on her research on understanding of both plant immunity and microbial pathogenesis.

One new Sainsbury PhD student, Christopher Bell, started his research training on regulation of plant stem cells by nutrient signals, supervised by Dr Elena Baena-Gonzalez at the University of Oxford.

The 2024 training weekend for the PhD and Undergraduate students was again held in Cambridge in late March with sessions on scientific skills such as drafting papers and applications, and presenting posters and talks. The plenary speaker was Prof Dame Ottoline Leyser, Chief Executive Officer of UK Research and Innovation who gave a presentation on *UKRI: What is it and what does it do?*

THE GATSBY CHARITABLE FOUNDATION

5 April 2024

REPORT OF THE TRUSTEES (continued)

Gatsby Plant Science Education Programme (GPSEP)

The GPSEP aims to improve the teaching and learning of plant science at all ages, engaging and inspiring the next generation of plant scientists through projects in both schools and higher education. The programme is overseen by SLCU and the Cambridge University Botanic Garden.

Science and Plants for Schools (SAPS) creates opportunities for teachers, technicians and students to find out more about plants and to become more interested in plant science. Capitalising on previous enthusiasm for their ‘Train the Trainer’ events for initial teacher educators, the SAPS team ran an additional session during the year. The attendees included representatives from SSERC, CLEAPSS, the Royal Society of Biology, the British Ecological Society and 10 teacher training institutions (8 x HEI and 2 x SCITT) who are working with a combined total of 190 trainee teachers.

In early 2024 SAPS attended the Association for Science Education (ASE) Annual Conference at the University of Northampton to continue to build their networks and potential collaborations.

The five-day Gatsby Plant Science Summer School hosted 80 undergraduate students from the Gatsby network of 30 UK universities. Alongside careers guidance, a ‘next steps’ panel and daily practical sessions (cell biology, plant ID and systematics, pathology and development), there were plenary talks from: Dr Eirini Kaiserli (University of Glasgow) on *Seeing the light and feeling the heat – how plants sense and adapt to a changing environment*; Dr James Locke (Sainsbury Laboratory University of Cambridge) on *Does gene expression noise play a functional role in plants?*; Dr Yoselin Benitez-Alfonso (University of Leeds) on *Unlocking Plasmodesmata: from cell biology to biomaterials*; Prof Diane Saunders (John Innes Centre) on *Safeguarding wheat yields from cereal fungal invaders*; and, Dr Richard Lilley (Project Seagrass) on *Becoming #GenerationRestoration: From underwater gardening to Seascape restoration*.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £14,270,000

University of Cambridge - £7,153,000

Towards research activities and core costs at the Sainsbury Laboratory; and start-up funding for new lecturers in the Department of Plant Sciences.

Sainsbury Laboratory - Norwich - £6,407,000

Towards core costs, new major research equipment and research activities; and funding to accelerate utilisation of intellectual property with the aim of positively impacting agricultural productivity and global food security.

2Blades Foundation - £500,000

Towards core and project costs.

Cambridge Network - £200,000

Towards support core costs of Agri-TechE over six years.

University of Reading – School of Plant Science - £10,000

Support for the Botanical University Challenge and Student Botany Festival in 2024

THE GATSBY CHARITABLE FOUNDATION

5 April 2024

REPORT OF THE TRUSTEES (continued)

TOTAL DIRECT PROGRAMME EXPENSES paid this year: £3,596,000

University of Cambridge – The Sainsbury Laboratory - £2,047,000

Towards Gatsby Fellowships to Principal Investigators at the Sainsbury Laboratory and the costs of the peer review.

Science & Plants for Schools (SAPS) and the Gatsby Plant Science Summer School - £928,000

Towards the Gatsby Plant Science Education Programme, including SAPS and the Undergraduate Summer School.

Sainsbury PhD Studentships - £300,000

Towards the Sainsbury PhD studentships in plant science.

Sainsbury Laboratory - Norwich – £101,000

To cover the cost of maintaining patents that are part of the current 2Blades programme on wheat stem rust resistance.

Further direct programme expenses totalling £220,000 were also paid in the year.

NEUROSCIENCE

“To support world-class research in the areas of neural circuits and behaviour and theoretical neuroscience, and to support activities which enhance understanding in these fields.”

Understanding how the intricate anatomy of cells and circuits in the brain work together to generate complex behaviours is one of the most exciting challenges facing neuroscience today. Gatsby’s view, shared by many, is to work towards this by harnessing the efforts of a dynamic and multi-disciplinary group of scientists with a common interest in the workings of the brain. To this end, Gatsby is supporting a number of world-class research centres, programmes and activities.

Sainsbury Wellcome Centre for Neural Circuits and Behaviour (SWC)

Gatsby, in partnership with Wellcome and University College London (UCL), supports SWC where scientists are using state-of-the-art techniques to investigate how circuits in the brain process information to create neural representations and guide behaviour. It is directed by Prof Thomas Mrsic-Flogel.

During the reporting period Dr Julia Harris joined SWC as a Junior Group Leader. Dr Harris will combine her experience in brain energetics, sleep, behaviour and olfaction to study circuit reorganisation during sleep, from synaptic to population-level changes. Dr Harris’ laboratory is interested in the role that sleep plays in managing computational and energetic requirements that are crucial for survival.

Dr Athena Akrami was awarded a prestigious European Research Council consolidator grant, which will enable her group to continue a large, cross-species project looking at the computations and neural circuitry underlying learning and exploiting sensory statistics.

REPORT OF THE TRUSTEES (continued)

Dr Marcus Stephenson-Jones was successfully reviewed by a panel of international experts and promoted to Senior Group Leader.

As part of sector development and outreach, SWC hosted a Careers Fair in partnership with the British Neuroscience Association. The Careers Fair had more than 80 attendees and exhibitors from across academia and industry. The centre also ran a *Bias in the Brain* event, exploring formation and consequences of biases in the brain, with discussion of implications for Equity, Diversity and Inclusion initiatives including real-world data-driven examples from industry and academia.

Two SWC researchers and one SWC PhD student took part in the In2Research mentoring programme, empowering undergraduate students from underrepresented backgrounds to progress to postgraduate research.

Gatsby Computational Neuroscience Unit (GCNU)

Gatsby founded GCNU at UCL over two decades ago to bring together a critical mass of theoreticians focusing on the computational theories of perception and action in neural and machine systems. GCNU is directed by Prof Maneesh Sahani.

Over the past year, Dr Agostina Palmigiano joined GCNU as a Lecturer. Dr Palmigiano's group will focus on uncovering the computational principles underlying sensory/motor processing and learning; exploring how distributed behavioural information such as choice influences computations across the cortex; and examining interspecies differences in circuit implementation of identical computations. Dr Palmigiano's circuits-driven approach to theoretical neuroscience will complement and expand the scope of research in and collaborations between the Unit and SWC.

GCNU/SWC group leader, Prof Andrew Saxe, and his collaborators in Germany, Spain and the USA were awarded a Human Frontier Science Program grant to examine the fundamental principles of how humans and other animals work in groups to collectively solve problems.

The Unit ran the inaugural edition of its new annual Gatsby Bridging Programme. This is a mathematics summer school for penultimate or final year undergraduates and Masters students who aspire to pursue a postgraduate research degree in Theoretical Neuroscience/Machine Learning but whose undergraduate/masters degree does not have a strong mathematical focus. It is hoped that the Bridging Programme will encourage applications from students in underrepresented groups in Science, Technology, Engineering, and Mathematics (STEM) to consider postgraduate study and research in STEM.

Gatsby Initiative in Brain Development and Psychiatry (GIBDP)

This is a new five year project, initiated at UCL and at Stanford, to investigate neurodevelopmental contributions to human psychiatric conditions, including genetics and early life insights.

GIBDP will contribute to the understanding of these conditions as well as providing another route into understanding the non-diseased brain. Participants from UCL include five SWC Group Leaders (Profs Tom Mrsic-Flogel, Sonja Hofer, Tim Behrens, Tiago Branco and Dr Ann Duan) and Prof Dimitri Kullman who works on the cellular basis of epilepsy. From Stanford, the participants are Profs Michelle Monje, Karl Deisseroth, Liqun Luo, Rob Malenka, Marc Tessier-Lavigne and Dr Erin Gibson. This new collaboration will have an emphasis on development and plasticity of neuro-modulatory circuitry, anxiety, social function, motivational states and decision making, and the influences of early life immune challenges, exposure to drugs of abuse and sleep deprivation on these aspects of brain development and psychiatry.

THE GATSBY CHARITABLE FOUNDATION

5 April 2024

REPORT OF THE TRUSTEES (continued)

Theoretical neuroscience and machine learning

Gatsby's support in the area of theoretical neuroscience and machine learning also includes two other world-class centres as part of an ongoing partnership with GCNU. These are the Centre for Theoretical Neuroscience at Columbia University in the USA and the Gatsby programme in theoretical neuroscience at the Safra Centre for Brain Sciences (ELSC) at the Hebrew University in Israel. Gatsby support is typically used to fund graduate student placements, post-doc scientists, bridging academic personnel, some administrative support, as well as new key pieces of IT infrastructure.

At Columbia, five very promising postdoctoral scientists received Gatsby fellowships to work on theory, computation and machine learning applied to learning, vision, somatosensation, and motor sequencing. At Hebrew, 19 trainees across eight groups received support that covers a breadth of work including concept learning, visual processing, and interplay between olfaction and audition.

The annual three-day tricentre meeting in June 2023 took place at Gladstone's Library in North Wales, where 30 researchers from across the three sites shared their latest research, exchanged ideas and explored potential future collaborations.

Cajal Advanced Neuroscience Training Programme

Gatsby is supporting the continued development of the CAJAL programme, a dedicated neuroscience advanced training facility in Europe. During the reporting period there were four on-site, hands-on, three-week advanced training courses: Neuro-vascular function in health and disease, Interacting with neural circuits, Glial cells in health and diseases, and Machine learning for neuroscience.

British Neuroscience Association (BNA)

Gatsby provides support to the BNA to implement its strategy to broaden membership and stakeholder engagement with a wider range of activities. Such support ensures the Association is truly representative and relevant to everyone in neuroscience including those in the private sector, the clinic and in wider society.

Over the past year this has included activities to build bridges between industry and academia, policy and advocacy on behavioural tests in experiments, 'Credibility in Neuroscience' to support reproducibility, an exchange grant programme to build international connections between neuroscientists and clinicians, and a BNA Scholars Programme that supports students and early career researchers from underrepresented ethnic groups to thrive in neuroscience.

Nobel Prize Awards

Gatsby Trustees congratulate two distinguished recipients of Nobel Prizes in 2024. Professor Geoffrey E. Hinton, who founded GCNU, was awarded the Nobel Prize in Physics for his pioneering work that enabled artificial intelligence used today. Sir Demis Hassabis, a post-doctoral researcher at GCNU, was awarded the Nobel Prize in Chemistry (jointly with his DeepMind co-founder) for his work in using AI to predict the structure of almost all known proteins.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £13,641,000

University College London - £11,648,000

Towards the research activities and core costs of the Sainsbury Wellcome Centre for Neural Circuits and Behaviour; and the Gatsby Computational Neuroscience Unit.

THE GATSBY CHARITABLE FOUNDATION

5 April 2024

REPORT OF THE TRUSTEES (continued)

Stanford University - £416,000

Towards research costs for Stanford Optogenetics Moonshot for Autism (SOMA) programme

Columbia University, New York - £331,000

Towards the Centre for Theoretical Neuroscience.

Hebrew University of Jerusalem - £331,000

Towards the Gatsby Theoretical Neuroscience Programme.

British Neuroscience Association - £320,000

To support the British Neuroscience Association to implement its strategic plan.

University of Cambridge - £230,000

Towards the planning phase for the Institute of Brain and Mind Health

CAJAL Advanced Neuroscience Training Programme - £222,000

Towards core costs and further development of the CAJAL training courses in cutting-edge neuroscience techniques

Further grant payments totalling £144,000 were also paid in the year.

TOTAL DIRECT PROGRAMME EXPENSES paid this year: £2,052,000

Gatsby Initiative in Brain Development and Psychiatry - £2,000,000

To support the neuroscience and psychiatry research initiative at the Sainsbury Wellcome Centre/University College London and at Stanford University.

Further direct programme expenses totalling £52,000 were also paid in the year.

SCIENCE AND ENGINEERING EDUCATION

“To strengthen science, technology, engineering and mathematics (STEM) education and training in the UK by informing national policy and developing innovative programmes.”

Gatsby’s work in education focuses on five objectives:

- to support improvements in technical education
- to promote the uptake and recognition of high-quality technical education
- to support continuing improvements in career guidance
- to support STEM in schools
- to promote business education for those in the engineering profession.

Gatsby funds the core costs of a separate organisation – Gatsby Technical Education Projects (GTEP), a registered charity and company limited by guarantee – to oversee many of its programmes in this area.

REPORT OF THE TRUSTEES (continued)

Gatsby continues to support technical education providers to implement key reforms in technical education. This year, there has been significant progress in qualifications reform, which will ensure that all technical qualifications are aligned with occupational standards developed with employer expertise. Gatsby is supporting colleges and schools as they introduce these qualifications, which include T-levels. Eighteen T-level subjects are now available and they are enabling young people to develop the skills and knowledge they need for their next steps, whether that be going into work, an apprenticeship or higher education. Gatsby is working with employers – including NHS Trusts, and construction, engineering and digital businesses – and with T-level providers to support industry placements. The placements give all T-level students an invaluable opportunity to develop their knowledge and skills by working with an employer for 45 days.

Technical education needs teachers in further education (FE) who have expertise in both industry and teaching. Gatsby supports work that champions the role of industry professionals who contribute to technical education teaching, and ensures appropriate training pathways are available for new FE teachers. Gatsby also supports research aimed at gaining a better understanding of the salaries and career journeys of FE teachers.

Despite the widespread acknowledgement of the importance and value of higher-level skills for economic productivity and social mobility, higher technical education at Levels 4 and 5 has been in decline in England. Reversing this decline requires sustained action by policymakers and education providers, and increased awareness among employers and potential students.

Gatsby supports the twenty one Institutes of Technology so they can work together as a national network, share good practice about their role as flagships for excellent higher technical education in England, and raise their profile with partners and learners. This has included a national conference showcasing the value of employer engagement, and a range of communication activities with young people, teachers and adults.

Gatsby also advocates for the expansion of Higher Technical Qualifications (HTQs) and is funding international research by the OECD into successful strategies used in other countries, as well as further exploration of the motivations of current applicants to higher technical courses in England. The Institute for Apprenticeships and Technical Education (IFATE) started approving Level 4 and Level 5 qualifications as HTQs in 2020. There are currently more than 160 HTQs ready for delivery by more than 140 providers, including FE colleges, universities and private training providers.

Gatsby believes FE has a key role to play in supporting local growth and delivering the skills needed for the future economy. Gatsby has worked with Innovate UK to launch an innovation fund aimed at colleges. Gatsby is also working with Innovate UK and IFATE to ensure that the occupational standards that underpin all apprenticeships, T-levels and HTQs deliver the skills that will be required in the future.

Raising awareness and improving understanding of technical education qualifications and technician careers remains the focus of much of Gatsby's engagement activities with the public. Both of Gatsby's campaigns targeted at parents and carers have had a substantial impact, resulting in statistically significant improvements in awareness and understanding. These campaigns have helped parents and carers navigate career guidance information and have good career-focused conversations with their child(ren), and have showcased the benefits of T-levels. The use of data and insight in Gatsby's campaign work was acknowledged this year with a prestigious Drum Award for Marketing. Gatsby's ongoing campaign to inspire young people about technical education continued. This year Gatsby also teamed up with the BBC Bitesize Roadshow, which has enabled early career technicians to visit schools and to inspire the next generation.

THE GATSBY CHARITABLE FOUNDATION

5 April 2024

REPORT OF THE TRUSTEES (continued)

The Gatsby-run campaign for young people complements the objectives of Technicians: The David Sainsbury Gallery at the Science Museum. The gallery, which Gatsby continues to support, surpassed the millionth visitor mark this year. Alongside the impressive range of immersive interactives that enable young people to experience a range of technician careers, early career technicians are frequently in the gallery, giving demonstrations to school groups and sharing their own technician career journey.

The Royal Society recognised the contributions of the technicians who have given their time and expertise to support Gatsby's work with the presentation of the prestigious Hauksbee Award for outstanding achievement by those working behind the scenes in science.

It has been 10 years since the introduction of the Gatsby Benchmarks for Good Career Guidance in schools and colleges in England. To ensure their relevance for the next decade, Gatsby has completed a thorough review of their impact so far by analysing new evidence, speaking to practitioners and consulting with stakeholders. Results show universal support for the Gatsby Benchmarks and emphasise the importance of maintaining the stability of the national framework they provide for career guidance.

Gatsby continues to support the implementation of good career guidance for 11 to 18 year olds, and emphasises the importance of engaging parents.

As part of the continuing drive to support STEM in schools, Gatsby remains committed to commissioning research that directly influences government policy on the supply of science teachers. Last year we commissioned research to evaluate the long-term impact of training bursaries on teacher supply and the effectiveness of professional development on teacher retention. Gatsby also continues to support the core costs of the Big Bang Fair, the National STEM Learning Centre in York and a programme supporting Technician Clubs in schools.

Gatsby's final objective in education is to promote business education for those in the engineering profession. This is delivered through the Engineers in Business Fellowship (EIBF), a charity established to manage the Sainsbury Management Fellowships (SMFs) scheme. Each year the SMFs scheme awards 10 bursaries of £50,000 to outstanding early career engineers to study for an MBA at a top international business school. Gatsby also supports the EIBF's wider work, including the management of an inter-university competition in which teams of engineering undergraduates pitch business plans to expert judges.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £4,306,000

Gatsby Technical Education Projects – £3,279,000

Towards the core costs of Gatsby Technical Education Projects.

Engineers in Business Fellowship – £877,000

Towards the core costs of the Engineers in Business Fellowship and the Sainsbury Management Fellowship bursary scheme.

Engineering UK: Big Bang Education CIC – £150,000

Growth and development of the Big Bang Fair.

REPORT OF THE TRUSTEES (continued)

TOTAL DIRECT PROGRAMME EXPENSES paid this year: £10,600,000

To support continuing improvements in technical education

Supporting the development and roll-out of technical qualifications and apprenticeships – £1,309,000

Ensuring infrastructure is in place to deliver high-quality technical education, including Institutes of Technology and an adequate supply of teachers in further education – £1,195,000

Informing policy on future skills needs, training provision for adults and how colleges can encourage employers to innovate – £503,000

To promote uptake and recognition of high-quality education

Promoting greater recognition of the importance of technicians, including support for a new gallery at the Science Museum in London – £1,686,000

Raising awareness of the reformed technical education system among employers, schools and colleges, parents and learners – £3,647,000

To support continuing improvements in career guidance

Supporting awareness and uptake in schools and colleges of the Gatsby Benchmarks for Good Career Guidance – £1,040,000

Exploring how career guidance for adults can be improved – £170,000

To support STEM in schools

Seeking to ensure, typically through research, an adequate supply of high-quality STEM teachers – £194,000

Supporting the National STEM Learning Centre and STEM Clubs – £820,000

To promote business education for those in the engineering profession – £36,000

THE GATSBY CHARITABLE FOUNDATION
5 April 2024

REPORT OF THE TRUSTEES (continued)

AFRICA

“To promote economic development in East Africa that benefits the poor through supporting the growth and sustainability of key sectors.”

Gatsby has funded, designed, and run programmes in Africa since 1985, with the overall aim of creating jobs and raising incomes for the poor. Gatsby’s programmes in Africa are now mainly implemented by a separate UK charitable company - Gatsby Africa (GA) - with registered branches in Tanzania and Kenya.

GA aims to help more people in East Africa benefit from economic growth, which in turn creates jobs, raises incomes, builds opportunities, and reduces poverty. GA looks to achieve this by:

- Transforming key economic sectors in East Africa by developing ambitious strategies and partnering with others to implement them; and
- Synthesising and sharing lessons from our programmes and elsewhere to enable their application at scale in GA’s own sectors of activity and in others.

In the past year, GA has concentrated on six sector programmes: forestry, livestock, textiles and apparel, tea, aquaculture, and water.

Despite this breadth of support, it is clear that many other sectors also need support. Each programme thus aims to capture what is working and what is not, and to share this with other stakeholders - particularly donors and governments - so that they can benefit from the lessons learned. In this way, GA aims to contribute to a wider movement and to see a series of sectors in East Africa and beyond transformed by its own efforts and those of others.

Total grant payments made this year (from new and previous grants): £13,548,000

Gatsby Africa (GA) - £13,548,000

Towards GA programmes and operating core costs.

THE GATSBY CHARITABLE FOUNDATION
5 April 2024

REPORT OF THE TRUSTEES (continued)

THE ARTS

Gatsby provides core support for organisations with which it has a long-standing history, especially as the country faces a tough economic climate and cost of living challenges, which are seriously impacting parts of the UK Arts sector. Trustees continue to provide additional funding support and flexibility for the repurposing of existing grant commitments as these organisations cope with these unprecedented challenges.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £25,018,000

Backstage Trust - £22,000,000

Towards core costs and project costs.

Sainsbury Centre for Visual Arts (SCVA) - £910,000

Towards core costs and exhibitions

Chamber Orchestra of Europe - £750,000

Towards core costs.

Royal Shakespeare Company - £500,000

Towards the Artist Development Programme.

Sainsbury Institute for the Study of Japanese Art & Culture - £466,000

Towards core costs.

Sainsbury Research Unit for the Arts of Africa, Oceania & the Americas - £275,000

Towards core costs and learning initiatives.

Further grant payments totalling £117,000 were also paid in the year.

REPORT OF THE TRUSTEES (continued)

PUBLIC POLICY

“To support independent research organisations which provide evidence-based advice to policy makers.”

Gatsby’s grant-making in public policy focuses on six organisations: the Institute for Government; the Centre for Cities; the Centre for Science, Technology & Innovation Policy; Policy Links; the Babbage Policy Forum; and the Centre for Sectoral Economic Performance.

The Institute for Government (IfG)

IfG works with the main political parties in Westminster, senior civil servants in Whitehall, and officials and politicians across the whole of the UK to promote more effective government. It provides impartial, evidence-based advice and training, drawing on best practice and research in government, universities and business from around the world. Dr Hannah White OBE is the Director and Chief Executive, and is accountable to a distinguished all-party board of governors chaired by Lord Sainsbury.

Over the past year, the Institute has continued to develop the IfG Academy, converting its extensive knowledge and expertise into a range of resources and tailored workshops for those inside and outside government - for ministers on how to get the most of their time in office, for officials on how to support their ministers effectively, and for subject specialists on how to engage meaningfully with policymakers. In anticipation of a general election in 2024, the Academy has focused particularly on preparing officials and politicians for a possible government transition.

The Institute’s research has included examination of persistent policy problems including obesity and asylum, the state of public services, civil service reform, the performance of government departments including the Treasury, the role of public bodies, scrutiny of regulators, and standards and ethics in government. The Institute has expanded its work on English devolution, examining the role of mayoral combined authorities in regional economic development.

In March 2024, the Institute published the final report of its Commission on the Centre of Government, a major new programme of work to look at why No.10, the Cabinet Office and HM Treasury do not always work as well as they should, making concrete recommendations for a confident, proactive, coherently structured centre of government.

The Centre for Cities

The Centre for Cities is an independent research and policy organisation, chaired by Nigel Hugill and directed by Andrew Carter. The Centre is committed to helping Britain’s cities and large towns improve their economic performance by focusing on the drivers of urban economic success. The Centre produces practical research and policy advice for city leaders, national government and businesses.

In collaboration with the Resolution Foundation, and funded by the Nuffield Foundation, the Centre produced research entitled 'In place of centralisation: Devolution for London, Greater Manchester, and the West Midlands'. It proposed a triple devolution deal for England’s three biggest city-regions with fiscal devolution at its core to unlock dynamism in the biggest urban economies that has been missing from devolution deals so far, including the “Trailblazer” agreements struck with the West Midlands and Greater Manchester earlier this year.

REPORT OF THE TRUSTEES (continued)

With a general election in calendar year 2024, where growth will be central to the debate, the 2024 edition of Cities Outlook, the Centre's annual health check of the economic performance of urban Britain, had a special focus on the economic performance of cities since 2010.

The Centre for Science, Technology & Innovation Policy (CSTI)

Based at Cambridge University's Institute for Manufacturing (IfM), CSTI carries out practical policy research exploring what makes national innovation systems effective at translating new science and engineering ideas into technologies, industries and economic wealth. Under the direction of Dr Eoin O'Sullivan, CSTI brings a science and engineering perspective to innovation and industrial policy.

Over the past year, as part of a collaborative project, two CSTI members were seconded to Department for Science, Innovation and Technology (DSIT), to work on effective practices for developing national emerging technology strategies. The research will be published in academic journals as well as developed into a practical 'handbook' for policymakers. Building on last year's work on the 'Drivers of Technology Needs' with the Government Office for Science, the project has looked at how to break down complex systems change into tangible innovation goals with a view to improving how the research and innovation communities can respond to grand challenges.

As in previous years, CSTI members have participated in a large number of roundtables and review panels on a wide range of topics such as the research ventures catalyst, the geography of innovation and entrepreneurship, science and technology value chains, and emerging areas such as quantum technology.

Policy Links (PL)

The Policy Links unit, directed by Dr Carlos López-Gómez, is a not-for-profit consultancy that works with governments and international organisations to develop effective industrial innovation policies based on the latest academic thinking and the study of international best practice. Gatsby supports PL's charitable educational programmes and activities.

Also based at IfM, PL works closely with CSTI and with the Babbage Policy Forum under the shared banner of Cambridge Industrial Innovation Policy, which operates at the intersection of technology, innovation and industrial competitiveness. In the UK, PL continued to work closely with several government departments. Last year this was with Department for Business and Trade (DBT) around the Advanced Manufacturing Plan and a national Manufacturing Observatory. PL also provided, in collaboration with CSTI, bespoke training on this topic and innovation to civil servants in DBT.

For the Department for Science, Innovation and Technology (DSIT), PL conducted a review of innovation centres related to the semiconductor value chain to inform the viability of creating infrastructure and support for a UK semiconductor sector.

Outside of the UK, PL maintained partnerships with the United Nations Industrial Development Organization and the World Economic Forum, contributing to white papers on gender disparities in industry and manufacturing, decarbonisation and industrial strategies. In Southeast Asia, PL assessed and advised on ASEAN's wider plans on science, technology and innovation. In Latin America, PL started a partnership in Chile, advising on international policy approaches with a focus on emerging industries such as hydrogen.

THE GATSBY CHARITABLE FOUNDATION

5 April 2024

REPORT OF THE TRUSTEES (continued)

The Babbage Policy Forum

The Babbage Policy Forum, chaired by Prof Sir Mike Gregory, aims to provide a unique network and symposia within which to develop novel thinking and insights at the interface of economics, engineering, and management. The Forum's purpose is to inform and underpin industrial policies for economic competitiveness and growth.

In September 2023, the Babbage Forum convened senior industrial innovation leaders from across the globe to delve into the findings of the recent international Babbage study and the dynamic landscape of national industrial policymaking. Leaders discussed industrial innovation policies in Asia, China, Europe, and the USA. Attendees explored how major global events since 2020 have influenced their regions' policies, focusing on issues such as supply chain management, technology access, and improving national capabilities.

Delegates had the opportunity to network and discuss policy approaches and policymaking concerns about the stability of the global environment and, more recently, the global pandemic and war in Ukraine.

At the start of 2024, in collaboration with the Industry Studies Association (ISA), a prestigious new award to recognise outstanding contributions to innovation policy was launched. The inaugural "Babbage Best Paper in Industrial Innovation Policy" award aims to highlight research that pushes the boundaries of industrial strategy, and elevate ISA's commitment to fostering excellence in research on clean energy, sustainability, and industrial strategy.

Sector Economic Performance at Imperial College London

Gatsby supported reports on UK's competitiveness in Biopharmaceuticals, Fine Chemicals, Medtech, and Telecommunications. The reports assessed the value-added per capita of each sector and how they compare internationally, and identified technological solutions and policy recommendations for government and industry to make the sectors more innovative and increase their 'value added'.

Building on this, Gatsby made a long-term commitment to create the new Centre for Sectoral Economic Performance which will investigate ways of improving the competitiveness of the UK economy and driving economic growth. The Centre's activity will address the major global challenges facing economies such as net zero, economic competition, and technological disruptions that require joint innovation, business, policy, and a societal response. The Centre will bring together the UK's top engineers, scientists and economists with the UK's science and technology based industries to co-design globally competitive strategies.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £8,929,000

Institute for Government - £5,253,000

Towards core costs.

Centre for Cities - £1,300,000

Towards core costs.

Imperial College, London – £1,285,000

Towards the core costs of Centre for Sectoral Economic Performance and research into sectoral systems of innovation and the competitiveness of the UK.

THE GATSBY CHARITABLE FOUNDATION
5 April 2024

REPORT OF THE TRUSTEES (continued)

University of Cambridge - £942,000

Towards the core costs of the Centre for Science, Technology and Innovation Policy, and of Policy Links.

King's College, University of Cambridge - £150,000

Towards supporting entrepreneurship and innovation via the King's Entrepreneurship Lab

Bennett Institute for Public Policy, University of Cambridge - £139,000

Towards a research programme into sectoral productivity across countries.

TOTAL DIRECT PROGRAMME EXPENSES paid this year: £917,000

Babbage Symposium and Professor Mike Gregory support - £268,000

Towards Phase 2 of the Babbage Symposium.

Royal Academy of Engineering - £649,000

Towards a project to develop policy recommendations to decarbonise the UK electricity systems to accelerate the UK's 2050 NetZero commitment.

GENERAL

'To support on occasion other charitable work which falls outside the Trustees' main fields of interest.'

Three Guineas Trust

A registered UK charity which accepts applications for practical projects in the field of autism and makes grants in the fields of disability, violence prevention and access to justice.

True Colours Trust

A registered UK charity that focuses on improving access to palliative care in the UK and Africa.

Indigo Trust

A registered UK charity which supports access to justice, the prevention of child sexual abuse, those with visual impairment in low income countries, and transparency amongst charitable donors.

University of Cambridge - Whittle Laboratory

Gatsby is supporting a research project exploring the potential gain of switching the fuel used by jet engines from kerosene to liquid hydrogen.

Anthony Lester Fellowship in Human Rights

Gatsby is supporting the Human Rights Project at Bard College (US) to create a fellowship programme for lawyers or law students to conduct field work in human rights.

THE GATSBY CHARITABLE FOUNDATION
5 April 2024

REPORT OF THE TRUSTEES (continued)

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £36,098,000

Three Guineas Trust - £20,000,000

Towards core costs and expendable endowment

True Colours Trust - £10,000,000

Towards core costs and expendable endowment

Indigo Trust - £5,000,000

Towards core costs and expendable endowment

University of Cambridge - Whittle Laboratory - £500,000

Towards a research project into the replacement of kerosene by liquid hydrogen

Bard College - £250,000

Towards the Anthony Lester Fellowship in Human Rights

Imperial College London - £128,000

Towards a project to complete a high-quality book aimed at young people to encourage them to take up a career in engineering; and, towards the 'Engineers Making a Difference' social media campaign

Further grant payments totalling £325,000 were also paid in the year.

GRANTS CANCELLED

Grants totalling £290,000 were cancelled or amended during the year.

REPORT OF THE TRUSTEES (continued)

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of its net result for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- 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 the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. 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.

Approved by the Board of Trustees on 21 November 2024 and signed on their behalf by



.....
Mr J C Burns
TRUSTEE

THE GATSBY CHARITABLE FOUNDATION
5 April 2024

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE GATSBY CHARITABLE FOUNDATION

Opinion

We have audited the financial statements of the Gatsby Charitable Foundation ('the charity') for the year ended 5 April 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and Notes to the Financial Statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 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 about the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE GATSBY CHARITABLE FOUNDATION (continued)**Other information**

The Trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the 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.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 requires 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 and proper accounting records have not been kept by the charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 20, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the 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.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE GATSBY CHARITABLE FOUNDATION *(continued)*

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations, are set out below.

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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR).

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

THE GATSBY CHARITABLE FOUNDATION
5 April 2024

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE GATSBY CHARITABLE FOUNDATION *(continued)*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.

Crowe U.K. LLP

Crowe U.K. LLP
Statutory Auditor
London

17 December 2024

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE GATSBY CHARITABLE FOUNDATION
5 April 2024

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 5 APRIL 2024

	<i>Notes</i>	Unrestricted Funds	Expendable Endowment	Total Funds 2024	Total Funds 2023
		£'000	£'000	£'000	£'000
INCOME AND ENDOWMENTS FROM:					
Donations and gifts	2	-	39,343	39,343	75,258
Investments	3	21,905	-	21,905	14,438
Total income		21,905	39,343	61,248	89,696
EXPENDITURE ON:					
<i>Raising funds</i>					
Investment management costs	4	-	(765)	(765)	(874)
<i>Charitable activities</i>					
Grant expenditure	5	(59,817)	-	(59,817)	(134,536)
Direct programme costs	6	(17,165)	-	(17,165)	(15,754)
Support costs	7,8	(3,522)	-	(3,522)	(3,287)
Foreign exchange loss		(845)	-	(845)	(1,911)
Total cost of grant making		(81,349)	-	(81,349)	(155,488)
Total expenditure		(81,349)	(765)	(82,114)	(156,362)
Gains/(Losses) on investment assets			4,900	4,900	(1,508)
Net (expenditure)/ income for the year before transfers		(59,444)	43,478	(15,966)	(68,174)
Transfers between funds	14	59,444	(59,444)	-	-
Net movement in funds		-	(15,966)	(15,966)	(68,174)
Reconciliation of funds					
Total funds brought forward at 6 April 2023		-	536,221	536,221	604,395
Total funds carried forward at 5 April 2024		-	520,255	520,255	536,221

The notes on pages 33 to 43 form part of these accounts.

THE GATSBY CHARITABLE FOUNDATION

5 April 2024

BALANCE SHEET AS AT 5 APRIL 2024

	<i>Note</i>	2024	2023
		£'000	£'000
FIXED ASSETS			
Tangible fixed assets	9	146	195
Investments	10	470,581	597,215
		<u>470,727</u>	<u>597,410</u>
CURRENT ASSETS			
Debtors	11	8,937	7,691
Cash at bank and in hand		124,671	70,406
		<u>133,608</u>	<u>78,097</u>
LIABILITIES			
Creditors - amounts falling due within 1 year	12	(75,568)	(128,774)
		<u>58,040</u>	<u>(50,677)</u>
NET CURRENT ASSETS/(LIABILITIES)			
		528,767	546,733
LIABILITIES			
Creditors - amounts falling due after 1 year	13	(8,512)	(10,512)
NET ASSETS		<u>520,255</u>	<u>536,221</u>
THE FUNDS OF THE CHARITY			
Capital funds			
Expendable endowment		520,255	536,221
Income funds			
Unrestricted funds		-	-
	14	<u>520,255</u>	<u>536,221</u>

These financial statements were approved and authorised for issue by Trustees on 21 November 2024 and were signed on their behalf by:



.....
Mr J C Burns
TRUSTEE

The notes on pages 33 to 43 form part of these accounts

THE GATSBY CHARITABLE FOUNDATION
5 April 2024

CASH FLOW STATEMENT
FOR THE YEAR ENDED 5 APRIL 2024

	2024	2023
	£'000	£'000
Net cash (used) by operating activities	(133,518)	(62,580)
Net cash provided/(used in) by investing activities	187,783	(68,949)
Change in cash and cash equivalents during the year	54,265	(131,529)
Cash and cash equivalents at the beginning of year	70,406	201,935
Cash and cash equivalents at the end of year	124,671	70,406
Reconciliation of net (expenditure) to net cash (used in) operating activities		
	2024	2023
	£'000	£'000
Net (expenditure)/income for the year (as per the Statement of Financial Activities)	(16,641)	(68,174)
Gift of investments	(34,343)	(49,952)
(Gains)/Loss on investments	(4,900)	1,508
Depreciation charges	49	49
Income from investments (interest and dividends)	(21,905)	(14,438)
(Increase) in debtors	(496)	(6,296)
(Decrease)/Increase in creditors and provisions	(55,282)	74,723
Net cash (used in) by operating activities	(133,518)	(62,580)
Net cash provided by/(used in) investing activities		
	2024	2023
	£'000	£'000
Purchase of investments	(149,145)	(454,268)
Income from investments	21,905	14,438
Proceeds from sale of investments	315,023	370,881
Net cash provided/ (used in) by investing activities	187,783	(68,949)
Cash and cash equivalents		
	Change in year	2024
	£'000	£'000
Cash at bank and in hand	53,809	123,663
Cash balances held by investment managers	456	1,008
	54,265	124,671
		70,406

The notes on pages 33 to 43 form part of these accounts.

NOTES TO THE ACCOUNTS

1. PRINCIPAL ACCOUNTING POLICIES

a) Basis of preparation and consolidation

The financial statements have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

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 Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014.

Gatsby constitutes a public benefit entity as defined by FRS102.

In the view of the Trustees, there are no material uncertainties casting doubt on the going concern of the charity. The value of the investment portfolio has increased by approximately £4.9 million in comparison to the end of the previous financial year. Gatsby's endowment assets remain significant, and this, together with future investment income that is generated, will continue to be paid out to approved beneficiaries in accordance with the objectives of the charity.

b) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and any provision for impairments in value. Fixed assets are depreciated at rates which reflect their useful lives to Gatsby. The following rates have been used:

Leasehold improvements - over the remaining lifetime of the lease
 Equipment - 10-33% straight line

c) Income

- (i) Donations are shown gross which includes the associated tax credit unless the tax so deducted is considered irrecoverable.
- (ii) Dividends are included by reference to their due dates.
- (iii) Interest is recorded on an accruals basis.

d) Grants payable

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

The view of the Trustees is that any instalments payable within 12 months of the reporting date are expected to be paid regardless of the status of attached conditions and so these are accrued. Any payments due in more than 12 months from the reporting date, where conditions exist that have not been met at the reporting date, are not accrued but are reported as an unaccrued future commitment.

e) Investments

Net realised and unrealised gains and losses are reflected in the Statement of Financial Activities. Investments are shown at mid market value. Partial disposals are accounted for using average book value. Unquoted investments which represent programme related investments are carried at cost less provision for impairment where required (See note 11).

f) Support costs

These costs support predominantly the grant-making activity of Gatsby. Such costs include a share of the staff and office costs of the joint office of the Sainsbury Family Charitable Trusts, which are allocated in proportion to time spent on Gatsby matters and grants paid.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include fees for statutory audit, legal fees where relevant, together with an allocation of support costs.

NOTES TO THE ACCOUNTS (continued)

1. PRINCIPAL ACCOUNTING POLICIES (continued)

g) Fund accounting

Details of the nature and purpose of each fund is set out in note 16.

h) Pension costs

Gatsby has a money purchase scheme for qualifying employees. Pension costs charged to the Statement of Financial Activities represent the contributions payable by Gatsby in the year (See Note 8).

i) Foreign currencies

Foreign currency transactions are translated into sterling at the rate prevailing at the time of the transaction. Balance sheet items are translated using the year end rate of exchange. Foreign exchange gains and losses resulting from the settlement of transactions and from translation using year end rates of exchange, are recognised in the Statement of Financial Activities.

j) Financial instruments

Gatsby has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand, together with accrued interest and other debtors. Financial liabilities held at amortised cost comprise grants payable and accruals. Investments, including bonds held as part of an investment portfolio, are held at fair value at the balance sheet date, with gains and losses being recognised within income and expenditure.

At the balance sheet date the Charity held financial assets at fair value of £470,581,000 (2023: £597,215,000).

k) Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand, cash held for reinvestment and short term deposits.

l) Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in note 1, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, the critical judgments that have been made at arriving at the amounts recognised in the financial statements and the key estimation uncertainty that has a significant risk of causing a material adjustment to the carrying values of assets and liabilities in the next financial year are as follows:

Impairment of programme related investments.

The carrying values of these investments are reviewed for impairment only when events or circumstances arise which may indicate impairment. Assessment is made initially in relation to the investments ability to continue to operate and deliver charitable benefit, the net asset values of the companies involved, and the consideration of budgets and any wider economic factors.

m) Provisions for liabilities and charges

Provisions for liabilities and charges are made when a present obligation has arisen as a result of a past event, payment is probable, and the amount can be estimated reliably.

THE GATSBY CHARITABLE FOUNDATION

5 April 2024

NOTES TO THE ACCOUNTS (continued)

2. GRANTS AND DONATIONS

Gatsby received donations from the Settlor during the year totalling £39,343,000 (2023: £75,258,000).

3. INVESTMENT INCOME

Income received on investments may be analysed as follows:

	2024		2023	
	£'000	%	£'000	%
UK equities	3,797	18	5,199	36
Overseas equities	1,551	7	1,969	14
Term deposits	16,470	75	7,237	50
Bank interest	87	-	33	-
	21,905	100	14,438	100

4. COST OF RAISING FUNDS

Fund raising costs comprise the fees of investment managers. Investment management fees amount to £765,000 (2023: £874,000). The Trustees are of the opinion that these costs contribute to the generation of a total return on the investment portfolio and, as such, have charged the Expendable Endowment with these fees.

5. GRANTS PAYABLE

	2024		2023	
	£'000	£'000	£'000	£'000
Reconciliation of grants payable:				
Commitments at 6 April 2023		138,806		63,809
Grants not accrued at 6 April 2023	85,654		80,557	
Grants approved in the year	95,610		140,599	
Grants cancelled, refunded or amended	(2,084)		(966)	
Revaluation of liabilities	(2,092)		-	
Grants not accrued at 5 April 2024	(117,271)		(85,654)	
Grants expenditure for the year		59,817		134,536
Grants paid during the year		(115,165)		(59,539)
Commitments at 5 April 2024		83,458		138,806

THE GATSBY CHARITABLE FOUNDATION

5 April 2024

NOTES TO THE ACCOUNTS (continued)

5. GRANTS PAYABLE (continued)

Commitments at 5 April 2024 are payable as follows:

	2024	2023
	£'000	£'000
Within one year (note 13)	74,946	128,294
After more than one year (note 14)	8,512	10,512
	83,458	138,806

The Trustees had appointments with the following organisations which received grant funding during the year:

Mr J C Burns	– Centre for Cities, Gatsby Africa, Gatsby Technical Education Projects, Sainsbury Institute for the Study of Japanese Arts and Cultures, Sainsbury Research Unit for the Arts of Africa, Oceania & the Americas, Sainsbury Centre Endowment Fund
Miss J S Portrait	– Gatsby Africa, Gatsby Technical Education Projects, Sainsbury Institute for the Study of Japanese Arts and Cultures (as Trustee of HON & V Trustee Limited), Sainsbury Research Unit for the Arts of Africa, Oceania & the Americas (as Trustee of HON & V Trustee Limited), Sainsbury Archive, Sainsbury Centre Endowment Fund (as Trustee of HON & V Trustee Limited)
Ms A L Sainsbury Price	– The True Colours Trust
Ms F Perrin	– The Indigo Trust

Commitments

In addition to the amounts committed and accrued noted above, the Trustees have also authorised certain grants which are subject to the recipient fulfilling certain conditions relating to the delivery of the grant-funded activities.

The total amount authorised but not accrued as expenditure at 5 April 2024 was £116,596,000 (2023: £85,654,000). Of this total, £65,872,000 will be payable during 2025/26 and £23,117,000 during 2026/27.

The amount payable during 2024/25 includes the following: £'000

Neuroscience

University College London – Sainsbury Wellcome Centre for Neural Circuits and Behaviour	13,289
University College London - Gatsby Computational Neuroscience Unit	4,880
Columbia University – New York	692
Cajal Advanced Neuroscience Training Programme	404
Hebrew University of Jerusalem	327
Other grants	169

Plant Science

The Sainsbury Laboratory – Norwich	2,657
University of Cambridge – the Sainsbury Laboratory	2,307
2Blades Foundation	544
Cambridge Network	400
Other grants	25

Science and Engineering Education

Gatsby Technical Education Projects	2,091
Engineers in Business Fellowship (formerly Sainsbury Management Fellows' Society)	1,119

Africa

Gatsby Africa	25,550
The Wood Foundation	1,147

THE GATSBY CHARITABLE FOUNDATION
5 April 2024

NOTES TO THE ACCOUNTS (continued)

5. GRANTS PAYABLE (continued)	£'000
Arts	
Sainsbury Centre for Visual Arts	1,563
Chamber Orchestra of Europe	750
Royal Shakespeare Company	500
Sainsbury Institute for the Study of Japanese Art and Culture	411
Clore Duffield Foundation	130
University of East Anglia-Sainsbury Research unit for the Arts of Africa, Oceania & the Americas	275
Smaller grant	35
Public Policy	
Institute for Government	5,509
Imperial College – Technology & Medicine	2,708
Centre for Cities	1,100
Institute for Manufacturing, University of Cambridge	755
Imperial College, London	222
University of Cambridge, King's College	150
Smaller grants	25
General	
Radboud University Medical Centre	2,108
Parkinson's UK	1,000
Cure Parkinson's Trust	900
Imperial College, London	464
Quentin Blake Centre for Illustration	350
Smaller grants	390

Total due within one year (Note 12) **74,946**

6. DIRECT PROGRAMME EXPENSES

	2024	2023
	£'000	£'000
Science and Engineering Education	10,600	12,302
Plant Science	3,596	3,198
Public Policy	917	244
Neuroscience	2,052	5
Other	-	5
	17,165	15,754

7. SUPPORT COSTS

	Charitable	Governance	2024	2023
	Activities		Total	Total
	£'000	£'000	£'000	£'000
Staff costs	1,792	-	1,792	1,750
Share of joint office costs	1,190	-	1,190	885
Direct costs including travel, consultancy, legal and professional fees	450	-	450	565
Depreciation	49	-	49	49
	3,481	-	3,481	3,249
Auditors' remuneration	-	41	41	38
	3,481	41	3,522	3,287

THE GATSBY CHARITABLE FOUNDATION

5 April 2024

NOTES TO THE ACCOUNTS (continued)

7. SUPPORT COSTS (continued)

Audit fees include irrecoverable VAT of £6,825 (2023: £6,367).

8. ANALYSIS OF STAFF COSTS

	2024	2023
	£'000	£'000
Wages and salaries	1,476	1,459
Social security costs	195	188
Other pension costs	121	103
	1,792	1,750

The average number of employees within the charity was as follows

	2024	2023
	No.	No.
Charity	4	4

The number of employees whose earnings in relation to time spent on Gatsby's affairs exceeded £60,000 p.a. excluding pension contributions was:

	2024	2023
	No.	No.
£60,000-70,000	-	1
£70,000 - £80,000	2	-
£90,000 - £100,000	1	2
£280,000 - £290,000	-	1
£300,000 - £310,000	1	-

As mentioned in Note 1a, Gatsby is one of the Sainsbury Family Charitable Trusts which share a joint administration at the Registered Office. 20.2% of the total support and administration costs of these trusts have been allocated to the Gatsby Charitable Foundation, including a proportionate share of the costs of employing the total number of staff serving in the office in 2023/24.

Staff costs equivalent to 11 staff (2023: 8) were charged to Gatsby during the year under joint administration arrangement, with some being on a part-time basis. This equates to 3.67 full-time employees (2023: 3.6).

The Trust considers its key management personnel to comprise of 4 staff (2023: 4). The total employment benefits, including employer pension contributions, of these key management personnel, were £684,000 (2023: £631,000).

One Trustee had travel expenses of £1,542 paid during the year (2023: One Trustee, £5,020).

THE GATSBY CHARITABLE FOUNDATION

5 April 2024

NOTES TO THE ACCOUNTS (continued)

8. ANALYSIS OF STAFF COSTS (continued)

Mr P Hesketh and Mrs K Everett were appointed as Trustees of Gatsby Africa in January 2023 to enable its better administration. Gatsby Charitable Foundation has met staff costs of £245,000 (2023: £209,000) apportioned under joint administration arrangements for executive services provided by Mr P Hesketh and Mrs K Everett to Gatsby Africa, and will continue to do so for the duration of the appointments.

Amounts paid by Gatsby Charitable Foundation in connection with executive services on behalf of Gatsby Africa were:

	P Hesketh	K Everett	2024	2023
	£'000	£'000	£'000	£'000
Wages and salaries	143	69	212	182
Social security costs	22	9	31	26
Other pension costs	-	2	2	1
	165	80	245	209

9. TANGIBLE FIXED ASSETS

	Leasehold Improvements	Equipment	Total
	£'000	£'000	£'000
Cost			
At beginning and end of year	1,106	34	1,140
Depreciation			
At beginning of year	912	34	946
Charge for the year	48	-	48
At end of year	960	34	994
Net book value 5 April 2024	146	-	146
Net book value 5 April 2023	195	-	195

Leasehold improvements consist of Gatsby's share of the cost of refurbishment of leasehold premises at The Peak, 5 Wilton Road, London SW1.

10. FIXED ASSET INVESTMENTS

Term deposits	2024	2023
	£'000	£'000
Market value 6 April 2023	286,828	123,120
Disposals	(215,321)	(248,958)
Acquisitions at cost	131,144	412,478
Net gains on investments	113	188
Market value 5 April 2024	202,764	286,828

THE GATSBY CHARITABLE FOUNDATION

5 April 2024

NOTES TO THE ACCOUNTS (continued)

Other investments	2024	2023
	£'000	£'000
Market value 6 April 2023	310,387	342,263
Disposals	(99,701)	(121,833)
Acquisitions at cost	18,001	41,790
Gift of shares	34,343	49,952
Net gains/(losses) on investments	4,787	(1,785)
Market value 5 April 2024	267,817	310,387

Total disinvestments from fixed asset investments during the year to meet operating cash requirements amounted to £125,500,000 (2023: £59,000,000).

The investments held as at 5 April 2024 were as follows:

	2024		2023	
	Cost	Market Value	Cost	Market Value
	£'000	£'000	£'000	£'000
U.K. equities	123,696	160,516	160,626	214,264
Overseas equities	84,412	107,301	79,323	96,123
Overseas equities – unquoted	2,581	-	2,581	-
Other investments	210,689	267,817	242,530	310,387
Term deposits	202,737	202,764	286,864	286,828
Total fixed asset investments	413,426	470,581	529,394	597,215

UK equities held at 5 April 2024 has the following market values:

	2024	2023
	£'000	£'000
Trojan Investment Funds	65,069	87,459
LF Ruffer Funds	57,455	87,463
J Sainsbury plc	33,052	33,961
Other UK equities	4,940	5,381
	160,516	214,264

Overseas equities - unquoted principally comprises programme related investments to provide both equity finance and loans to small and medium sized enterprises in the agricultural sector in East Africa, and similar investments to improve overall employment opportunities, and support sector development. Gatsby is exiting its programme related investments.

Term deposits include Lloyds Bank and Natwest Bank money market deposits and a treasury facility with Barclays Bank which at 5 April 2024 had a market value of £199,330,000 (2023: £284,000,000).

11. DEBTORS

	2024	2023
	£'000	£'000
Gift Aid receivable	1,000	-
Other debtors	1,547	2,128
Accrued income	6,390	5,563
	8,937	7,691

Included in other debtors is a concessionary loan of £750,000 to the Centre for Sectoral Economic Performance, repayable over a period of 10 years.

THE GATSBY CHARITABLE FOUNDATION
5 April 2024

NOTES TO THE ACCOUNTS (continued)

12. CREDITORS - amounts falling due within 1 year

	2024	2023
	£'000	£'000
Grants payable (note 5)	74,946	128,294
Trade creditors	29	124
Other creditors	471	291
Accruals and deferred income	122	65
	75,568	128,774

13. CREDITORS - amounts falling due after more than 1 year

	2024	2023
	£'000	£'000
Grant payable (note 5)	8,512	10,512

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Fund	Expendable Endowment	Total Funds 2024
	£'000	£'000	£'000
Fund balances at 5 April 2024 are represented by:			
Tangible fixed assets	-	146	146
Investments	-	470,581	470,581
Current assets	-	133,608	133,608
Current liabilities	-	(75,568)	(75,568)
Long term liabilities	-	(8,512)	(8,512)
	-	520,255	520,255
Movement in the year			
Opening balance as at 5 April 2023	-	536,221	536,221
Total income and endowments	21,905	39,343	61,248
Cost of raising funds	-	(765)	(765)
Cost of grant-making	(81,349)	-	(81,349)
Net gain on investments	-	4,900	4,900
Transfers between funds	59,444	(59,444)	-
Closing balance as at 5 April 2024	-	520,255	520,255

THE GATSBY CHARITABLE FOUNDATION

5 April 2024

NOTES TO THE ACCOUNTS (continued)

15. CONTINGENT LIABILITIES AND GUARANTEES

Gatsby acts as guarantor for certain property leasehold arrangements on behalf of the Sainsbury Family Charitable Trusts (for which Gatsby has received counter-indemnities). Gatsby has provided undertakings in connection with funds it has received from third parties.

16. FUNDS

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

Restricted funds comprise those funds held by Gatsby which can be used solely for the purpose which they were given.

Expendable Endowment represents those assets held by the Trustees principally in investments. Income arising on the expendable endowment fund can be used in accordance with the objects of the charity and is included as unrestricted income. Investment management charges are charged against the fund. The fund is available to meet grant commitments as the Trustees may see fit.

Material transfers between funds

Transfers have been made from expendable endowment to eliminate the deficit on unrestricted funds where the deficit is considered to be non-reversing with regard to Gatsby's normal grant making.

17. COMPARATIVE ANALYSIS OF NET ASSETS BETWEEN FUNDS AS AT 5 APRIL 2023

	<i>Unrestricted Fund</i>	<i>Expendable Endowment</i>	<i>Total Funds 2023</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Fund balances at 5 April 2023 are represented by:			
Tangible fixed assets	-	195	195
Investments	-	597,215	597,215
Current assets	-	78,097	78,097
Current liabilities	-	(128,774)	(128,774)
Long term liabilities	-	(10,512)	(10,512)
Provisions			
	-	536,221	536,221
Movement in the year			
Opening balance as at 5 April 2022	-	604,395	604,395
Total income and endowments	14,438	75,258	89,696
Cost of raising funds	-	(874)	(874)
Cost of grant-making	(155,488)	-	(155,488)
Net gain on investments	-	(1,508)	(1,508)
Transfers between funds	141,050	(141,050)	-
Closing balance as at 5 April 2023	-	536,221	536,221

THE GATSBY CHARITABLE FOUNDATION
5 April 2024

NOTES TO THE ACCOUNTS (continued)

18. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2023

	<i>Note</i>	<i>Unrestricted Funds</i>	<i>Expendable Endowment</i>	<i>Total Funds 2023</i>
		<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
INCOME AND ENDOWMENTS FROM:				
Donations and gifts	2	-	75,258	75,258
Investments	3	14,438	-	14,438
Total income		14,438	75,258	89,696
EXPENDITURE ON				
<i>Raising funds</i>				
Investment management costs	4	-	(874)	(874)
<i>Charitable activities</i>				
Grant expenditure	5	(134,536)	-	(134,536)
Direct programme costs	6	(15,754)	-	(15,754)
Support costs	7,8	(3,287)	-	(3,287)
Foreign exchange loss		(1,911)	-	(1,911)
Total cost of grant making		(155,488)	-	(155,488)
Total expenditure		(155,488)	(874)	(156,362)
(Losses)/Gains on investment assets		-	(1,508)	(1,508)
Net income/(expenditure) for the year before transfers		(141,050)	72,876	(68,174)
Transfers between funds		141,050	(141,050)	-
Net income/(expenditure) for the year after transfers		-	(68,174)	(68,174)
Reconciliation of funds				
Total funds brought forward at 6 April 2022		-	604,395	604,395
Total funds carried forward at 5 April 2023		-	536,221	536,221

19. PURCHASE OF PROPERTY

In September 2024 Gatsby purchased the leasehold for premises located in London for £19.3 million. Trustees intend to hold the premises for future use by the Institute for Government, a Gatsby beneficiary.

THE GATSBY CHARITABLE FOUNDATION

England & Wales - Charity number 251988

Accounts

THE GATSBY CHARITABLE FOUNDATION

ANNUAL REPORT

5 APRIL 2023

The Peak
5 Wilton Road
LONDON SW1V 1AP

THE GATSBY CHARITABLE FOUNDATION
5 April 2023

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THE GATSBY CHARITABLE FOUNDATION

5 April 2023

REPORT OF THE TRUSTEES

Legal and Administrative

The Gatsby Charitable Foundation (Gatsby) was established under a Trust Deed dated 17 March 1967 and is registered with the Charity Commission under No. 251988.

Settlor	Lord Sainsbury of Turville
Trustees	Mr J C Burns Sir Andrew Cahn KCMG to 22 March 2023 Miss J S Portrait OBE Ms A L Sainsbury Price from 22 March 2023
Registered Office	The Peak, 5 Wilton Road London SW1V 1AP
Principal Officers	Mr P Hesketh Chief Executive Officer Mr J Highstead Executive Mr J Searancke Head of Finance Mr N Thomas Executive Mr G Wilson Executive
Bankers	Royal Bank of Scotland, 119-121 Victoria Street, London SW1E 6RA
Solicitors	From 1 August 2022: BDB Pitmans LLP 1 Bartholomew Close London EC1A 7BL To 31 July 2022: Portrait Solicitors 21 Whitefriars Street London EC4Y 8JJ
Auditor	Crowe U.K. LLP 55 Ludgate Hill, London EC4M 7JW
Investment Advisers	Sarabaite Limited Lower Mill, Kingston Road, Ewell, Surrey KT17 2AE
Investment Managers	Troy Asset Management Limited Brookfield House, 44 Davies Street, London W1K 5JA Cooke & Bieler, L.P. 1700 Market Street, Suite 3222, Philadelphia, USA Tweedy Browne Company LLC 350 Park Avenue, New York, NY 10022, USA Devon Equity Management Limited 123 Victoria Street, London, SW1E 6DE

THE GATSBY CHARITABLE FOUNDATION

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REPORT OF THE TRUSTEES (continued)

Legal and Administrative (continued)

Investment Powers

The Trust Deed empowers the Trustees to appoint investment advisers, who have discretion to invest the funds of Gatsby within guidelines established by the Trustees.

Objects

The objects of Gatsby as given in the Trust Deed are for general charitable purposes.

Organisation

Gatsby is one of the Sainsbury Family Charitable Trusts (SFCT), which share a common administration. The remuneration of the senior staff (including key management personnel) is reviewed by the Trustees on an annual basis taking into account the requirements of their role and performance during the year. From time to time the SFCT Management Committee benchmarks pay levels against the comparable positions in similar organisations.

Objectives

The Trustees' objectives within their current fields of interest are:

- **Plant Science**, to develop basic research in fundamental processes of plant growth and development and molecular plant pathology, and to encourage young researchers in the field of plant science in the UK.
- **Neuroscience**, to support world-class research in the area of neural circuits and behaviour and theoretical neuroscience, and to support activities which enhance understanding in these fields.
- **Science and Engineering Education**, to strengthen science and engineering skills in the UK by developing and enabling innovative programmes and informing national policy.
- **Africa**, to promote economic development in East Africa that benefits the poor through supporting the growth and sustainability of key sectors.
- **The Arts**, to support the fabric and programming of institutions with which Gatsby's founding family has connections.
- **Public Policy**, to support: the Institute for Government as an independent centre available to politicians and the civil service focused on making government more effective; the Centre for Cities, which provides practical research and policy advice that helps cities understand how they can succeed economically; and independent research organisations which provide evidence based advice to policy makers.

The Trustees occasionally support other charitable work which falls outside their main fields of interest.

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REPORT OF THE TRUSTEES (continued)

Within these categories the Trustees make grants in support of work which they judge to have particular merit. Many of their grants fund projects which Gatsby has helped to initiate. It is the policy of the Trustees to evaluate programmes and projects rigorously and carefully, and to assess when the evaluations should most usefully take place.

Generally, the Trustees do not make grants in response to unsolicited applications or to individuals.

Statement on Public Benefit

Trustees are aware of the Charity Commission's guidance on Public Benefit and confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have regard to it. They consider that the information set out in this annual report about the objects, activities and achievements in the many areas of interest that Gatsby supports demonstrates the benefit to its beneficiaries, and through them to the public.

Charity Governance

Trustees are aware of the Charity Governance Code published in 2017 (refreshed in 2021) which sets out the principles and recommended practice for good governance within the sector. The Charity has reviewed its governance arrangements against the principles within the code and believes that it is compliant with the code whilst maintaining its need to operate its governance efficiently.

Trustees make sure that decision-making processes are informed, rigorous and timely, and that effective delegation, control, risk-assessment, and management systems are set up and monitored. Except for those matters specifically reserved for Trustees, decisions concerning the day to day operation of the Charity are delegated to the Principal Officers, who have implemented suitable financial and related controls and reporting arrangements to make sure Trustees oversee delegated matters.

The Charity's Trustees are also trustees of other charities. Details about other charities for which the Trustees also act as trustee may be found on the Charities Commission website.

Appointment and Powers of Trustees and Management

As per the Gatsby Charitable Foundation Trust Deed, the statutory powers of appointing Trustees are vested in the Settlor during his life. The Trust Deed enables the Trustees to delegate certain powers. Trustees are provided with relevant information relating to their responsibilities as Trustees.

Financial overview of the past year

Gatsby's annual expenditure in the financial year exceeded its income by £68.2 million, with a consequent decrease in the Charity's expendable endowment for grant making from £604.4 million to £536.2 million.

Total expenditure for the year was £156.4 million, an increase of £74.0 million in comparison with the previous year. The Charity's grant expenditure increased to £134.5 million compared to £69.0 million in 2021-22. Charitable programme costs increased by £7.0 million from the previous year to £15.8 million.

Gatsby incurred other operating expenditure of £3.3 million, foreign exchange losses of £1.9 million and investment management fees of £0.8 million.

THE GATSBY CHARITABLE FOUNDATION

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REPORT OF THE TRUSTEES (continued)

Gatsby received total income of £89.7 million during the year, including further gifts from the Settlor of £75.3 million. Gatsby received £14.4 million of dividends and interest income from its investment portfolio, an increase of £9.1 million in comparison to the £5.3 million of investment income received in the previous year.

Gatsby held other investments of £310.4 million, short term deposits of £286.8 million and cash at bank of £70.4 million at year end. A net loss of £1.5 million was incurred on the investment portfolio in comparison with the previous year. Trustees remain concerned about the uncertain macro-environment caused in particular by rising inflation and the continuing war in Ukraine. In view of such conditions emphasis remains in preserving capital, achieving competitive real returns, and managing cash.

Trustees approved grants amounting to £140.6 million during the year and made payments of £59.5 million covering some of these grants and other grants approved in earlier years. In addition, payments of £15.8 million were made in relation to directly managed charitable programmes. Gatsby has significant unpaid grant commitments at year end totalling £138.8 million, of which £128.3 million is due to be paid within one year.

It is the intention of the Trustees to spend out the assets of Gatsby, with grant making over the next two to three years likely to be maintained at a significant level.

Trustees met three times during the year and used virtual communication tools as necessary to approve grants.

Future plans

For the immediate future Trustees expect to continue to support long standing major beneficiaries and to continue making grants throughout the year in the areas in which they are interested, as detailed in the objectives section earlier in this report.

Reserves policy

The Trustees treat their expendable endowment and unrestricted funds totalling £536.2 million as a single resource for grant-making, and do not consider it necessary to maintain a particular level of income reserves.

A transfer of £141.1 million has been made from the expendable endowment to unrestricted funds to cover the deficit of income that arises as a result of grant and operating expenditure charged against unrestricted income.

Risk assessment

The Trustees have examined the major strategic, business, and operational risks to which Gatsby may be exposed. Risks considered by Trustees included processes in place to mitigate fraud, the disclosure of related party transactions, and non-financial risks including reputational risk. Through the joint office of the Sainsbury Family Charitable Trusts, adequate systems are in place to meet such potential risks as the Trustees have identified in the context of their grant-making.

THE GATSBY CHARITABLE FOUNDATION

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REPORT OF THE TRUSTEES (continued)

The Trustees have evaluated that a major risk faced by Gatsby is that grant payments may not be applied for the charitable purposes for which they were awarded. To mitigate this risk the Trustees have implemented a rigorous, proportionate set of governance procedures which considers whether programmes and activities of the organisation which are to be the recipients of payments are aligned with the charitable objectives of Gatsby. During implementation of these programmes there is a series of performance reviews which checks, amongst other matters, that the funding paid has been or continues to be applied to programme objectives and outcomes approved when the grant was awarded originally.

The Trustees, in consultation with and on the advice of their Investment Advisers, maintain a diverse and balanced portfolio to mitigate so far as possible against adverse risks affecting the overall value of the investment portfolio so that Gatsby can continue to pay approved grants to its beneficiaries. In particular, a high proportion of the investment portfolio is held in cash, and the diversified investment portfolio is professionally managed.

The Trustees regularly review investment strategy and monitor financial performance.

Fundraising

The Charity and its Trustees are fully aware of the requirements and duties set out in the Charities (Protection and Social Investment) Act 2016. Gatsby does not raise funds from the public and as such has no fundraising activities requiring disclosure.

Investment policy and performance

The Trustees maintain a diverse and balanced investment portfolio. The Trustees hold cash and near cash investments that equate approximately to at least three years of grant expenditure, which should avoid a forced sale of investments should investment markets deteriorate.

Active investment and cash management ensured that a return above normally available market rates was achieved in the previous financial year. Trustees seek to maximise yields received from cash deposits throughout the year.

Trustees met formally once during the year with its investment advisers to discuss strategy and review the performance of the investment portfolio. Trustees are in close contact with its investment advisers throughout the year, assessing the performance of investment portfolio continuously.

CHARITABLE ACTIVITIES

Gatsby was established in 1967 by David Sainsbury (Lord Sainsbury of Turville). Gatsby acts as the enabler for projects, developing, overseeing and, in some cases, delivering activities across a small number of focus areas where the Trustees believe charitable funding can secure significant impact. Gatsby's commitment to these areas dates back many years, as Trustees understand that long-term investment and development are often needed to secure significant, sustainable change. Each of Gatsby's focus areas presents different challenges and each demands different models of support, intervention and evaluation. However, some common characteristics can be identified across the different areas.

THE GATSBY CHARITABLE FOUNDATION

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REPORT OF THE TRUSTEES (continued)

Across all of Gatsby's programmes the Trustees aim to secure maximum impact with a minimum of bureaucracy. To this end, as well as limiting itself to a small range of fields, Gatsby also adopts a tight focus within each programme area. Trustees are very aware that across even narrowly-defined fields such as plant science or neuroscience research there will never be a shortage of need, and spreading support too thinly risks a disproportionate reduction in impact.

Gatsby takes a proactive approach to both grant-making and directly managed programmes in its respective areas of focus. Rather than awaiting proposals from third parties, Gatsby identifies areas for action and builds hypotheses for action which can then be tested in the field. Where such tests are successful the intention is that such action is then scaled up and rolled-out. Such hypotheses are informed both by knowledge of the field in question (drawing on the experience of Trustees, expert advisers and staff) and by previous experience of what type of intervention is most likely to work. Where available, independent evaluation evidence is also fed into this process.

While rigorous research from the outset can greatly reduce the chance of failure, underlying Gatsby's approach is an acceptance that not all projects will be successful if innovation is to be fostered. This is especially true of proof-of-principle initiatives which seek novel solutions to stubborn problems. Trustees are therefore willing to take calculated risks with their charitable expenditure in situations where there clearly exists significant potential for positive impact.

This report describes Gatsby's aims in its main areas of interest and gives an indication of how Gatsby pursued them over the last 12 months. More detailed information can be found at www.gatsby.org.uk

PLANT SCIENCE

"To develop basic research in fundamental processes of plant growth and development and molecular plant pathology, and to encourage young researchers in the field of plant science in the UK."

Gatsby's work in support of plant science seeks to nurture, sustain and increase the number of high-quality researchers for fundamental studies in plant biology. The programme aims to inspire an interest and excitement in plant science at all levels – from school students to graduate researchers – while also attracting world class talent to the UK by creating centres of excellence in the field.

Sainsbury Laboratory Cambridge University (SLCU)

Gatsby's largest ever commitment in plant science funded the building of a state-of-the-art research institute, the Sainsbury Laboratory Cambridge University (SLCU), which opened in 2011. Set within the inspirational grounds of the University's Botanic Garden, the aim of the Laboratory is to elucidate the regulatory systems underlying plant growth and development. Over the past year, previous Career Development Fellow, Dr Sarah Robinson, has secured a Group Leader position to continue and expand her group's work at the forefront of investigating mechanics and cell division in plants by developing novel experimental techniques and combining these with computational modelling. Several Group Leaders, Drs James Locke, Edwige Moyroud and Sebastian Schornack were reviewed and successfully renewed for a further five years to continue their work on dynamic gene regulation, pattern formation in petals, and intracellular plant-microbe interaction mechanisms respectively. In addition, Dr Locke was elected to the Professorship of Quantitative Plant Development. SLCU leadership continues an active international recruitment search for a further Professor.

REPORT OF THE TRUSTEES (continued)

As part of the Cambridge Festival, SLCU hosted a public engagement event to explore the fascinating relationship between *Plants and their Best Fungi Friends (BFFs)*. The session included practicing scientific skills and undertaking experiments on real lab equipment to generate data to analyse with SLCU scientists.

The Sainsbury Laboratory (TSL)

Since 1987 Gatsby has supported The Sainsbury Laboratory (TSL) at the Norwich Research Park to investigate how plants defend themselves against microbes that cause disease, and conversely how microbes manipulate host plants and cause disease. Over these three decades TSL has built an outstanding international reputation for scientific excellence. During the reporting period, TSL researchers were part of an international collaboration across seven countries (UK, Japan, Bangladesh, Zambia, Mexico, Switzerland and USA) to better understand wheat blast, a devastating fungal disease that has rapidly extended its range in recent years. The group found that genomic surveillance is not only crucial to tracking and monitoring the wheat blast fungus on a global scale and identifying variants of concern as soon as they emerge, but has the potential to help plant breeders more effectively select traits to develop disease-resistant lines. Following an international search, TSL has recruited Dr Tatsuya Nobori who will join as a new group leader next year. Currently, at the Salk Institute in San Diego, Dr Nobori has a strong background in molecular plant-microbe interactions, and brings expertise in the use of spatial technologies to better understand how individual cells of plants and microbes interact. TSL hosted its first T-level placements for two students from City College Norwich in their second year of Laboratory Sciences. The students quickly integrated into the TSL community and the laboratory's scientific support groups valued hosting these enthusiastic new minds and experiencing fresh perspectives. The sustainability of technical skills, for which T-levels will play a valuable role, is one of the key areas TSL committed to improve upon when signing the Technician Commitment in 2017.

Gatsby Plant Science Research Network

Gatsby further supports excellence in plant science in the UK through a suite of activities overseen by the Gatsby Plant Science Advisers. The Gatsby Plant Science Network consists of Gatsby-funded undergraduates, postgraduates, postdocs and alumni, with mentors chosen from UK universities with teaching and research interests in plant science. The 2022 network meeting was held in person in Oxford in September. The evening lecture, "*Science, power and people: why scientific evidence matters, and what else matters too*", was given by Dr Claire Craig, Provost of The Queen's College, Oxford, and member of the UK Government's AI Council. All Sainsbury-funded PhD students gave talks on their work and results from the previous year. The Sainsbury undergraduate students gave poster presentations on their summer internship projects. Gatsby's undergraduate studentship scheme aims to identify excellent penultimate year undergraduates with an interest in plant science, and supports students to continue in the subject through summer internship research projects in laboratories outside their place of study. During the reporting period Gatsby supported seven Sainsbury undergraduates based at Bath, Dundee, Durham, Glasgow, Imperial, Oxford and Sheffield, with internships at Birmingham, Bristol, Exeter, John Innes Centre, Max Planck Institute for Plant Breeding Research, and TSL. Two new Sainsbury-funded PhD students started this year their research training: Henrietta Patterson, at the John Innes Centre, will work on unravelling the effector triggered immunity landscape in divergent plant lineages. Arran Horne, supervised by John Christie at University of Glasgow, will investigate an evolutionary perspective on the mutational landscape of the rice blast fungus.

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REPORT OF THE TRUSTEES (continued)

Gatsby Plant Science Education Programme (GPSEP)

The GPSEP aims to improve the teaching and learning of plant science at all ages, engaging and inspiring the next generation of plant scientists through projects in both schools and higher education. The programme is overseen by SLCU and the Cambridge University Botanic Garden. The end of June 2022 saw the return of the in-person Gatsby Plant Science Summer School, the first since 2019. 79 students from across 30 UK universities attended the event held in North Yorkshire, with five keynote talks, three tutorials, four practical sessions, next steps and careers talks, and a networking session. At a six-month survey, 71% of responders have chosen a plant science module as a result of their experience at the summer school. To engage 17 more students from across the network, GPSEP organised a two-day plant science communication training event in July, called Rootstock. Attendees learned how to communicate plant science effectively while also networking with notable plant scientists, visiting SLCU and the Botanic Garden, and gaining further insights into plant science research. For over 30 years, Gatsby has supported Science and Plants for Schools (SAPS) to create opportunities for teachers, technicians and students to find out more about plants and to become more interested in plant science. In the first half of reporting period, GPSEP launched a fully redeveloped SAPS website, a core asset comprising 306 individual web pages and more than 600 resource documents. In March 2023 GPSEP ran a face-to-face Train the Trainer event for Initial Teacher Educators (ITE) for 23 ITE tutors and 4 ITE technicians, representing 19 HEI institutions from all four UK regions. Attendees spent time in the laboratory exploring SAPS practicals, gaining a good grounding in the full SAPS offering, along with time to network with Biology ITE colleagues.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £11,432,000

University of Cambridge - £7,010,000

Towards research activities and core costs at the Sainsbury Laboratory; the provision of Gatsby Fellowships to Principal Investigators at the Sainsbury Laboratory; and start-up funding for new lecturers in the Department of Plant Sciences.

Sainsbury Laboratory - Norwich - £4,200,000

Towards core and research support; and the temporary accommodation and associated costs for the Executive Director, Professor Nick Talbot.

2Blades Foundation - £222,000

Towards core and project costs.

TOTAL DIRECT PROGRAMME EXPENSES paid this year: £3,199,000

University of Cambridge – The Sainsbury Laboratory - £2,290,000

Towards Gatsby Fellowships to Principal Investigators at the Sainsbury Laboratory and the costs of the peer review.

Science & Plants for Schools (SAPS) and the Gatsby Plant Science Summer School - £254,000

Towards the Gatsby Plant Science Education Programme, including SAPS and the Undergraduate Summer School.

Sainsbury PhD Studentships - £265,000

Towards the Sainsbury PhD studentships in plant science.

THE GATSBY CHARITABLE FOUNDATION

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REPORT OF THE TRUSTEES (continued)

Intellectual Property Maintenance - £214,000

To cover the costs of maintaining patents on wheat stem rust resistance.

Further direct programme expenses totalling £176,000 were also paid in the year.

NEUROSCIENCE

“To support world-class research in the areas of neural circuits and behaviour and theoretical neuroscience, and to support activities which enhance understanding in these fields.”

Understanding how the intricate anatomy of cells and circuits in the brain work together to generate complex behaviours is one of the most exciting challenges facing neuroscience today. Gatsby’s view, shared by many, is to work towards this by harnessing the efforts of a dynamic and multi-disciplinary group of scientists with a common interest in the workings of the brain. To this end, Gatsby is supporting a number of world-class research centres, programmes and activities.

Sainsbury Wellcome Centre for Neural Circuits and Behaviour (SWC)

Gatsby, in partnership with Wellcome and University College London (UCL), supports SWC where scientists are using state-of-the-art techniques to investigate how circuits in the brain process information to create neural representations and guide behaviour. It is directed by Professor Thomas Mrsic-Flogel. During the reporting period, Professor Tim Behrens was recruited as a part-time Group Leader, whilst maintaining a portion of his group at the Oxford Centre for Integrative Neuroimaging. His research focus is on how brains learn and represent knowledge about the world in service of flexible behaviour, using computational and experimental approaches across multiple species. Group leader, Professor Tiago Branco was selected as the 2023 recipient of the Royal Society’s very distinguished Francis Crick Medal and Lecture for making fundamental advances in the molecular, cellular and circuit bases of neuronal computation and for successfully linking these to animal behaviour. Dr Andrew Saxe, joint SWC/GCNU Group Leader, secured a prestigious Schmidt Science Polymaths Award, to begin an experimental component in his research programme investigating the links between modern deep learning systems and learning in the brain and mind. SWC launched a partnership with social mobility charity In2ScienceUK, supporting students from underrepresented backgrounds to progress to PhDs. SWC also piloted “*Neuronauts*,” a new summer camp for London secondary school students (ages 14-16) teaching fundamentals of engineering, computer science and neuroscience and running behavioural neuroscience experiments.

Gatsby Computational Neuroscience Unit (GCNU)

Gatsby founded GCNU at UCL over two decades ago to bring together a critical mass of theoreticians focusing on the computational theories of perception and action in neural and machine systems. GCNU is directed by Professor Maneesh Sahani. Dr Adam Tyson joined GCNU and SWC as Head Research Engineer in May 2022, leading a joint group to support development and public distribution of software implementing both neural data analytic and general machine learning algorithms. Dr Anna Sadnicka, a newly qualified consultant clinician, was awarded a Wellcome Early-Career Award to join GCNU to develop computational dynamical models that capture the kinematics of movement disorder, in collaboration with UCL’s Institute of Neurology; Dr Sadnicka’s work and expertise will add valuable new dimensions to the Unit’s composition and intellectual diversity.

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REPORT OF THE TRUSTEES (continued)

Four postdoctoral fellows finished their research and moved on to new roles – one as an assistant professorship at New York University, one was awarded a University of California President’s Postdoctoral Fellowship, one started a further postdoctoral fellow role at the Champalimaud Center for the Unknown in Lisbon, and one moved to industry. The Unit also welcomed four new postdoctoral fellows in theoretical neuroscience from UCL, the Crick Institute, UC Berkeley and Helmholtz-Centre Hereon. The 2022 PhD cohort of five students (from China, Iran, Netherlands and the UK) started their studies in the Autumn.

Stanford Optogenetics Moonshot for Autism (SOMA)

Gatsby is supporting SOMA under the direction of Professor Karl Deisseroth at Stanford University in the USA. During the reporting period SOMA continued its detailed work to elucidate the circuits and long-range connections involved in social function. A clinical trial has started based on results from previous years about gene and protein information, and recordings of neural activity at single cell resolution. The trial is using a currently available drug that targets identified social circuits to determine a novel therapy to impact the treatment landscape for Autism Spectrum Disorder. In the past five years SOMA has become a fully functioning ‘bench-to-bedside’ effort focused on understanding and improving the lives of people with autism.

Theoretical neuroscience and machine learning

Gatsby’s support in the area of theoretical neuroscience and machine learning also includes two other world-class centres as part of an on-going partnership with GCNU. These are the Centre for Theoretical Neuroscience at Columbia University in the USA and the Gatsby programme in theoretical neuroscience at the Safra Centre for Brain Sciences (ELSC) at the Hebrew University in Israel. During the reporting period, 17 trainees across nine groups at ELSC received support. The research covered broad topics such as: how the brain maintains and consolidates lifelong memory; the paradoxical relationship between speed and accuracy in detecting a mixture of odours in olfaction; and the role of boredom in decision-making. Five postdoctoral researchers at Columbia received Gatsby fellowships to work on a wide range of topics. These included: building mathematical models at different scales (both circuit and behaviour) to understand the limits of learning in particular brain networks; investigating the different types of wiring and activity that affect the ability of the network to be trained to perform complex tasks; the effect of familiarity on the representational properties of sensory stimuli; and the mechanisms and brain architecture underlying flexible and robust movement sequences. Work on gating neural networks exemplifies the fruitful synergy between all three centres (Professors Latham, Abbott, and Sompolinsky). Research on the dynamics and computation in recurrent neural networks, spanning the Columbia and ELSC groups, is another area of convergence in methods and approaches. The annual tricentre meeting in June 2022 took place at ELSC, and was the first in-person assembling of the group since the COVID pandemic. Over three days, 60 researchers from across the three sites shared their latest research, exchanged ideas and explored potential future collaborations.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £11,850,000

University College London - £9,620,000

Towards the research activities and core costs of the Sainsbury Wellcome Centre for Neural Circuits and Behaviour; and the Gatsby Computational Neuroscience Unit.

Stanford University - £1,204,000

Towards research costs for Stanford Optogenetics Moonshot for Autism (SOMA) programme

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REPORT OF THE TRUSTEES (continued)

Columbia University, New York - £296,000

Towards the Centre for Theoretical Neuroscience.

Hebrew University of Jerusalem - £296,000

Towards the Gatsby Theoretical Neuroscience Programme.

Royal College of Psychiatrists - £141,000

Towards continuing the work of the Integrating Neuroscience project

University of Cambridge - £112,000

Towards the planning phase for the Institute of Brain and Mind Health

Further grant payments totalling £181,000 were also paid in the year.

TOTAL DIRECT PROGRAMME EXPENSES paid this year: £5,000

SCIENCE AND ENGINEERING EDUCATION

“To strengthen science, technology, engineering and mathematics (STEM) education and training in the UK by informing national policy and developing innovative programmes.”

Gatsby’s work in education focuses on five objectives:

- to support improvements in technical education;
- to promote the uptake and recognition of high-quality technical education;
- to support continuing improvements in career guidance;
- to support STEM in schools; and
- to promote business education for those in the engineering profession.

Gatsby funds the core costs of a separate organisation – Gatsby Technical Education Projects (GTEP), a registered charity and company limited by guarantee – to oversee many of its programmes in this area.

Gatsby is supporting the implementation of government reforms for technical education, which include the introduction of T-level qualifications that provide young people with the knowledge and skills they need to progress to skilled employment or further study. To date, 18 T-levels have been introduced in fields such as Construction, Digital, Health and Science, and Legal, Finance and Accounting, and a further six T-levels will be introduced in coming years. Gatsby is currently supporting several projects to improve the sourcing of high-quality industry placements. These are an important element of every T-level programme because they give students the opportunity to work alongside an employer for 45 days to develop their knowledge, skills and behaviours. Gatsby has also supported work to build understanding of the further education (FE) teaching workforce, in particular around FE teacher salaries and vacancies, and work to provide teachers with high-quality curriculum materials.

REPORT OF THE TRUSTEES (continued)

Gatsby also continues to champion the expansion of higher technical education at Levels 4 and 5. England is an international outlier when it comes to the proportion of the workforce qualified at these levels. Significantly fewer people in England have Level 4 and 5 qualifications than in most other developed countries. This is despite widespread recognition of the link between a healthy supply of higher technical skills and productivity growth. Gatsby is also supporting the national network of newly established Institutes of Technology, which are centres of excellence for higher technical education.

Alongside its support for improvements in technical education qualifications, Gatsby continues to promote awareness and understanding of technical education and the many and varied opportunities it can lead to. This work is predominantly undertaken through a small number of focused communications campaigns targeting young people and their parents. In November 2022, Trustees were delighted to see the opening of a new permanent gallery at the Science Museum in London, *Technicians: the David Sainsbury Gallery*. The gallery was developed with Gatsby support and profiles technicians in a wide range of environments, from the NHS to offshore wind farms. In its first five months, the gallery had over a quarter of a million visitors and has proven to be one of the Science Museum's most popular attractions.

The Gatsby Benchmarks for Good Career Guidance remains the national framework for career guidance in schools and colleges across England. Alongside a continued focus on parental engagement, Gatsby has embarked on a significant programme of research and consultation to refresh the evidence base of the framework. Over the last year, Gatsby's research has also expanded to explore adult career guidance.

Gatsby's long-standing commitment to supporting STEM in schools and, in particular, to improving science teacher recruitment and retention continues. Despite being relatively modest in scale, research commissioned by Gatsby continues to influence government policy. Last year Gatsby commissioned research on the impact of financial incentives on teacher recruitment and retention. Gatsby also continues to support the core costs of the National STEM Learning Centre in York and a programme to support STEM Clubs in schools.

Gatsby's final objective in education is to promote business education for those in the engineering profession. This is delivered through the Engineers in Business Fellowship (EIBF), a charity established to manage the Sainsbury Management Fellowships (SMFs) scheme. Each year the SMFs scheme awards 10 bursaries of £50,000 to outstanding early career engineers, to enable them to study for an MBA at a top international business school. Gatsby also supports the EIBF's wider work, including the management of an inter-university competition in which teams of engineering undergraduates pitch business plans to expert judges.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £3,319,000

Gatsby Technical Education Projects – £2,234,000

Towards the core costs of Gatsby Technical Education Projects.

Engineers in Business Fellowship – £1,010,000

Towards the core costs of the Engineers in Business Fellowship and the Sainsbury Management Fellowship bursary scheme.

Engineering UK: Big Bang Education CIC – £75,000

Growth and development of the Big Bang Fair.

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REPORT OF THE TRUSTEES (continued)

TOTAL DIRECT PROGRAMME EXPENSES paid this year: £12,302,000

To support continuing improvements in technical education

Supporting the development and roll-out of technical qualifications and apprenticeships – £1,122,000

Ensuring infrastructure is in place to deliver high-quality technical education, including Institutes of Technology and an adequate supply of teachers in further education – £708,000

Informing policy on future skills needs, training provision for adults and how colleges can encourage employers to innovate – £392,000

To promote uptake and recognition of high-quality education

Promoting greater recognition of the importance of technicians, including support for a new gallery at the Science Museum in London – £4,678,000

Raising awareness of the reformed technical education system among employers, schools and colleges, parents and learners – £3,374,000

To support continuing improvements in career guidance

Supporting awareness and uptake in schools and colleges of the Gatsby Benchmarks for Good Career Guidance – £980,000

Exploring how career guidance for adults can be improved – £117,000

To support STEM in schools

Seeking to ensure, typically through research, an adequate supply of high-quality STEM teachers – £219,000

Supporting the National STEM Learning Centre and STEM Clubs – £706,000

To promote business education for those in the engineering profession – £6,000

AFRICA

“To promote economic development in East Africa that benefits the poor through supporting the growth and sustainability of key sectors.”

Gatsby has funded, designed, and run programmes in Africa since 1985, with the overall aim of creating jobs and raising incomes for the poor. Gatsby’s programmes in Africa are now mainly implemented by a separate UK charitable company - Gatsby Africa (GA) - with registered branches in Tanzania and Kenya.

THE GATSBY CHARITABLE FOUNDATION

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REPORT OF THE TRUSTEES (continued)

GA aims to help more people in East Africa benefit from economic growth, which in turn creates jobs, raises incomes, builds opportunities, and reduces poverty. GA looks to achieve this by:

- Transforming key economic sectors in East Africa by developing ambitious strategies and partnering with others to implement them; and
- Synthesising and sharing lessons from our programmes and elsewhere to enable their application at scale in GA's own sectors of activity and in others.

Over the past year GA has focused on implementing 9 sector programmes across East Africa: Tanzanian forestry; Kenyan and Ugandan forestry; regional aquaculture; regional textiles; Kenyan livestock; Kenyan agricultural inputs; Kenyan water; and (in partnership with the Wood Foundation, a Scottish registered charity) Tanzanian and Rwandan tea. GA also applied to register a branch in Uganda.

Despite this breadth of support it is clear that many other sectors also need support. Each programme thus aims to capture what is working and what is not, and to share this with other stakeholders - particularly donors and governments - so that they can benefit from the lessons learned. In this way, GA aims to contribute to a wider movement, and to see a series of sectors in East Africa and beyond transformed by its own efforts and those of others.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £17,979,000

Gatsby Africa (GA) - £17,979,000

Towards GA programmes and operating core costs.

THE ARTS

Gatsby provides core support for organisations with which Gatsby has a long-standing history, especially as they rebuild themselves following the global pandemic and are now facing a tough economic climate and cost of living challenges, which are impacting parts of the UK Arts sector. Trustees continue to provide additional funding support and flexibility for the repurposing of existing grant commitments as these organisations cope with the unprecedented challenges.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £4,957,000

Backstage Trust - £2,000,000

Towards core costs and project costs.

Chamber Orchestra of Europe - £1,000,000

Towards core costs.

THE GATSBY CHARITABLE FOUNDATION

5 April 2023

REPORT OF THE TRUSTEES (continued)

Sainsbury Centre for Visual Arts (SCVA) - £700,000

Towards core costs and exhibitions

Royal Shakespeare Company - £500,000

Towards the Artist Development Programme.

Sainsbury Institute for the Study of Japanese Art & Culture - £455,000

Towards core costs.

Sainsbury Research Unit for the Arts of Africa, Oceania & the Americas - £225,000

Towards core costs and learning initiatives.

Further grant payments totalling £77,000 were also paid in the year.

PUBLIC POLICY

“To support independent research organisations which provide evidence-based advice to policy makers.”

Gatsby’s grant-making in public policy focuses on five organisations: the Institute for Government; the Centre for Cities; the Centre for Science, Technology & Innovation Policy; Policy Links; and the Babbage Policy Forum.

The Institute for Government (IfG)

IfG works with the main political parties in Westminster, senior civil servants in Whitehall, and officials and politicians across the rest of the UK to promote more effective government. It provides impartial, evidence-based advice and training, drawing on best practice and research in government, universities and business from around the world. Dr Hannah White is the Director, and is accountable to a distinguished all-party board of governors chaired by Lord Sainsbury. Over the past year, the Institute launched the IfG Academy to draw together their expertise on government to provide practical training and support. IfG has converted this extensive knowledge and know-how into a range of resources and tailored workshops for those inside and outside government - for ministers on how to get the most of their time in office, for officials on how to support their ministers effectively, and for subject specialists on how to engage meaningfully with policy makers. In March 2023, the Institute launched the *Commission on the Centre of Government*, a major new programme of work to look at why No.10, the Cabinet Office and HM Treasury do not always work as well as they should. The Commission will report in February 2024 with concrete recommendations for a confident, proactive, coherently-structured centre of government.

The Centre for Cities

The Centre for Cities is an independent research and policy organisation, chaired by Nigel Hugill and directed by Andrew Carter. The Centre is committed to helping Britain’s cities and large towns improve their economic performance by focusing on the drivers of urban economic success. The Centre produces practical research and policy advice for city leaders, national government and businesses.

REPORT OF THE TRUSTEES (continued)

In late 2022, a report from the Centre and the Resolution Foundation showed that Britain's economy is being held back by an over-centralised, inefficient, and under-resourced system of local government; it proposed that central government should devolve fiscal responsibilities to local authorities, fix fragmented local government structures and boundaries, and ensure local authorities have the resources they need. In early 2023, the Centre released the latest edition of its flagship publication, *Cities Outlook*, which is an annual assessment of the UK's largest urban areas. As well as providing a deep dive into the latest economic data on the UK's cities and largest towns, the 2023 report shines a light on the UK's growing economic inactivity crisis.

The Centre for Science, Technology & Innovation Policy (CSTI)

Based at Cambridge University's Institute for Manufacturing (IfM), CSTI carries out practical policy research exploring what makes national innovation systems effective at translating new science and engineering ideas into technologies, industries and economic wealth. Under the direction of Dr Eoin O'Sullivan, CSTI brings a science and engineering perspective to innovation and industrial policy. During the financial year CSTI continued to carry out projects across its cross-cutting research themes: emerging technology strategy and foresight (innovation 'grand challenges' addressing national industrial/societal priorities); commercialisation of science and technology R&D (programmes and infrastructure); regional innovation policy (building competitive industrial-innovation capabilities); research and innovation institutes (missions and functions); and, international research & innovation (programmes and policies). During the year, two CSTI researchers went on placements within the UK Government Office for Science supporting the Drivers of Technology Needs project, which could inform government, industry and academia on the types of capability cultivation that valorises their technology expertise.

Policy Links (PL)

The Policy Links unit, directed by Dr Carlos López-Gómez, is a not-for-profit consultancy that works with governments and international organisations to develop effective industrial innovation policies based on the latest academic thinking and the study of international best practice. Gatsby supports PL's charitable educational programmes and activities. Also based at IfM, PL works closely with CSTI and with the Babbage Policy Forum under the shared banner of Cambridge Industrial Innovation Policy, which operates at the intersection of technology, innovation and industrial competitiveness. During the reporting period, PL launched the 2023 edition of the *UK Innovation Report*, which combines different types of indicator and data sets to facilitate policy discussions on innovation and industrial performance. In this year's edition, it took a deeper look into the industrial performance of Aerospace and of Food and Drink, two key sectors of the UK economy, which combined account for 10.3% of manufacturing firms, and 22.7% of manufacturing value added in 2020. PL launched the *Horizon Scanning* competition, which asked UK-enrolled students and early career researchers for ideas on what future scenarios policy makers should have on their radar over the next ten to fifty years. Joint first prize winners were Sam Stephenson, Charlotte Guffick (Cambridge) and Dr András Sándor (Oxford). Stephenson and Guffick's winning entry was entitled *Growing pains: new methods of food production to feed the planet in an age of climate breakdown*, while Sandor's explored how *Synthetic embryos could break the idea of a nuclear family and revolutionise medicine by growing replacement organs*. PL also produced two white papers in collaboration with the United Nations Industrial Development Organization (UNIDO) and the World Economic Forum (WEF) on the topics of decarbonisation and industrial strategies, which were launched at the WEF in January 2023 in Davos.

REPORT OF THE TRUSTEES (continued)

The Babbage Policy Forum

The Babbage Policy Forum, chaired by Professor Sir Mike Gregory, aims to provide a unique network and symposia within which to develop novel thinking and insights at the interface of economics, engineering, and management. The Forum's purpose is to inform and underpin industrial policies for economic competitiveness and growth. Based at IfM, the Forum operates under the shared banner of Cambridge Industrial Innovation Policy and works closely with CSTI and PL. During the past year, the Forum released ten reports, covering industrial innovation policymaking in China, France, Germany, Italy, Japan, Korea, Singapore, Sweden, UK and the US. The reports draw on research and interviews with leading policymakers in each country and provide a snapshot of current practices; while the context and approaches of different countries vary significantly, many face similar challenges. Several themes of particular importance to policymakers have been highlighted. The Forum plans to pursue four of these in greater depth in the coming year with a view to identifying effective practices, tools and approaches. They are: institutional ecosystems, policymaking competencies, evaluation and policy learning, and industrial capabilities. The winners of the 2022 Babbage Industrial Innovation Policy Award were Nikhil Kalathil and Afonso Amaral for their paper entitled *National and Sub-National Policy for Domestic Manufacturing Flexibility: A Policy Framework to Incentivize Flexibility Based on Lessons from the COVID-19 Medical Supply Response*.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £7,727,000

Institute for Government - £4,704,000

Towards core costs.

University of Cambridge – £1,134,000

Towards the core costs of Policy Links and of the Centre for Science, Technology and Innovation Policy, and towards research at the Bennett Institute of Public Policy into sectoral productivity across countries.

Centre for Cities - £1,100,000

Towards core costs.

Imperial College, London – £529,000

Towards research into sectoral systems of innovation and the competitiveness of the UK.

Inter Mediate – £250,000

Towards core costs.

Further grant payments totalling £10,000 were also paid in the year.

TOTAL DIRECT PROGRAMME EXPENSES paid this year: £244,000

Babbage Symposium and Professor Mike Gregory support - £244,000

Towards Phase 2 of the Babbage Symposium.

THE GATSBY CHARITABLE FOUNDATION
5 April 2023

REPORT OF THE TRUSTEES (continued)

GENERAL

‘To support on occasion other charitable work which falls outside the Trustees’ main fields of interest.’

PRIME Parkinson research trial

Gatsby is supporting healthcare delivery innovation research entitled ‘Proactive and Integrated Management and Empowerment in Parkinson’s Disease’ (PRIME Parkinson). The main thrust is an integrated care approach that delivers high-quality personalised care to people with Parkinson’s Disease (PD) close to home. This is a dual site activity taking place in the greater Bristol/Bath area in the UK and the greater Nijmegen area in the Netherlands (NL). Over the past year, in the NL, the PRIME intervention has been rolled out in five regions and is being monitored at regular points. A single point of access or service desk for people living with Parkinson’s (PwP), their carers and health care professionals to answer all Parkinson-related questions is operating, along with new IT platforms for communication and sharing between healthcare professionals. Parkinson’s nurses are referring PwP for care that is most convenient or geographically close to them. The retention of participants has been extremely high as a result. PRIME innovations being tested include: a regional service organisation (including extra proactive activities); a digital patient information catalogue; extra capacity and educational training of Parkinson's nurses; and, peer-to-peer meetings of neurologists. In the UK, the core of the PRIME programme is a complex randomised control trial. Participants are being recruited to the trial where they are stratified according to risk derived from their epidemiological study to identify the risk factors for hospital admission amongst PwP in the UK. Crucially this includes patients under-represented in research including those with cognitive impairment that precludes their ability to consent to inclusion. This approach will improve the generalisability of the trial findings to people living with the condition.

Careers in Engineering

Gatsby supported Imperial College London to produce a book to encourage young people to take up a career in engineering. A school kit containing two copies of the book Engineers Making a Difference, posters and teachers guide was distributed to every secondary school in the UK in spring 2023. Videos profiling young engineers were also created, to showcase how fulfilling and important a career as an engineer can be.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £2,275,000

Radboud University Medical Centre - £1,382,000

Towards the Proactive and Integrated Management and Empowerment in Parkinson's Disease (PRIME-Parkinson) programme in partnership with the University of Bristol in the UK.

Imperial College London - £573,000

Towards a project to complete a high-quality book aimed at young people to encourage them to take up a career in engineering.

Prism the Gift Fund - £100,000

Towards the Tessa Jowell Foundation and NHS Tessa Jowell Centres for Excellence in Children

Further grant payments totalling £220,000 were also paid in the year.

THE GATSBY CHARITABLE FOUNDATION
5 April 2023

REPORT OF THE TRUSTEES (continued)

TOTAL DIRECT PROGRAMME EXPENSES paid this year: £5,000

GRANTS CANCELLED

Grants totalling £3,664,000 were cancelled or amended during the year.

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.


Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of its net result for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- 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 the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. 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.

Approved by the Board of Trustees on 2 October 2023 and signed on their behalf by



.....
 Mr J C Burns
 TRUSTEE

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE GATSBY CHARITABLE FOUNDATION**Opinion**

We have audited the financial statements of the Gatsby Charitable Foundation ('the charity') for the year ended 5 April 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and Notes to the Financial Statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2023 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 about the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

THE GATSBY CHARITABLE FOUNDATION
5 April 2023

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE GATSBY CHARITABLE FOUNDATION (*continued*)

Other information

The Trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the 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.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 requires 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 and proper accounting records have not been kept by the charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 20, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the 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.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE GATSBY CHARITABLE FOUNDATION (continued)**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations, are set out below.

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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR).

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

THE GATSBY CHARITABLE FOUNDATION
5 April 2023

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE GATSBY CHARITABLE FOUNDATION (*continued*)

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.

Crowe U.K. LLP

Crowe U.K. LLP
Statutory Auditor
London

13 December 2023

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE GATSBY CHARITABLE FOUNDATION

5 April 2023

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2023

	<i>Notes</i>	Unrestricted Funds	Expendable Endowment	Total Funds 2023	Total Funds 2022
		£'000	£'000	£'000	£'000
INCOME AND ENDOWMENTS FROM:					
Donations and gifts	2	-	75,258	75,258	137,450
Investments	3	14,438	-	14,438	5,268
Total income		14,438	75,258	89,696	142,718
EXPENDITURE ON:					
<i>Raising funds</i>					
Investment management costs	4	-	(874)	(874)	(998)
<i>Charitable activities</i>					
Grant expenditure	5	(134,536)	-	(134,536)	(68,991)
Direct programme costs	6	(15,754)	-	(15,754)	(8,839)
Support costs	7,8	(3,287)	-	(3,287)	(3,208)
Foreign exchange loss		(1,911)	-	(1,911)	(245)
Other operating costs		(-)	-	(-)	(94)
Total cost of grant making		(155,488)	-	(155,488)	(81,377)
Total expenditure		(155,488)	(874)	(156,362)	(82,375)
(Losses)/Gains on investment assets		-	(1,508)	(1,508)	27,001
Net (expenditure)/ income for the year before transfers		(141,050)	72,876	(68,174)	87,344
Transfers between funds	14	141,050	(141,050)	-	-
Net movement in funds		-	(68,174)	(68,174)	87,344
Reconciliation of funds					
Total funds brought forward at 6 April 2022		-	604,395	604,395	517,051
Total funds carried forward at 5 April 2023		-	536,221	536,221	604,395

The notes on pages 28 to 38 form part of these accounts.


THE GATSBY CHARITABLE FOUNDATION

5 April 2023

BALANCE SHEET AS AT 5 APRIL 2023

	<i>Note</i>	2023	2022
		£'000	£'000
FIXED ASSETS			
Tangible fixed assets	9	195	243
Investments	10	597,215	465,384
		<u>597,410</u>	<u>465,627</u>
CURRENT ASSETS			
Debtors	11	7,691	1,395
Cash at bank and in hand		70,406	201,935
		<u>78,097</u>	<u>203,330</u>
LIABILITIES			
Creditors - amounts falling due within 1 year	12	(128,774)	(49,050)
		<u>(50,677)</u>	<u>154,280</u>
NET CURRENT(LIABILITIES)/ASSETS			
		<u>(50,677)</u>	<u>154,280</u>
TOTAL ASSETS LESS CURRENT (LIABILITIES)/ASSETS			
		546,733	619,907
LIABILITIES			
Creditors - amounts falling due after 1 year	13	(10,512)	(15,512)
NET ASSETS			
		<u>536,221</u>	<u>604,395</u>
THE FUNDS OF THE CHARITY			
Capital funds			
Expendable endowment		536,221	604,395
Income funds			
Unrestricted funds		-	-
	14	<u>536,221</u>	<u>604,395</u>

These financial statements were approved and authorised for issue by Trustees on 2 October 2023 and were signed on their behalf by:



Mr J C Burns
TRUSTEE

The notes on pages 28 to 38 form part of these accounts

THE GATSBY CHARITABLE FOUNDATION
5 April 2023

CASH FLOW STATEMENT
FOR THE YEAR ENDED 5 APRIL 2023

	2023	2022
	£'000	£'000
Net cash (used)/provided by operating activities	(62,580)	55,480
Net cash (used)/provided by investing activities	(68,949)	86,173
Change in cash and cash equivalents during the year	(131,529)	141,653
Cash and cash equivalents at the beginning of year	201,935	60,282
Cash and cash equivalents at the end of year	70,406	201,935
Reconciliation of net (expenditure) income to net cash provided by/(used in) operating activities	2023	2022
	£'000	£'000
Net (expenditure)/income for the year (as per the Statement of Financial Activities)	(68,174)	87,344
Gift of investments	(49,952)	(2,200)
Loss/(gains) on investments	1,508	(27,001)
Depreciation charges	49	125
Income from investments (interest and dividends)	(14,438)	(5,268)
(Increase)/decrease in debtors	(6,296)	1,120
Increase in creditors and provisions	74,723	1,360
Net cash (used in)/provided by operating activities	(62,580)	55,480
Net cash (used in)/provided by investing activities	2023	2022
	£'000	£'000
Purchase of fixed assets	-	-
Purchase of investments	(454,268)	(34,970)
Income from investments	14,438	5,268
Proceeds from sale of investments	370,881	115,875
Net cash (used in)/provided by investing activities	(68,949)	86,173
Cash and cash equivalents	Change in year	2023
	£'000	£'000
Cash at bank and in hand	(128,873)	69,854
Cash balances held by investment managers	(2,656)	552
	(131,529)	70,406
		2022
		£'000
		198,727
		3,208
		201,935

The notes on pages 28 to 38 form part of these accounts.

THE GATSBY CHARITABLE FOUNDATION

5 April 2023

NOTES TO THE ACCOUNTS

1. PRINCIPAL ACCOUNTING POLICIES

a) Basis of preparation and consolidation

The financial statements have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

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 Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014.

Gatsby constitutes a public benefit entity as defined by FRS102.

In the view of the Trustees, there are no material uncertainties casting doubt on the going concern of the charity. The value of the investment portfolio has reduced by approximately £1.6 million in comparison to the end of the previous financial year. Gatsby's endowment assets remain significant, and this, together with future investment income that is generated, will continue to be paid out to approved beneficiaries in accordance with the objectives of the charity.

b) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and any provision for impairments in value. Fixed assets are depreciated at rates which reflect their useful lives to Gatsby. The following rates have been used:

Leasehold improvements	- over the remaining lifetime of the lease
Equipment	- 10-33% straight line

c) Income

- (i) Donations are shown gross which includes the associated tax credit unless the tax so deducted is considered irrecoverable.
- (ii) Dividends are included by reference to their due dates.
- (iii) Interest is recorded on an accruals basis.

d) Grants payable

Grants for which there is a legal obligation, or a valid expectation of receipt by the beneficiary at the year end, and for which conditions attaching to their payment have been fulfilled, are accounted for within the Statement of Financial Activities. Grants approved subject to conditions that have not been met at the year end are not accrued (see note 5).

e) Investments

Net realised and unrealised gains and losses are reflected in the Statement of Financial Activities. Investments are shown at mid market value. Partial disposals are accounted for using average book value. Unquoted investments which represent programme related investments are carried at cost less provision for impairment where required (See note 11).

f) Support costs

These costs support predominantly the grant-making activity of Gatsby. Such costs include a share of the staff and office costs of the joint office of the Sainsbury Family Charitable Trusts, which are allocated in proportion to time spent on Gatsby matters and grants paid.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include fees for statutory audit, legal fees where relevant, together with an allocation of support costs.

THE GATSBY CHARITABLE FOUNDATION

5 April 2023

NOTES TO THE ACCOUNTS (continued)

1. PRINCIPAL ACCOUNTING POLICIES (continued)

g) Fund accounting

Details of the nature and purpose of each fund is set out in note 16.

h) Pension costs

Gatsby has a money purchase scheme for qualifying employees. Pension costs charged to the Statement of Financial Activities represent the contributions payable by Gatsby in the year (See Note 8).

i) Foreign currencies

Foreign currency transactions are translated into sterling at the rate prevailing at the time of the transaction. Balance sheet items are translated using the year end rate of exchange. Foreign exchange gains and losses resulting from the settlement of transactions and from translation using year end rates of exchange, are recognised in the Statement of Financial Activities.

j) Financial instruments

Gatsby has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand, together with accrued interest and other debtors. Financial liabilities held at amortised cost comprise grants payable and accruals. Investments, including bonds held as part of an investment portfolio, are held at fair value at the balance sheet date, with gains and losses being recognised within income and expenditure.

At the balance sheet date the Charity held financial assets at fair value of £597,215,000 (2022: £465,384,000).

k) Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand, cash held for reinvestment and short term deposits.

l) Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in note 1, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, the critical judgments that have been made at arriving at the amounts recognised in the financial statements and the key estimation uncertainty that has a significant risk of causing a material adjustment to the carrying values of assets and liabilities in the next financial year are as follows:

Impairment of programme related investments.

The carrying values of these investments are reviewed for impairment only when events or circumstances arise which may indicate impairment. Assessment is made initially in relation to the investments ability to continue to operate and deliver charitable benefit, the net asset values of the companies involved, and the consideration of budgets and any wider economic factors.

THE GATSBY CHARITABLE FOUNDATION

5 April 2023

NOTES TO THE ACCOUNTS (continued)

1. PRINCIPAL ACCOUNTING POLICIES (continued)

m) Provisions for liabilities and charges

Provisions for liabilities and charges are made when a present obligation has arisen as a result of a past event, payment is probable, and the amount can be estimated reliably.

2. GRANTS AND DONATIONS

Gatsby received donations from the Settlor during the year totalling £75,258,000 (2022: £137,450,000).

3. INVESTMENT INCOME

Income received on investments may be analysed as follows:

	2023		2022	
	£'000	%	£'000	%
UK equities	5,199	36	2,977	56
Overseas equities	1,969	14	1,513	29
Short term deposits	7,237	50	778	15
Bank interest	33	-	-	-
	14,438	100	5,268	100

4. COST OF RAISING FUNDS

Fund raising costs comprise the fees of investment managers. Investment management fees amount to £874,000 (2022: £998,000). The Trustees are of the opinion that these costs contribute to the generation of a total return on the investment portfolio and, as such, have charged the Expendable Endowment with these fees.

5. GRANTS PAYABLE

	2023		2022	
	£'000	£'000	£'000	£'000
Reconciliation of grants payable:				
Commitments at 6 April 2022		63,809		59,607
Grants not accrued at 6 April 2022	80,557		82,162	
Grants approved in the year	140,599		70,754	
Grants cancelled, refunded or amended	(966)		(3,368)	
Grants not accrued at 5 April 2023	(85,654)		(80,557)	
Grants expenditure for the year		134,536		68,991
Grants paid during the year		(59,539)		(64,789)
Commitments at 5 April 2023		138,806		63,809

THE GATSBY CHARITABLE FOUNDATION

5 April 2023

NOTES TO THE ACCOUNTS (continued)

5. GRANTS PAYABLE (continued)

Commitments at 5 April 2023 are payable as follows:

	2023	2022
	£'000	£'000
Within one year (note 13)	128,294	48,297
After more than one year (note 14)	10,512	15,512
	138,806	63,809

The Trustees had appointments with the following organisations which received grant funding during the year:

Mr J C Burns	– Centre for Cities, Gatsby Africa, Gatsby Technical Education Projects, Sainsbury Institute for the Study of Japanese Arts and Cultures, Sainsbury Research Unit for the Arts of Africa, Oceania & the Americas, Sainsbury Centre Endowment Fund
Sir Andrew Cahn KCMG	– The Institute for Government
Miss J S Portrait OBE	– Gatsby Africa, Gatsby Technical Education Projects, Sainsbury Institute for the Study of Japanese Arts and Cultures (as Trustee of HON & V Trustee Limited), Sainsbury Research Unit for the Arts of Africa, Oceania & the Americas (as Trustee of HON & V Trustee Limited), Sainsbury Archive, Sainsbury Centre Endowment Fund
Ms A L Sainsbury Price	– True Colours Trust

Commitments

In addition to the amounts committed and accrued noted above, the Trustees have also authorised certain grants which are subject to the recipient fulfilling certain conditions relating to the delivery of the grant-funded activities.

The total amount authorised but not accrued as expenditure at 5 April 2023 was £85,654,000 (2022: £80,557,000). Of this total, £36,853,000 will be payable during 2024/25 and £30,130,000 during 2025/26.

The amount payable during 2023/24 includes the following: £'000

Neuroscience

University College London – Sainsbury Wellcome Centre for Neural Circuits and Behaviour	17,000
University College London - Gatsby Computational Neuroscience Unit	3,837
Columbia University – New York	710
Cajal Advanced Neuroscience Training Programme	449
Stanford University	416
Hebrew University of Jerusalem	345
British Neuroscience Association	160
University of Cambridge – Institute of Brain and Mind Health	95
Other grants	152

Plant Science

The Sainsbury Laboratory – Norwich	6,407
University of Cambridge – the Sainsbury Laboratory	5,745
2Blades Foundation	544
Cambridge Network	400
Other grants	22

Science and Engineering Education

Gatsby Technical Education Projects	2,421
Engineers in Business Fellowship (formerly Sainsbury Management Fellows' Society)	1,072
Smaller grants	163

Africa

Gatsby Africa	18,350
The Wood Foundation	903

THE GATSBY CHARITABLE FOUNDATION

5 April 2023

NOTES TO THE ACCOUNTS (continued)

5. GRANTS PAYABLE (continued)	£'000			
Arts				
Chamber Orchestra of Europe	750			
Royal Shakespeare Company	500			
Sainsbury Institute for the Study of Japanese Art and Culture	477			
Clore Duffield Foundation	130			
Sainsbury Centre for Visual Arts	53			
Smaller grant	17			
Public Policy				
Institute for Government	5,253			
Centre for Cities	1,100			
University of Cambridge - Institute for Manufacturing	828			
Imperial College, London	637			
University of Cambridge, King's College	150			
Bennett Institute for Public Policy	139			
General				
Backstage Trust	20,000			
Three Guineas Trust	20,000			
True Colours Trust	10,000			
Indigo Trust	5,000			
Parkinson's UK	1,600			
Raboud University Medical Centre	1,224			
St Mark's Hospital, London	920			
Smaller grants	325			
Total due within one year (Note 13)	128,294			
6. DIRECT PROGRAMME EXPENSES				
	2023	2022		
	£'000	£'000		
Science and Engineering Education	12,302	6,838		
Plant Science	3,198	1,822		
Public Policy	244	158		
Neuroscience	5	-		
Other	5	21		
	15,754	8,839		
7. SUPPORT COSTS				
	Charitable	Governance	2023	2022
	Activities		Total	Total
	£'000	£'000	£'000	£'000
Staff costs	1,750	-	1,750	1,150
Share of joint office costs	885	-	885	1,179
Direct costs including travel, consultancy, legal and professional fees	565	-	565	721
Depreciation	49	-	49	125
	3,249	-	3,249	3,175
Auditors' remuneration	-	38	38	33
	3,249	38	3,287	3,208

THE GATSBY CHARITABLE FOUNDATION

5 April 2023

NOTES TO THE ACCOUNTS (continued)

7. SUPPORT COSTS (continued)

Audit fees include irrecoverable VAT of £6,367 (2022: £5,476). Included within grant-related support costs is a total of £80,496 (2022: £222,000) for legal services provided by Portrait Solicitors, a firm in which Miss J S Portrait OBE was then a partner.

8. ANALYSIS OF STAFF COSTS

	2023	2022
	£'000	£'000
Wages and salaries	1,459	956
Social security costs	188	109
Other pension costs	103	85
	1,750	1,150

The average number of employees within the charity was as follows

	2023	2022
	No.	No.
Charity	4	3

The number of employees whose earnings in relation to time spent on Gatsby's affairs exceeded £60,000 p.a. excluding pension contributions was:

	2023	2022
	No.	No.
£60,000-70,000	1	-
£80,000 - £90,000	-	1
£90,000 - £100,000	2	-
£140,000 - £150,000	-	1
£280,000 - £290,000	1	-

As mentioned in Note 1a, Gatsby is one of the Sainsbury Family Charitable Trusts which share a joint administration at the Registered Office. 20.5% of the total support and administration costs of these trusts have been allocated to the Gatsby Charitable Foundation, including a proportionate share of the costs of employing the total number of staff serving in the office in 2022/23.

Staff costs equivalent to 8 staff (2022: 10) were charged to Gatsby during the year under joint administration arrangement, with some being on a part-time basis. This equates to 3.6 full-time employees (2022: 3.2).

The Trust considers its key management personnel to comprise of 4 staff (2022: 4). The total employment benefits, including employer pension contributions, of these key management personnel, were £631,000 (2022: £302,000).

One Trustee had travel expenses of £5,020 paid during the year (2022: £4,852).

THE GATSBY CHARITABLE FOUNDATION

5 April 2023

NOTES TO THE ACCOUNTS (continued)

8. ANALYSIS OF STAFF COSTS (continued)

Mr P Hesketh and Mrs K Everett were appointed as Trustees of Gatsby Africa in January 2023 to enable its better administration and, in particular, to facilitate compliance with the requirements of the Ugandan National Bureau for Non-Governmental Organisations in connection with the registration of Gatsby Africa's Ugandan branch. Gatsby Charitable Foundation has met staff costs of £209,000 (2022: £Nil) apportioned under joint administration arrangements for executive services provided by Mr P Hesketh and Mrs K Everett to Gatsby Africa, and will continue to do so for the duration of the appointments.

Amounts paid by Gatsby Charitable Foundation in connection with executive services on behalf of Gatsby Africa were:

	P Hesketh	K Everett	2023	2022
	£'000	£'000	£'000	£'000
Wages and salaries	133	49	182	-
Social security costs	19	7	26	-
Other pension costs	-	1	1	-
	152	57	209	-

9. TANGIBLE FIXED ASSETS

	Leasehold Improvements	Equipment	Total
	£'000	£'000	£'000
Cost			
At beginning and end of year	1,106	34	1,140
Depreciation			
At beginning of year	862	34	896
Charge for the year	49	-	49
At end of year	911	34	945
Net book value 5 April 2023	195	-	195
Net book value 5 April 2022	243	-	243

Leasehold improvements consist of Gatsby's share of the cost of refurbishment of leasehold premises at The Peak, 5 Wilton Road, London SW1.

10. FIXED ASSET INVESTMENTS

Term deposits	2023	2022
	£'000	£'000
Market value 6 April 2022	123,120	201,703
Disposals	(248,958)	(99,474)
Acquisitions at cost	412,478	16,603
Net gains on investments	188	4,288
Market value 5 April 2023	286,828	123,120

THE GATSBY CHARITABLE FOUNDATION

5 April 2023

NOTES TO THE ACCOUNTS (continued)

Other investments	2023	2022
	£'000	£'000
Market value 6 April 2022	342,263	315,384
Disposals	(121,833)	(16,402)
Acquisitions at cost	41,790	18,368
Gift of shares	49,952	2,200
Net (losses)/gains on investments	(1,785)	22,714
Market value 5 April 2023	310,387	342,264

Total disinvestments from fixed asset investments during the year to meet operating cash requirements amounted to £59,000,000 (2022: £70,000,000).

The investments held as at 5 April 2023 were as follows:

	2023		2022	
	Cost	Market Value	Cost	Market Value
	£'000	£'000	£'000	£'000
U.K. equities	160,626	214,264	155,750	212,843
Overseas equities	79,323	96,123	99,839	129,421
Overseas equities – unquoted	2,581	-	2,581	-
Other investments	242,530	310,387	258,170	342,264
Term deposits	286,864	286,828	123,065	123,120
Total fixed asset investments	529,394	597,215	381,235	465,384

UK equities held at 5 April 2023 has the following market values:

	2023	2022
	£'000	£'000
Trojan Investment Funds	87,459	89,234
LF Ruffer Funds	87,463	70,127
J Sainsbury plc	33,961	30,711
Other UK equities	5,381	22,771
	214,264	212,843

Overseas equities - unquoted principally comprises programme related investments to provide both equity finance and loans to small and medium sized enterprises in the agricultural sector in East Africa, and similar investments to improve overall employment opportunities, and support sector development. Gatsby is exiting its programme related investments, from which Gatsby received redemption proceeds during the year of £nil (2022: £Nil).

Term deposits include Lloyds Bank and Natwest Bank money market deposits and a treasury facility with Barclays Bank which at 5 April 2023 had a market value of £284,000,000 (2022: £115,000,000).

11. DEBTORS

	2023	2022
	£'000	£'000
Gift Aid receivable	-	425
Other debtors	2,128	970
Accrued income	5,563	-
	7,691	1,395

THE GATSBY CHARITABLE FOUNDATION

5 April 2023

NOTES TO THE ACCOUNTS (continued)

12. CREDITORS - amounts falling due within 1 year

	2023	2022
	£'000	£'000
Grants payable (note 5)	128,294	48,297
Trade creditors	124	237
Other creditors	291	503
Accruals and deferred income	65	13
	128,774	49,050

13. CREDITORS - amounts falling due after more than 1 year

	2023	2022
	£'000	£'000
Grant payable (note 5)	10,512	15,512

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Fund	Expendable Endowment	Total Funds 2023
	£'000	£'000	£'000
Fund balances at 5 April 2023 are represented by:			
Tangible fixed assets	-	195	195
Investments	-	597,215	597,215
Current assets	-	78,097	78,097
Current liabilities	-	(128,774)	(128,774)
Long term liabilities	-	(10,512)	(10,512)
	-	536,221	536,221
Movement in the year			
Opening balance as at 5 April 2022		604,395	604,395
Total income and endowments	14,438	75,258	89,696
Cost of raising funds	-	(874)	(874)
Cost of grant-making	(155,488)	-	(155,488)
Net gain on investments	-	(1,508)	(1,508)
Transfers between funds	141,050	(141,050)	-
	-	536,221	536,221
Closing balance as at 5 April 2023			

THE GATSBY CHARITABLE FOUNDATION

5 April 2023

NOTES TO THE ACCOUNTS (continued)

15. CONTINGENT LIABILITIES AND GUARANTEES

Gatsby has indemnified the Trustees of two Settlements which donated assets to Gatsby against any claims which may be brought against the Trustees of the Settlements. The Indemnity is limited to the value of the funds at the time the donations were made which totalled £18.15 million, and security has been provided by Gatsby for the same amount.

Gatsby acts as guarantor for certain property leasehold arrangements on behalf of the Sainsbury Family Charitable Trusts (for which Gatsby has received counter-indemnities). Gatsby has provided undertakings in connection with funds it has received from third parties.

16. FUNDS

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

Restricted funds comprise those funds held by Gatsby which can be used solely for the purpose which they were given.

Expendable Endowment represents those assets held by the Trustees principally in investments. Income arising on the expendable endowment fund can be used in accordance with the objects of the charity and is included as unrestricted income. Investment management charges are charged against the fund. The fund is available to meet grant commitments as the Trustees may see fit.

Material transfers between funds

Transfers have been made from expendable endowment to eliminate the deficit on unrestricted funds where the deficit is considered to be non-reversing with regard to Gatsby's normal grant making.

17. COMPARATIVE ANALYSIS OF NET ASSETS BETWEEN FUNDS AS AT 5 APRIL 2022

	<i>Unrestricted Fund</i>	<i>Expendable Endowment</i>	<i>Total Funds 2022</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Fund balances at 5 April 2022 are represented by:			
Tangible fixed assets	-	243	243
Investments	-	465,384	465,384
Current assets	-	203,330	203,330
Current liabilities	-	(49,050)	(49,050)
Long term liabilities	-	(15,512)	(15,512)
Provisions	-	-	-
	-	604,395	604,395
Movement in the year			
Opening balance as at 5 April 2021	-	517,051	517,051
Total income and endowments	5,268	137,450	142,718
Cost of raising funds	-	(998)	(998)
Cost of grant-making	(81,132)	-	(81,132)
Net losses on investments	-	27,001	27,001
Foreign exchange movement	-	(245)	(245)
Transfers between funds	75,864	(75,864)	-
Closing balance as at 5 April 2022	-	604,395	604,395

THE GATSBY CHARITABLE FOUNDATION
5 April 2023

NOTES TO THE ACCOUNTS (continued)

18. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2022

	<i>Note</i>	<i>Unrestricted Funds</i>	<i>Expendable Endowment</i>	<i>Total Funds 2022</i>
		<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
INCOME AND ENDOWMENTS FROM:				
Donations and gifts	2	-	137,450	137,450
Investments	3	5,268	-	5,268
Total income		5,268	137,450	142,718
EXPENDITURE ON				
<i>Raising funds</i>				
Investment management costs	4	-	(998)	(998)
<i>Charitable activities</i>				
Grant expenditure	5	(68,991)	-	(68,991)
Direct programme costs	6	(8,839)	-	(8,839)
Support costs	7,8	(3,208)	-	(3,208)
Other operating costs	9	(94)	-	(94)
Total cost of grant making		(81,132)	-	(81,132)
Total expenditure		(81,132)	(998)	(82,130)
Gains on investment assets		-	27,001	27,001
Net income/(expenditure) for the year before transfers		(75,864)	163,453	87,589
Transfers between funds		75,864	(75,864)	-
Net income/(expenditure) for the year after transfers		-	87,589	87,589
Other recognised gains and losses				
Foreign exchange gains/(losses)		-	(245)	(245)
Net movement in funds		-	87,344	87,344
Reconciliation of funds				
Total funds brought forward at 6 April 2021		-	517,051	517,051
Total funds carried forward at 5 April 2022		-	604,395	604,395

THE GATSBY CHARITABLE FOUNDATION

England & Wales - Charity number 251988

Accounts

THE GATSBY CHARITABLE FOUNDATION

ANNUAL REPORT

5 APRIL 2022

The Peak
5 Wilton Road
LONDON SW1V 1AP

THE GATSBY CHARITABLE FOUNDATION
5 April 2022

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THE GATSBY CHARITABLE FOUNDATION

5 April 2022

REPORT OF THE TRUSTEES

Legal and Administrative

The Gatsby Charitable Foundation (Gatsby) was established under a Trust Deed dated 17 March 1967 and is registered with the Charity Commission under No. 251988.

Settlor	Lord Sainsbury of Turville	
Trustees	Mr J C Burns Sir Andrew Cahn KCMG Miss J S Portrait OBE	
Registered Office	The Peak, 5 Wilton Road London SW1V 1AP	
Principal Officers	Mr P Hesketh Mr J Highstead Mr J Searancke Mr N Thomas Mr G Wilson	Chief Executive Officer Executive Head of Finance Executive Executive
Bankers	Child & Co, 1 Fleet Street, London EC4Y 1BD	
Solicitors	Portrait Solicitors (until 31 July 2022), now 21 Whitefriars Street London EC4Y 8JJ	BDB Pitmans LLP (from 1 August 2022) 1 Bartholomew Close London EC1A 7BL
	SNR Denton LLP 1 Fleet Place London EC4M 7WS	
Auditor	Crowe U.K. LLP 55 Ludgate Hill, London EC4M 7JW	
Investment Advisers	Sarabaite Limited Lower Mill, Kingston Road, Ewell, Surrey KT17 2AE	
Investment Managers	Troy Asset Management Limited Brookfield House, 44 Davies Street, London W1K 5JA	
	Cooke & Bieler, L.P. 1700 Market Street, Suite 3222, Philadelphia, USA	
	Tweedy Browne Company LLC 350 Park Avenue, New York, NY 10022, USA	
	Devon Equity Management Limited 123 Victoria Street, London, SW1E 6DE	

REPORT OF THE TRUSTEES (continued)

Legal and Administrative (continued)

Investment Powers

The Trust Deed empowers the Trustees to appoint investment advisers, who have discretion to invest the funds of Gatsby within guidelines established by the Trustees.

Objects

The objects of Gatsby as given in the Trust Deed are for general charitable purposes.

Organisation

Gatsby is one of the Sainsbury Family Charitable Trusts (SFCT), which share a common administration. The remuneration of the senior staff (including key management personnel) is reviewed by the Trustees on an annual basis taking into account the requirements of their role and performance during the year. From time to time the SFCT Management Committee benchmarks pay levels against the comparable positions in similar organisations.

Objectives

The Trustees' objectives within their current fields of interest are:

- **Plant Science**, to develop basic research in fundamental processes of plant growth and development and molecular plant pathology, and to encourage young researchers in the field of plant science in the UK.
- **Neuroscience**, to support world-class research in the area of neural circuits and behaviour and theoretical neuroscience, and to support activities which enhance understanding in these fields.
- **Science and Engineering Education**, to strengthen science and engineering skills in the UK by developing and enabling innovative programmes and informing national policy.
- **Africa**, to promote economic development in East Africa that benefits the poor through supporting the growth and sustainability of key sectors.
- **The Arts**, to support the fabric and programming of institutions with which Gatsby's founding family has connections.
- **Public Policy**, to support: the Institute for Government as an independent centre available to politicians and the civil service focused on making government more effective; the Centre for Cities, which provides practical research and policy advice that helps cities understand how they can succeed economically; and independent research organisations which provide evidence based advice to policy makers.

The Trustees occasionally support other charitable work which falls outside their main fields of interest.

THE GATSBY CHARITABLE FOUNDATION

5 April 2022

REPORT OF THE TRUSTEES (continued)

Within these categories the Trustees make grants in support of work which they judge to have particular merit. Many of their grants fund projects which Gatsby has helped to initiate. It is the policy of the Trustees to evaluate programmes and projects rigorously and carefully, and to assess when the evaluations should most usefully take place.

Generally, the Trustees do not make grants in response to unsolicited applications or to individuals.

Statement on Public Benefit

Trustees are aware of the Charity Commission's guidance on Public Benefit and confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have regard to it. They consider that the information set out in this annual report about the objects, activities and achievements in the many areas of interest that Gatsby supports demonstrates the benefit to its beneficiaries, and through them to the public.

Charity Governance

Trustees are aware of the Charity Governance Code published in 2017 (refreshed in 2021) which sets out the principles and recommended practice for good governance within the sector. The Charity has reviewed its governance arrangements against the principles within the code and believes that it is compliant with the code whilst maintaining its need to operate its governance efficiently.

Trustees make sure that decision-making processes are informed, rigorous and timely, and that effective delegation, control, risk-assessment, and management systems are set up and monitored. Except for those matters specifically reserved for Trustees, decisions concerning the day to day operation of the Charity are delegated to the Principal Officers, who have implemented suitable financial and related controls and reporting arrangements to make sure Trustees oversee delegated matters.

The Charity's Trustees are also trustees of other charities. Details about other charities for which the Trustees also act as trustee may be found on the Charities Commission website.

Appointment and Powers of Trustees and Management

As per the Gatsby Charitable Foundation Trust Deed, the statutory powers of appointing Trustees are vested in the Settlor during his life. The Trust Deed enables the Trustees to delegate certain powers. Trustees are provided with relevant information relating to their responsibilities as Trustees.

Financial overview of the past year

Gatsby received total income of £142.7 million during the year, including further gifts from the Settlor of £137.5 million. Gatsby received £5.2 million of dividends and interest income from its investment portfolio, a slight reduction in comparison to the £5.4 million of investment income received in the previous year.

This income was used to meet the Charity's grant expenditure of £69.0 million, charitable programme costs of £8.8 million and other operating expenditure of £4.3 million. The market value of Gatsby's investment portfolio increased by £27.0 million in comparison with the previous financial year, which together with the net result from charitable activities, added £87.3 million to Gatsby's expendable endowment that is available for grant making.

THE GATSBY CHARITABLE FOUNDATION

5 April 2022

REPORT OF THE TRUSTEES (continued)

The investment portfolio of Gatsby has increased in market value by £27.0 million in comparison with the previous year, with the total value of the portfolio at year end at £465.4 million. Gatsby has benefited from strong equity returns during the financial year that have been heavily influenced by monetary policy or fiscal stimulus. The Trustees have therefore taken the opportunity to protect the portfolio by placing investible cash in funds offering traditional downside protection.

Trustees are concerned about the uncertain macro-environment caused in particular by rising inflation and the war in Ukraine. In view of such conditions emphasis remains in preserving capital, achieving competitive real returns, and managing cash. Trustees expect investment income receivable by Gatsby is very likely to be substantially lower going forward.

Nevertheless Gatsby's endowment assets remain significant, and this, together with future investment income that is generated, will continue to be paid out to approved beneficiaries in accordance with the objectives of the charity.

Trustees approved grants amounting to £70.8 million during the year, and made payments of £64.8 million covering some of these grants and other grants approved in earlier years. In addition, payments of £8.8 million were made in relation to directly managed charitable programmes. Gatsby has significant unpaid grant commitments at year end totalling £63.8 million, of which £48.3 million is due to be paid within one year.

It is the intention of the Trustees to spend out the assets of Gatsby. Grant making over the next two to three years is likely to be maintained at a significant level. Consequently, Gatsby had short term deposits and cash at bank of £325.1 million at the year end.

Trustees met three times during the year and used virtual communication tools as necessary to approve grants.

Future plans

For the immediate future Trustees expect to continue to support long standing major beneficiaries and to continue making grants throughout the year in the areas in which they are interested, as detailed in the objectives section earlier in this report.

Reserves policy

The Trustees treat their expendable endowment and unrestricted funds totalling £604.4 million (*2021: £517.1 million*) as a single resource for grant-making, and do not consider it necessary to maintain a particular level of income reserves.

A transfer of £75.9 million (*2021: £55.4 million*) has been made from the expendable endowment to unrestricted funds to cover the deficit of income that arises as a result of grant and operating expenditure charged against unrestricted income.

Risk assessment

The Trustees have examined the major strategic, business and operational risks to which Gatsby may be exposed. Through the joint office of the Sainsbury Family Charitable Trusts, adequate systems are in place to meet such potential risks as the Trustees have identified in the context of their grant-making.

REPORT OF THE TRUSTEES (continued)

The Trustees have evaluated that a major risk faced by Gatsby is that grant payments may not be applied for the charitable purposes for which they were awarded. To mitigate this risk the Trustees have implemented a rigorous, proportionate set of governance procedures which considers whether programmes and activities of the organisation which are to be the recipients of payments are aligned with the charitable objectives of Gatsby. During implementation of these programmes there is a series of performance reviews which checks, amongst other matters, that the funding paid has been and/or continues to be applied to programme outputs approved originally.

The Trustees, in consultation with and on the advice of their Investment Advisers, maintain a diverse and balanced portfolio to mitigate so far as possible against adverse risks affecting the overall value of the investment portfolio so that Gatsby can continue to pay approved grants to its beneficiaries. In particular, a high proportion of the investment portfolio is held in cash, and the diversified investment portfolio is professionally managed.

The Trustees regularly review investment strategy and monitor financial performance.

Fundraising

The Charity and its Trustees are fully aware of the requirements and duties set out in the Charities (Protection and Social Investment) Act 2016. Gatsby does not raise funds from the public and as such has no fundraising activities requiring disclosure.

Investment policy and performance

The Trustees maintain a diverse and balanced investment portfolio. The Trustees hold cash and near cash investments that equate approximately to at least three years of grant expenditure, which should avoid a forced sale of investments should investment markets deteriorate.

Active investment and cash management ensured that a return above normally available market rates was achieved in the previous financial year. Trustees seek to maximise yields received from cash deposits throughout the year.

Trustees met twice during the year with its investment advisers to discuss strategy and review the performance of the investment portfolio.

CHARITABLE ACTIVITIES

Gatsby was established in 1967 by David Sainsbury (Lord Sainsbury of Turville). Gatsby acts as the enabler for projects, developing, overseeing and, in some cases, delivering activities across a small number of focus areas where the Trustees believe charitable funding can secure significant impact. Gatsby's commitment to these areas dates back many years, as Trustees understand that long-term investment and development are often needed to secure significant, sustainable change. Each of Gatsby's focus areas presents different challenges and each demands different models of support, intervention and evaluation. However, some common characteristics can be identified across the different areas.

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REPORT OF THE TRUSTEES (continued)

Across all of Gatsby's programmes the Trustees aim to secure maximum impact with a minimum of bureaucracy. To this end, as well as limiting itself to a small range of fields, Gatsby also adopts a tight focus within each programme area. Trustees are very aware that across even narrowly-defined fields such as plant science or neuroscience research there will never be a shortage of need, and spreading support too thinly risks a disproportionate reduction in impact.

Gatsby takes a proactive approach to both grant-making and directly managed programmes in its respective areas of focus. Rather than awaiting proposals from third parties, Gatsby identifies areas for action and builds hypotheses for action which can then be tested in the field. Where such tests are successful the intention is that such action is then scaled up and rolled-out. Such hypotheses are informed both by knowledge of the field in question (drawing on the experience of Trustees, expert advisers and staff) and by previous experience of what type of intervention is most likely to work. Where available, independent evaluation evidence is also fed into this process.

While rigorous research from the outset can greatly reduce the chance of failure, underlying Gatsby's approach is an acceptance that not all projects will be successful if innovation is to be fostered. This is especially true of proof-of-principle initiatives which seek novel solutions to stubborn problems. Trustees are therefore willing to take calculated risks with their charitable expenditure in situations where there clearly exists significant potential for positive impact.

This report describes Gatsby's aims in its main areas of interest and gives an indication of how Gatsby pursued them over the last 12 months. More detailed information can be found at www.gatsby.org.uk

PLANT SCIENCE

“To develop basic research in fundamental processes of plant growth and development and molecular plant pathology, and to encourage young researchers in the field of plant science in the UK.”

Gatsby's work in support of plant science seeks to nurture, sustain and increase the number of high-quality researchers for fundamental studies in plant biology. The programme aims to inspire an interest and excitement in plant science at all levels – from school students to graduate researchers – while also attracting world class talent to the UK by creating centres of excellence in the field.

Sainsbury Laboratory Cambridge University (SLCU)

Gatsby's largest ever commitment in plant science funded the building of a state-of-the-art research institute, the Sainsbury Laboratory Cambridge University (SLCU), which opened in 2011. Set within the inspirational grounds of the University's Botanic Garden, the aim of the Laboratory is to elucidate the regulatory systems underlying plant growth and development. During the reporting period a new career development fellow, Dr Renske Vroomans, joined SLCU. Her group will use mathematical models to simulate millions of years of plant evolution and how the accumulation of mutations leads to new organs. This will give a broader understanding of the evolutionary design principles behind plant development. Gatsby carried out a five-yearly comprehensive review of the Laboratory in June 2021. The international review panel felt the quality of the science was outstanding with a very strong and effective balance of experimental work with theory and modelling, with many collaborations between groups of different expertise. Following this very successful review, Gatsby renewed core funding for a further five-year research cycle from January 2022.

REPORT OF THE TRUSTEES (continued)

The Sainsbury Laboratory (TSL)

Since 1987 Gatsby has supported The Sainsbury Laboratory (TSL) at the Norwich Research Park to investigate how plants defend themselves against microbes that cause disease, and conversely how microbes manipulate host plants and cause disease. Over these three decades TSL has built an outstanding international reputation for scientific excellence. Over the past year, TSL launched a new MSc programme in Global Plant Health with a focus not only on the fundamental science underpinnings, but also agricultural technology, knowledge transfer and business practices. The first intake of students arrived in October 2021, including three new David Sainsbury International Scholars from India, Thailand and the Philippines. The latest advances at TSL include the discovery that plant immunity requires two-step detection of invading microbes, and this leads to a robust immune response producing protection from disease. These fundamental discoveries inform how resistant crop varieties could be engineered in future. TSL scientists are also studying the developmental biology of fungal pathogens that cause some of the most devastating plant diseases such as the blast fungus. Based on this work, field testing of new rice blast-resistant varieties is under way in sub-Saharan Africa.

2Blades Foundation (2Blades)

Gatsby provides core support to the 2Blades Foundation, a charitable organisation that supports the development of crops with durable disease resistance and promotes their deployment in agriculture worldwide, with a particular aim to benefit developing countries. Research supported by 2Blades and recently published in *Nature Plants* identified promising resistance and avirulence genes that could help fight a devastating stem rust fungus that attacks wheat crops and threatens global food security. These gene discoveries will help wheat growers defend against this disease. This is particularly important in lower income countries where the fungicides may be expensive or unavailable. Building on their existing research collaboration, 2Blades are establishing a new 2Blades' research hub within the University of Minnesota to develop a programme based on genetic resistance in corn, with the aim of delivering resistant varieties for smallholder farmers in Africa and larger commercial operations elsewhere.

Gatsby Plant Science Research Network

Gatsby further supports excellence in plant science in the UK through a suite of activities overseen by the Gatsby Plant Science Advisers. The Gatsby Plant Science Network consists of Gatsby-funded undergraduates, postgraduates, postdocs and alumni, with mentors chosen from UK universities with teaching and research interests in plant science. Two new Sainsbury PhD students started their research training in the previous period. Katie Long will look at carpel development to engineer novel variation for improved wheat yields at the John Innes Centre; and William Davis will research the circadian regulation of inter-individual variability in gene expression at SLCU. The 2022 training weekend for the PhD students was held in person in Cambridge in early April with sessions on drafting papers and applications, and presenting posters and communicating research to different audiences; the plenary talk was delivered by the Deputy Director General of the European Molecular Biology Laboratory, Professor Ewan Birney FRS on *Big data in biology: Lessons from plants and the pandemic*.

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REPORT OF THE TRUSTEES (continued)

Gatsby Plant Science Education Programme (GPSEP)

The GPSEP aims to improve the teaching and learning of plant science at all ages, engaging and inspiring the next generation of plant scientists through projects in both schools and higher education. The programme is overseen by SLCU and the Cambridge University Botanic Garden. The Gatsby Plant Science Summer School was held online in June 2021. Over four days, 166 first-year bioscience undergraduates attended five keynote talks, three tutorials and four interactive practical workshops showcasing the exciting research in and potential of plant science. The Science and Plants for Schools (SAPS) website is being redeveloped to enable greater access and versatility to this core resource for teachers. Appealing directly to the student audience they have also developed a greater presence on social media platforms and continued with the development of the new *Plant Science Futures* website for post-16 to undergraduate age students.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £12,482,000

University of Cambridge - £8,411,000

Towards research activities and core costs at the Sainsbury Laboratory; the provision of Gatsby Fellowships to Principal Investigators at the Sainsbury Laboratory; and start-up funding for new lecturers in the Department of Plant Sciences.

Sainsbury Laboratory - Norwich - £3,145,000

Towards core and research support; and the temporary accommodation and associated costs for the Executive Director, Professor Nick Talbot.

2Blades Foundation - £726,000

Towards core and project costs.

Cambridge Network - £200,000

Towards core costs of Agri-TechE.

A further grant payment totalling £53,000 was also paid in the year.

TOTAL DIRECT PROGRAMME EXPENSES paid this year: £1,822,000

University of Cambridge – The Sainsbury Laboratory - £689,000

Towards Gatsby Fellowships to Principal Investigators at the Sainsbury Laboratory and the costs of the peer review.

Science & Plants for Schools (SAPS) and the Gatsby Plant Science Summer School - £485,000

Towards the Gatsby Plant Science Education Programme, including SAPS and the Undergraduate Summer School.

Sainsbury PhD Studentships - £263,000

Towards the Sainsbury PhD studentships in plant science.

Gatsby Plant Science Ad Hoc - Gatsby Initiative - £159,000

Towards the plant science advisers' ad hoc grants.

REPORT OF THE TRUSTEES (continued)

Intellectual Property Maintenance - £100,000

To cover the costs of maintaining patents on wheat stem rust resistance.

Further direct programme expenses totalling £126,000 were also paid in the year.

NEUROSCIENCE

“To support world-class research in the areas of neural circuits and behaviour and theoretical neuroscience, and to support activities which enhance understanding in these fields.”

Understanding how the intricate anatomy of cells and circuits in the brain work together to generate complex behaviours is one of the most exciting challenges facing neuroscience today. Gatsby’s view, shared by many, is to work towards this by harnessing the efforts of a dynamic and multi-disciplinary group of scientists with a common interest in the workings of the brain. To this end, Gatsby is supporting a number of world-class research centres, programmes and activities.

Sainsbury Wellcome Centre for Neural Circuits and Behaviour (SWC)

Gatsby, in partnership with Wellcome and University College London (UCL), developed and supports SWC, where scientists are using state-of-the-art techniques to investigate how circuits in the brain process information to create neural representations and guide behaviour. It is directed by Professor Thomas Mrsic-Flogel. During the past year, Dr Jeffrey Erlich joined SWC as a Group Leader where he will study the behavioural, computational, and neurobiological basis of cognition. The long-term goal of his research into the neurobiology of financial decisions is to understand how chronic stress influences economic preferences and the link between genes, neural circuits and economic decisions. SWC have launched the Carer’s Support Fund to deliver targeted and progressive positive action to promote increased diversity among early career researchers and support the transition to independent faculty members. Data will be gathered to understand whether a dependent supplement is a viable potential solution to addressing some EDI challenges.

Gatsby Computational Neuroscience Unit (GCNU)

Gatsby founded GCNU at UCL over two decades ago to bring together a critical mass of theoreticians focusing on the computational theories of perception and action in neural and machine systems. It is directed by Professor Maneesh Sahani. During the last year, he and Professor Arthur Gretton were elected fellows of ELLIS: the European Laboratory for Learning and Intelligent Systems. The Unit organised a successful symposium on *Perception, planning and control in an uncertain world* at the British Neuroscience Association 2021 Festival of Neuroscience. A major review of the Unit took place in September 2021, led by an independent review panel of international experts from academia and industry. The panel concluded the Unit remains a world leader through its cutting-edge research, the strong training of its PhD students and post-docs, and the impact of its alumni in both academia and industry. Following this successful review, Gatsby renewed core funding for a further research cycle from November 2021.

REPORT OF THE TRUSTEES (continued)

Stanford Optogenetics Moonshot for Autism (SOMA)

Gatsby is supporting the Stanford Optogenetics Moonshot for Autism (SOMA) under the direction of Professor Karl Deisseroth. This project at Stanford University in the USA aims to elucidate the mechanisms of autism brain dynamics and to resolve relationships among multiple brain-wide projections and cell populations for defined behaviours with the ultimate aim of creating novel therapies to impact on the treatment landscape for Autism Spectrum Disorder. The finished prototyping and testing of their new STARmap technology platform is facilitating the cutting-edge precision of single cell real-time identification and control of brain cells to elucidate the circuits and long-range connections involved in social function. They have also identified receptor targets and potentially relevant drug interventions, and are building a clinical pipeline around this with the principle of minimising adverse treatment effects.

Theoretical neuroscience and machine learning

Gatsby's support in the area of theoretical neuroscience and machine learning also includes two other world-class centres as part of an on-going partnership with GCNU. These are the Centre for Theoretical Neuroscience at Columbia University in the USA and the Gatsby programme in theoretical neuroscience at the Safra Centre for Brain Sciences (ELSC) at the Hebrew University in Israel. Over the past year, four postdoctoral scientists at Columbia received Gatsby fellowships to work on theory, computation and machine learning applied to learning, vision, and somatosensation. 19 trainees across eight groups at ELSC received support working across broad topics including navigation, olfaction and learning. The annual tricentre meeting in June 2021 was held online due to COVID-19 restrictions, providing for a full and broad exchange of ideas between the sites.

Neuromatch Academy (NMA)

NMA is a fully online three-week global summer school for computational neuroscience aimed at early career researchers. NMA is a series of plenary lectures from top researchers in the field along with instructional videos from faculty mentors. The lectures were complemented with extensive teaching assistance and tutoring in small groups in their own time zone and often in their first language. Gatsby supported NMA 2021, which expanded the core NMA to 3,300 students from more than 60 countries, as well as added NMA-DL, a new three-week immersive deep learning course. Given the successes to date, Gatsby also provided further support for the coming four years to allow NMA to continue to expand its offering, to reach sustainability, and to continue to innovate to benefit neuroscience and other scientific fields.

Cajal Advanced Neuroscience Training Programme

Gatsby is partnering with Federation of European Neuroscience Societies (FENS), International Brain Research Organisation (IBRO), Champalimaud Foundation and Bordeaux Neurocampus to support the continued development of the CAJAL programme, a dedicated neuroscience advanced training facility. During the reporting period, NeuroKit courses on *Extracellular Electrophysiology Acquisition* and an *Experimental Neuroscience Bootcamp* were run online. There were also four on-site hands-on three-week advanced training courses: *Ageing Cognition*; *Advanced imaging techniques for cellular and systems neuroscience*; *Optogenetics, chemogenetics, and biosensors for cellular and circuit neuroscience*; and, *Bioenergetics for brain function*.

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REPORT OF THE TRUSTEES (continued)

British Neuroscience Association (BNA)

Gatsby provides support to the BNA to implement a new strategy to broaden membership and stakeholder engagement with a wider range of activities. Such support ensures the Association is truly representative and relevant to everyone in neuroscience including those in the private sector, the clinic and in wider society. Over the past year BNA convened its four-day flagship conference, the Festival of Neuroscience, in partnership with the UK Dementia Research Initiative. BNA also delivered a high informative five-part webinar series in partnership with The Psychiatry Consortium on *Building bridges along the psychiatric drug discovery pipeline*.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £11,586,000

University College London - £9,377,000

Towards the research activities and core costs of the Sainsbury Wellcome Centre for Neural Circuits and Behaviour; and the Gatsby Computational Neuroscience Unit.

Stanford University - £911,000

Towards research costs for Stanford Optogenetics Moonshot for Autism (SOMA) programme

Columbia University, New York - £283,000

Towards the Centre for Theoretical Neuroscience.

Hebrew University of Jerusalem - £283,000

Towards the Gatsby Theoretical Neuroscience Programme.

Cajal Advanced Neuroscience Training Programme AISBL - £213,000

Towards the CAJAL Advanced Neuroscience Training Programme.

University of Oxford - £196,000

Towards the Oxford Centre for Neural Circuits and Behaviour.

British Neuroscience Association - £150,000

To support the strategic plan, core costs and activities of the British Neuroscience Association.

Further grant payments totalling £173,000 were also paid in the year.

REPORT OF THE TRUSTEES (continued)

SCIENCE AND ENGINEERING EDUCATION

“To strengthen science, technology, engineering and mathematics (STEM) education and training in the UK by informing national policy and developing innovative programmes.”

Gatsby structures its work to support education around five objectives: to support improvements in technical education; to promote awareness and understanding of the benefits of technical education; to support improvements in career guidance; to support STEM in schools; and to promote business education for engineers. Gatsby funds the core costs of a separate organisation – Gatsby Technical Education Projects (GTEP), a registered charity and company limited by guarantee – to oversee many of its programmes in this area. While the Covid-19 pandemic has continued to affect Gatsby-supported programmes in the last year, with some delivery timelines slipping, overall, Trustees remain extremely pleased with the progress made across Gatsby’s education portfolio.

Gatsby continues to make significant efforts to ensure the successful implementation of the current government reforms to technical education in England. The most significant of these reforms came originally from a government-commissioned review in 2016 (the Sainsbury Review), conducted by an expert panel chaired by Gatsby’s settlor, Lord Sainsbury of Turville. Perhaps the most high-profile outcome of the review is the development of T-levels – new qualifications, designed with employers, to equip 16-19-year-olds with the knowledge, skills and behaviours necessary to secure and succeed in skilled employment. Currently, 10 T-levels are available, and a further 13 will be introduced by 2023. Gatsby has supported most aspects of the implementation of T-levels in colleges and schools. Over the past year, this has included supporting five Mayoral Combined Authorities and LEPs to develop coherent plans for the introduction of the new qualifications; and working with the Association of Colleges, the Local Government Association, several NHS Trusts, and others to support the sourcing of high-quality industry placements – a mandatory component of all T-level courses. Gatsby has also continued to work with the Department for Education and others to ensure greater attention is paid to higher technical education (HTE) at Levels 4 and 5, a strong supply of which is critical to the UK’s future economic prosperity. Key to these efforts is the establishment of 21 Institutes of Technology (IoTs) around the country that are centres of excellence for HTE. Gatsby remains committed to their success, and is exploring how IoTs can play a leading role in delivering the skills needed to exploit new and emerging technologies.

The importance of technical education, and the variety of skilled technician roles that it can lead to, remains poorly understood by the public. Without greater awareness of the vital contribution technicians make, employers will continue to struggle to recruit the skilled technicians this country needs, both to remain economically competitive and to run core public services like the armed services and the NHS. In the past year, Gatsby has increased its efforts to raise the profile and understanding of the wide range of technician roles and the technical education pathways that lead to them. Campaigns targeting young people and their parents are underway, and an ambitious partnership with the Science Museum in London will see a new gallery at the museum open in November 2022 that profiles the work of technicians. Gatsby also continues to support the development of the *Technician Commitment*, which aims to ensure visibility, recognition, and career development for technicians working in universities and research institutions.

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REPORT OF THE TRUSTEES (continued)

Gatsby's work has significantly shaped career guidance in schools and colleges in England. The Gatsby Benchmarks of Good Career Guidance remain central to government policy on career guidance, with all maintained schools required to work towards achieving them. The past year also saw the launch of Gatsby's *Talking Futures* campaign to engage more parents in conversations with their children about career options.

Even though Gatsby's work to support STEM in schools is relatively modest in scale, Gatsby has a long-standing interest and expertise in issues affecting science teacher recruitment and retention; and research commissioned by Gatsby continues to influence government policy in this area, including policy on differential pay for teachers of shortage subjects. Gatsby also continues to support the core costs of the National STEM Learning Centre in York and a programme to develop STEM Clubs in schools.

Gatsby's final objective in education is to promote business education for engineers, which is delivered through Gatsby's support of the Engineers in Business Fellowship (EIBF). The EIBF, a registered charity, manages the Sainsbury Management Fellowships (SMFs) scheme and promotes business education for engineers. Each year, the SMFs scheme awards 10 bursaries of £50,000 to outstanding early career engineers to study for an MBA at a top international business school. Gatsby also supports the EIBF's wider work, including the management of an inter-university competition in which teams of engineering undergraduates pitch business plans to expert judges.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £2,582,000

Gatsby Technical Education Projects (GTEP) - £1,617,000

Towards the core costs of Gatsby Technical Education Projects.

Engineers in Business Fellowship - £965,000

Towards the core costs of the Engineers in Business Fellowship and the SMF bursary scheme.

TOTAL DIRECT PROGRAMME EXPENSES paid this year: £6,867,000

Technicians gallery at the Science Museum - £1,274,000

Towards the costs of creating a new technicians gallery at the Science Museum in South Kensington.

Parent engagement and support of career guidance - £822,000

Towards a national programme of activity, and the development, piloting and production of content and activities, to help parents support the career guidance of their children.

National STEM Centre - £717,000

Towards the core costs of the National STEM Learning Centre and the STEM Clubs programme.

Communications support for technical education reform - £584,000

Towards communications activity to ensure key stakeholders (including parents, young people, and employers), understand the current technical education reforms and the opportunities they present.

REPORT OF THE TRUSTEES (continued)

Raising the profile of technician roles - £552,000

Towards activities that raise awareness of technician careers and the education routes that lead to them, including the Technicians Make it Happen campaign.

Registered IT Technician (RITTech) scheme - £402,000

To support an expansion of the RITTech registration scheme for IT technicians.

Technical education pathways in local areas - £318,000

Towards supporting the delivery of coherent technical education routes in local areas.

Supporting employer engagement for technical education - £282,000

Towards the development and dissemination of resources to support employers to engage with schools and colleges.

Strengthening the Institutes of Technology network - £217,000

Towards the support and strengthening of the network of Institutes of Technology.

Science technician registration scheme - £205,000

To support an expansion and roll-out of science technician registration schemes.

The Technician Commitment - £152,000

Towards the ongoing development of the Technician Commitment, seeking to increase visibility, recognition and career development for technicians in universities and research institutions.

Developing the technical education teaching workforce - £130,000

Towards research examining options for developing the technical education teaching workforce in England.

Innovation and emerging skills needs - £120,000

To support work enabling Further Education colleges and Institutes of Technology to play a larger role in supporting innovation and delivering skills for emerging technologies.

Apprenticeship development and pilots - £98,000

Towards supporting the development of new apprenticeships.

Teacher recruitment and retention - £86,000

Towards research to inform national policy regarding science teacher recruitment and retention.

T-level industry placements - £71,000

To support work to build T-level industry placement opportunities.

Practical work in school science - £67,000

Towards activity supporting the teaching of practical work in schools.

Higher Technical Education at Levels 4 and 5 - £56,000

Towards research to inform national policy regarding higher technical education in England.

Further direct programme expenses totalling £714,000 were also paid in the year.

THE GATSBY CHARITABLE FOUNDATION
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REPORT OF THE TRUSTEES (continued)

AFRICA

“To promote economic development in East Africa that benefits the poor through supporting the growth and sustainability of key sectors.”

Gatsby has funded, designed, and run programmes in Africa since 1985, with the overall aim of creating jobs and raising incomes for the poor. Gatsby’s programmes in Africa are now mainly implemented by a separate UK charitable company - Gatsby Africa (GA) - with registered branches in Tanzania and Kenya.

GA aims to help more people in East Africa benefit from economic growth, which in turn creates jobs, raises incomes, builds opportunities, and reduces poverty. GA looks to achieve this by:

- Transforming key economic sectors in East Africa by developing ambitious strategies and partnering with others to implement them; and
- Synthesising and sharing lessons from our programmes and elsewhere to enable their application at scale in GA’s own sectors of activity and in others.

At the beginning of April 2022 GA transitioned the programmes and staff of its subsidiaries, Kenya Markets Trust and Msingi, into its Kenyan branch, and exited its long-standing support of the Tanzanian cotton sector. GA is now implementing 9 sector programmes across East Africa: Tanzanian forestry; Kenyan forestry; regional aquaculture; regional textiles; Kenyan livestock; Kenyan agricultural inputs; Kenyan water; and (in partnership with the Wood Foundation, a Scottish registered charity) Tanzanian and Rwandan tea.

Despite this breadth of support it is clear that many other sectors also need support. Each programme thus aims to capture what is working and what is not, and to share this with other stakeholders - particularly donors and governments - so that they can benefit from the lessons learned. In this way, GA aims to contribute to a wider movement, and to see a series of sectors in East Africa and beyond transformed by its own efforts and those of others.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £15,182,000

Gatsby Africa (GA) - £15,182,000

Towards GA programmes and operating core costs.

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REPORT OF THE TRUSTEES (continued)

THE ARTS

Gatsby provides core support for organisations with which Gatsby has a long-standing history, especially in view of the global pandemic and the consequent economic impact that has been catastrophic for all parts of the UK Arts sector. Trustees continue to provide additional funding support and flexibility for the repurposing of existing grant commitments as these organisations cope with the unprecedented challenges of COVID-19.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £13,731,000

Royal Academy of Music - £6,000,000

A permanent endowment to towards core costs of the Gatsby Chair of Musical Theatre.

Backstage Trust - £2,000,000

Towards core costs and to provide hardship support to artists and theatre workers adversely affected by the COVID-19 pandemic.

Cambridge Arts Theatre - £2,000,000

Towards core and project costs of a planned major refurbishment.

Theatre Development Trust - £1,250,000

Towards providing hardship support to artists and theatre workers adversely affected by the COVID-19 pandemic.

Chamber Orchestra of Europe - £750,000

Towards core costs.

Sainsbury Centre for Visual Arts - £712,000

Towards core costs, including special exhibitions.

Sainsbury Institute for the Study of Japanese Arts and Cultures - £466,000

Towards core costs.

Royal Shakespeare Company - £268,000

Towards the Artist Development Programme.

Sainsbury Research Unit for the Arts of Africa, Oceania & the Americas - £225,000

Towards core costs.

Further grant payments totalling £60,000 were also paid in the year.

REPORT OF THE TRUSTEES (continued)

PUBLIC POLICY

“To support independent research organisations which provide evidence-based advice to policy makers.”

Gatsby’s grant-making in public policy focuses on five organisations: the Institute for Government; the Centre for Cities; the Centre for Science, Technology & Innovation Policy; Policy Links; and the Babbage Policy Forum.

The Institute for Government (IfG)

The Institute for Government works with the main political parties in Westminster, senior civil servants in Whitehall, and officials and politicians across the rest of the UK to promote more effective government. It provides impartial, evidence-based advice and training, drawing on best practice and research in government, universities and business from around the world. Bronwen Maddox was the Director, and is accountable to a distinguished all-party board of governors chaired by Lord Sainsbury. During the reporting period, the Institute’s net zero project outlined how government should organise itself to achieve the 2050 target, and prompted discussions with many arms of government and the voluntary sector in the run-up to the COP26 conference in November 2021. Two related projects identified lessons for the UK from the efforts of other countries to incorporate evidence into transport and energy policymaking. The Institute’s devolution team focused on the devolved, mayoral and local elections, many of which were delayed from 2020 due to the COVID-19 pandemic. Influential reports on the operation of the Sewell Convention and the Barnett Formula have sparked interest in the UK Parliament and across the devolved nations. In late 2021, the Institute launched a major review of the UK Constitution, in partnership with the Bennett Institute for Public Policy at Cambridge University.

The Centre for Cities

The Centre for Cities is an independent research and policy organisation, chaired by Nigel Hugill and directed by Andrew Carter. The Centre is committed to helping Britain’s cities and large towns improve their economic performance by focusing on the drivers of urban economic success. The Centre produces practical research and policy advice for city leaders, national government and businesses. Over the last year, levelling up has always been a key theme for the Centre and they published a report in May 2021 setting out why Metro Mayors should be given more powers over skills, housing, transport and innovation to improve the prosperity of their areas. To inform the Comprehensive Spending Review in late 2021, the Centre set out how the Government could deliver on key parts of its domestic agenda. A report on Building Back Better from COVID-19 explored why, how and where jobs were created across the UK during the 2013 to 2019 ‘jobs miracle’ and why this matters for the economic prosperity of a location. For reaching net zero, the Centre published research in July 2021 on decarbonising the city, particularly in housing, planning and public transport. The Centre has also compared the public transport systems of UK and European large cities, which was published in March 2022.

REPORT OF THE TRUSTEES (continued)

The Centre for Science, Technology & Innovation Policy (CSTI)

Based at Cambridge University's Institute for Manufacturing (IfM), CSTI carries out practical policy research exploring what makes national innovation systems effective at translating new science and engineering ideas into technologies, industries and economic wealth. Under the direction of Dr Eoin O'Sullivan, CSTI brings a science and engineering perspective to innovation and industrial policy. Over the past year, CSTI continued its research and policy engagement activities related to place-based research and innovation policy. This included a PhD project pilot study to analyse agri-tech innovation opportunities in the East of England, and providing insights on international regional innovation policy to UK policy makers. CSTI put significant efforts into research and knowledge exchange activities related to 'challenge-led' research and innovation. For example, a PhD project applying data science approaches to analysing the impact of such efforts on emerging technology trajectories. In relation to the UK Innovation Strategy, CSTI delivered a seminar to Research England on national innovation strategies, including emerging technology commercialisation, diffusion and scale-up.

Policy Links (PL)

The Policy Links unit is a not-for-profit consultancy that works with governments and international organisations to develop effective industrial innovation policies, and for which Gatsby funds its charitable educational programmes and activities. Under the direction of Dr Carlos López-Gómez, the Unit offers consultancy services and capacity building programmes based on the latest academic thinking and the study of international best practice. Also based at IfM, PL works closely with CSTI and with the Babbage Policy Forum under the shared banner of Cambridge Industrial Innovation Policy, which operates at the intersection of technology, innovation and industrial competitiveness. Over the last year, PL continued to provide *ad hoc* support to the UK Department for Business, Energy and Industrial Strategy (BEIS), on topics including digital manufacturing and supply chains. Furthermore, the Unit has supported the establishment of a national External Expert Group on Supply Chains, and has synthesised the evidence submitted by its members on behalf of BEIS. PL also produced studies aimed at informing UK industrial and innovation policy-makers, including an international comparison of STEM skills in the civil service and an analysis of the UK approach to the diffusion of Industry 4.0 technologies. A comprehensive study comparing sectoral sources of productivity in the UK and selected countries is being produced in collaboration with experts from the National Institute of Economic and Social Research (NIESR). PL continues to collaborate with international organisations – a briefing paper on the topics of resilience and industrial policy has directly informed the Industrial Development Report 2022, the flagship publication of United Nations Industrial Development Organization (UNIDO).

The Babbage Policy Forum

The Babbage Forum aims to provide a unique network and symposia within which to develop novel thinking and insights at the interface of economics, engineering, and management. The Forum's purpose is to inform and underpin industrial policies for economic competitiveness and growth. Over the past year the Forum launched the Babbage Industrial Innovation Policy Awards. Of the many papers received, seven were highly commended by the judges. Three winners were given joint-first place in these inaugural awards:

1. Dr Jaime Bonnin Roca (Eindhoven University of Technology) – Policy mixes to tackle the many faces of uncertainty in emerging technologies
2. Dr Benoit Tezenas Du Montcel (Institut Mines-Télécom Business School/Ecole Polytechnique) – A process model for industrial innovation policy when facing paradigmatic shifts

REPORT OF THE TRUSTEES (continued)

3. Dr Jon Mikel Zabala Iturriagoitia (University of Deusto) – Implementing innovation-related public procurement: ordinary, dynamic and functional capabilities

Given the success of the inaugural round, the Forum has already also announced the 2022 awards. The aim of the competition is to encourage practice-oriented academic and professional contributions to industrial innovation policy analysis and design.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £7,053,000

Institute for Government - £4,577,000

Towards core costs.

Centre for Cities - £1,100,000

Towards core costs.

University of Cambridge – £1,026,000

Towards the core costs of Policy Links and of the Centre for Science, Technology and Innovation Policy, and towards research at the Bennett Institute of Public Policy into sectoral productivity across countries.

Imperial College, London – £222,000

Towards research into sectoral systems of innovation and the competitiveness of the UK.

Further grant payments totalling £128,000 were also paid in the year.

TOTAL DIRECT PROGRAMME EXPENSES paid this year: £158,000

Babbage Symposium and Professor Mike Gregory support - £158,000

Towards Phase 2 of the Babbage Symposium.

GENERAL

‘To support on occasion other charitable work which falls outside the Trustees’ main fields of interest.’

PRIME Parkinson research trial

Gatsby is supporting healthcare delivery innovation research entitled ‘Proactive and Integrated Management and Empowerment in Parkinson’s Disease’ (PRIME Parkinson). The main thrust is an integrated care approach that delivers high-quality personalised care to people with Parkinson’s Disease (PD) close to home. This is a dual site activity taking place in the greater Bristol/Bath area in the UK and the greater Nijmegen area in the Netherlands (NL). Over the past year, in the UK, the trial completed the epidemiological (PRIME EPI) study that looks at UK-wide risk factors for hospital admission amongst people living with Parkinson’s (PwP). The trial’s cross-sectional (PRIME XS) study is now fully recruited and will describe the experience of living with parkinsonism to provide a novel, holistic perspective on health needs of PwP and their carers.

REPORT OF THE TRUSTEES (continued)

Both studies have informed the UK randomised control trial (PRIME RCT) that started in March 2022. In the NL, the PRIME trial intervention was introduced beyond Radboud University Medical Centre to the four spoke hospitals in a step-wise manner to ensure wide engagement with all participants and stakeholders. The trial also launched the 'single point of access' service desk for all participants - PwP, their carers and health care professionals - to answer all Parkinson-related questions. Both sites will also carry out a qualitative exploration of the experiences of PwP, carers, families and staff of the PRIME trial.

Careers in Engineering

This project at Imperial College London will produce a high-quality book aimed at young people to encourage them to take up a career in engineering. Over the past year, they have begun developing a school kit containing two copies of the book *Engineers Making a Difference*, 12 posters and a guide for teachers. The kits will be distributed free of charge by Imperial to every secondary school in the UK in Spring 2023. To fully engage the young audience, a set of videos are being created, profiling fifteen individuals. The ultimate aim of the project is to help young people understand the importance of engineers to the solving of the world's many challenges.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £2,144,000

Radboud University Medical Centre - £1,640,000

Towards the Proactive and Integrated Management and Empowerment in Parkinson's Disease (PRIME-Parkinson) programme in partnership with the University of Bristol in the UK.

Imperial College London - £306,000

Towards a project to complete a high-quality book aimed at young people to encourage them to take up a career in engineering.

Further grant payments totalling £198,000 were also paid in the year.

TOTAL DIRECT PROGRAMME EXPENSES paid this year: £21,000

GRANTS CANCELLED

Grants totalling £3,368,000 were cancelled or amended during the year.

REPORT OF THE TRUSTEES (continued)

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE ACCOUNTS

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of its net outgoing resources for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- 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 the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. 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.

Approved by the Board of Trustees on 26 September 2022 and signed on their behalf by



.....
Mr J C Burns
TRUSTEE

THE GATSBY CHARITABLE FOUNDATION
5 April 2022

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE GATSBY CHARITABLE FOUNDATION

Opinion

We have audited the financial statements of the Gatsby Charitable Foundation ('the charity') for the year ended 5 April 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and Notes to the Financial Statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2022 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 about the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE GATSBY CHARITABLE FOUNDATION (*continued*)**Other information**

The Trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the 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.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 requires 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 and proper accounting records have not been kept by the charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 31, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the 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.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE GATSBY CHARITABLE FOUNDATION (*continued*)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations, are set out below.

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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR).

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

THE GATSBY CHARITABLE FOUNDATION
5 April 2022

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE GATSBY CHARITABLE FOUNDATION (*continued*)

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.

Crowe U.K. LLP

Crowe U.K. LLP
Statutory Auditor
London

21 October 2022

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE GATSBY CHARITABLE FOUNDATION
5 April 2022

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 5 APRIL 2022

	<i>Notes</i>	Unrestricted Funds	Expendable Endowment	Total Funds 2022	Total Funds 2021
		£'000	£'000	£'000	£'000
INCOME AND ENDOWMENTS FROM:					
Donations and gifts	2	-	137,450	137,450	55,000
Investments	3	5,268	-	5,268	5,441
Total income		5,268	137,450	142,718	60,441
EXPENDITURE ON:					
<i>Raising funds</i>					
Investment management costs	4	-	(998)	(998)	(791)
<i>Charitable activities</i>					
Grant expenditure	5	(68,991)	-	(68,991)	(48,471)
Direct programme costs	6	(8,839)	-	(8,839)	(6,667)
Support costs	7,8	(3,208)	-	(3,208)	(2,622)
Other operating costs	9	(94)	-	(94)	(3,100)
Total cost of grant making		(81,132)	-	(81,132)	(60,860)
Total expenditure		(81,132)	(998)	(82,130)	(61,651)
Gains on investment assets		-	27,001	27,001	61,091
Net income for the year before transfers		(75,864)	163,453	87,589	59,881
Transfers between funds	16	75,864	(75,864)	-	-
Net income/(loss) for the year after transfers		-	87,589	87,589	59,881
Other recognised gains and losses					
Foreign exchange (losses)		-	(245)	(245)	(235)
Net movement in funds		-	87,344	87,344	59,646
Reconciliation of funds					
Total funds brought forward at 6 April 2021		-	517,051	517,051	457,405
Total funds carried forward at 5 April 2022		-	604,395	604,395	517,051

The notes on pages 39 to 50 form part of these accounts.

THE GATSBY CHARITABLE FOUNDATION
5 April 2022

BALANCE SHEET
AS AT 5 APRIL 2022

	<i>Note</i>	2022	2021
		£'000	£'000
FIXED ASSETS			
Tangible fixed assets	<i>10</i>	243	368
Investments	<i>11</i>	465,384	517,088
		<u>465,627</u>	<u>517,456</u>
CURRENT ASSETS			
Debtors	<i>12</i>	1,395	2,515
Cash at bank and in hand		201,935	60,282
		<u>203,330</u>	<u>62,797</u>
LIABILITIES			
Creditors - amounts falling due within 1 year	<i>13</i>	(49,050)	(43,590)
		<u>154,280</u>	<u>19,207</u>
NET CURRENT ASSETS			
		619,907	536,663
LIABILITIES			
Creditors - amounts falling due after 1 year	<i>14</i>	(15,512)	(16,512)
Provision for liability	<i>15</i>	-	(3,100)
NET ASSETS		<u>604,395</u>	<u>517,051</u>
THE FUNDS OF THE CHARITY			
Capital funds			
Expendable endowment		604,395	517,051
Income funds			
Unrestricted funds		-	-
	<i>16</i>	<u>604,395</u>	<u>517,051</u>

These financial statements were approved and authorised for issue by Trustees on 26 September 2022 and were signed on their behalf by:



.....
 Mr J C Burns
 TRUSTEE

The notes on pages 39 to 50 form part of these accounts

THE GATSBY CHARITABLE FOUNDATION
5 April 2022

CASH FLOW STATEMENT
FOR THE YEAR ENDED 5 APRIL 2022

	2022	2021
	£'000	£'000
Net cash provided by operating activities	55,725	1,310
Net cash provided by investing activities	86,173	6,708
Change in cash and cash equivalents during the year	141,898	8,018
Cash and cash equivalents at the beginning of year	60,282	52,499
Change in cash and cash equivalents due to exchange rate movements	(245)	(235)
Cash and cash equivalents at the end of year	201,935	60,282
Reconciliation of net income to net cash provided by/(used in) operating activities		
	2022	2021
	£'000	£'000
Net income for the year (as per the Statement of Financial Activities)	87,589	59,881
Gift of investments	(2,200)	-
Gains on investments	(27,001)	(61,091)
Depreciation charges	125	125
Income from investments (interest and dividends)	(5,268)	(5,441)
Decrease in debtors	1,120	6,574
Increase in creditors and provisions	1,360	1,262
Net cash provided by operating activities	55,725	1,310
Net cash (used in) investing activities		
	2022	2021
	£'000	£'000
Purchase of fixed assets	-	(339)
Purchase of investments	(34,970)	(237,687)
Income from investments	5,268	5,441
Proceeds from sale of investments	115,875	239,293
Net cash provided by investing activities	86,173	6,708
Cash and cash equivalents		
	Change in year	2022
	£'000	£'000
Cash at bank and in hand	138,615	198,727
Cash balances held by investment managers	3,038	3,208
	141,653	201,935
		60,282

The notes on pages 39 to 50 form part of these accounts.

NOTES TO THE ACCOUNTS

1. PRINCIPAL ACCOUNTING POLICIES

a) Basis of preparation and consolidation

The financial statements have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

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 Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014.

Gatsby constitutes a public benefit entity as defined by FRS102.

In the view of the Trustees, there are no material uncertainties casting doubt on the going concern of the charity. The value of the investment portfolio has increased by approximately £27.0 million in comparison to the end of the previous financial year. Gatsby's endowment assets remain significant, and this, together with future investment income that is generated, will continue to be paid out to approved beneficiaries in accordance with the objectives of the charity.

b) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and any provision for impairments in value. Fixed assets are depreciated at rates which reflect their useful lives to Gatsby. The following rates have been used:

Leasehold improvements - over the remaining lifetime of the lease
 Equipment - 10-33% straight line

c) Income

- (i) Donations are shown gross which includes the associated tax credit unless the tax so deducted is considered irrecoverable.
- (ii) Dividends are included by reference to their due dates.
- (iii) Interest is recorded on an accruals basis.

d) Grants payable

Grants for which there is a legal obligation, or a valid expectation of receipt by the beneficiary at the year end, and for which conditions attaching to their payment have been fulfilled, are accounted for within the Statement of Financial Activities. Grants approved subject to conditions that have not been met at the year end are not accrued (see note 5).

e) Investments

Net realised and unrealised gains and losses are reflected in the Statement of Financial Activities. Investments are shown at mid market value. Partial disposals are accounted for using average book value. Unquoted investments which represent programme related investments are carried at cost less provision for impairment where required (See note 11).

f) Support costs

These costs support predominantly the grant-making activity of Gatsby. Such costs include a share of the staff and office costs of the joint office of the Sainsbury Family Charitable Trusts, which are allocated in proportion to time spent on Foundation matters and grants paid.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include fees for statutory audit, legal fees where relevant, together with an allocation of support costs.

NOTES TO THE ACCOUNTS (continued)

1. PRINCIPAL ACCOUNTING POLICIES (continued)

g) Fund accounting

Details of the nature and purpose of each fund is set out in note 16.

h) Pension costs

Gatsby has a money purchase scheme for qualifying employees. Pension costs charged to the Statement of Financial Activities represent the contributions payable by Gatsby in the year (See Note 8).

i) Foreign currencies

Foreign currency transactions are translated into sterling at the rate prevailing at the time of the transaction. Balance sheet items are translated using the year end rate of exchange. Foreign exchange gains and losses resulting from the settlement of transactions and from translation using year end rates of exchange, are recognised in the Statement of Financial Activities.

j) Financial instruments

Gatsby has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand, together with accrued interest and other debtors. Financial liabilities held at amortised cost comprise grants payable and accruals. Investments, including bonds held as part of an investment portfolio, are held at fair value at the balance sheet date, with gains and losses being recognised within income and expenditure.

At the balance sheet date the Charity held financial assets at fair value of £465,384,000 (2021: £517,088,000).

k) Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand, cash held for reinvestment and short term deposits.

l) Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in note 1, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, the critical judgments that have been made at arriving at the amounts recognised in the financial statements and the key estimation uncertainty that has a significant risk of causing a material adjustment to the carrying values of assets and liabilities in the next financial year are as follows:

Impairment of programme related investments.

The carrying values of these investments are reviewed for impairment only when events or circumstances arise which may indicate impairment. Assessment is made initially in relation to the investments ability to continue to operate and deliver charitable benefit, the net asset values of the companies involved, and the consideration of budgets and any wider economic factors.

THE GATSBY CHARITABLE FOUNDATION

5 April 2022

NOTES TO THE ACCOUNTS (continued)

1. PRINCIPAL ACCOUNTING POLICIES (continued)

m) Provisions for liabilities and charges

Provisions for liabilities and charges are made when a present obligation has arisen as a result of a past event, payment is probable, and the amount can be estimated reliably.

2. GRANTS AND DONATIONS

Gatsby received donations from the Settlor during the year totalling £137,450,000 (2021: £55,000,000) and £Nil (2021: £Nil) in grants and donations from other sources.

3. INVESTMENT INCOME

Income received on investments may be analysed as follows:

	2022		2021	
	£'000	%	£'000	%
UK equities	2,977	56	2,433	45
Overseas equities	1,513	29	1,368	25
Short term deposits	778	15	1,640	30
	5,268	100	5,441	100

4. COST OF RAISING FUNDS

Fund raising costs comprise the fees of investment managers. Investment management fees amount to £998,000 (2021: £791,000). The Trustees are of the opinion that these costs contribute to the generation of a total return on the investment portfolio and, as such, have charged the Expendable Endowment with these fees.

5. GRANTS PAYABLE

	2022		2021	
	£'000	£'000	£'000	£'000
Reconciliation of grants payable:				
Commitments at 6 April 2021		59,607		61,603
Grants not accrued at 6 April 2021	82,162		98,384	
Grants approved in the year	70,754		51,851	
Grants cancelled, refunded or amended	(3,368)		(19,602)	
Grants not accrued at 5 April 2022	(80,557)		(82,162)	
Grants expenditure for the year		68,991		48,471
Grants paid during the year		(64,789)		(50,467)
Commitments at 5 April 2022		63,809		59,607

THE GATSBY CHARITABLE FOUNDATION

5 April 2022

NOTES TO THE ACCOUNTS (continued)

5. GRANTS PAYABLE (continued)

Commitments at 5 April 2022 are payable as follows:

	2022	2021
	£'000	£'000
Within one year (note 13)	48,297	43,095
After more than one year (note 14)	15,512	16,512
	63,809	59,607

The Trustees had appointments with the following organisations which received grant funding during the year:

Mr J C Burns	– Centre for Cities, Gatsby Africa, Gatsby Technical Education Projects, Sainsbury Institute for the Study of Japanese Arts and Cultures, Sainsbury Research Unit for the Arts of Africa, Oceania & the Americas, Sainsbury Centre Endowment Fund
Sir Andrew Cahn KCMG	– The Institute for Government
Miss J S Portrait OBE	– Gatsby Africa, Gatsby Technical Education Projects, Sainsbury Institute for the Study of Japanese Arts and Cultures (as Trustee of HON & V Trustee Limited), Sainsbury Research Unit for the Arts of Africa, Oceania & the Americas (as Trustee of HON & V Trustee Limited), Sainsbury Archive, Sainsbury Centre Endowment Fund

Commitments

In addition to the amounts committed and accrued noted above, the Trustees have also authorised certain grants which are subject to the recipient fulfilling certain conditions relating to the delivery of the grant-funded activities.

The total amount authorised but not accrued as expenditure at 5 April 2022 was £80,557,000 (2021: £82,162,000). Of this total, £32,780,000 will be payable during 2023/24 and £25,897,000 during 2024/25.

The amount payable during 2022/23 includes the following: £'000

Neuroscience

University College London – Sainsbury Wellcome Centre for Neural Circuits and Behaviour	12,482
University College London - Gatsby Computational Neuroscience Unit	5,154
Stanford University	1,119
Columbia University – New York	682
Hebrew University of Jerusalem	307
Cajal Advanced Neuroscience Training Programme	224
British Neuroscience Association	160
Royal College of Psychiatrists	141
University of Cambridge – Institute of Brain and Mind Health	138
Other grants	229

Plant Science

University of Cambridge – the Sainsbury Laboratory	6,613
The Sainsbury Laboratory – Norwich	2,850
Cambridge Network	200
University of Cambridge - Department of Plant Sciences	100

Science and Engineering Education

Gatsby Technical Education Projects	1,716
Engineers in Business Fellowship (formerly Sainsbury Management Fellows' Society)	1,055
Smaller grants	83

Africa

Gatsby Africa	3,017
The Wood Foundation	479
Smaller grant	76

THE GATSBY CHARITABLE FOUNDATION
5 April 2022

NOTES TO THE ACCOUNTS (continued)

5. GRANTS PAYABLE (continued)

£'000

Arts

Sainsbury Centre for Visual Arts	753
Sainsbury Institute for the Study of Japanese Art and Culture	466
Sainsbury Research Unit for the Arts of Africa, Oceania and the Americas	225
Clore Duffield Foundation	90
Smaller grant	17

Public Policy

Institute for Government	4,740
Imperial College, London	832
University of Cambridge - Institute for Manufacturing	795
University of Cambridge, King's College	150
Bennett Institute for Public Policy	139
Smaller grants	26

General

Raboud University Medical Centre	1,560
St Mark's Hospital, London	920
Imperial College, London	467
Smaller grants	292

Total due within one year (Note 13)

48,297

6. DIRECT PROGRAMME EXPENSES

	2022	2021
	£'000	£'000
Science and Engineering Education	6,838	5,302
Plant Science	1,822	1,190
Public Policy	158	123
Neuroscience	-	10
Other	21	42
	8,839	6,667

7. SUPPORT COSTS

	Charitable Activities	Governance	2022 Total	2021 Total
	£'000	£'000	£'000	£'000
Staff costs	1,150	-	1,150	1,006
Share of joint office costs	1,179	-	1,179	977
Direct costs including travel, consultancy, legal and professional fees	721	-	721	484
Depreciation	125	-	125	125
	3,175	-	3,275	2,592
Auditors' remuneration	-	33	33	30
	3,175	33	3,208	2,622

THE GATSBY CHARITABLE FOUNDATION
5 April 2022

NOTES TO THE ACCOUNTS (continued)

7. SUPPORT COSTS (continued)

Audit fees include irrecoverable VAT of £5,476 (2021: £5,000). Included within grant-related support costs is a total of £222,000 (2021: £174,000), of which £137,000 (2021: £95,000) is included within trade creditors, for legal services provided by Portrait Solicitors, a firm in which Miss J S Portrait OBE was a partner.

8. ANALYSIS OF STAFF COSTS

	2022	2021
	£'000	£'000
Wages and salaries	956	837
Social security costs	109	92
Other pension costs	85	77
	1,150	1,006

The average number of employees within the charity was as follows

	2022	2021
	No.	No.
Charity	3	3

As mentioned in Note 1a, Gatsby is one of the Sainsbury Family Charitable Trusts which share a joint administration at the Registered Office. 20.8% of the total support and administration costs of these trusts have been allocated to the Gatsby Charitable Foundation, including a proportionate share of the costs of employing the total number of staff serving in the office in 2022/21.

A total of 10 staff (2021: 9) were charged to Gatsby during the year, with some being on a part-time basis. This equates to 3.3 full-time employees (2021: 3.2).

The Trust considers its key management personnel to comprise of 4 staff (2021: 4). The total employment benefits, including employer pension contributions, of these key management personnel, were £302,000 (2021: £295,000).

No Trustee received any remuneration for their services during the year (2021: £Nil). One Trustee had travel expenses of £4,852 paid during the year (2021: £2,255).

The number of employees whose earnings in relation to time spent on Gatsby's affairs exceeded £60,000 p.a. excluding pension contributions was:

	2022	2021
	No.	No.
£80,000 - £90,000	1	1
£140,000 - £150,000	1	1

THE GATSBY CHARITABLE FOUNDATION
5 April 2022

NOTES TO THE ACCOUNTS (continued)

9. OTHER OPERATING COSTS

	2022	2021
	£'000	£'000
Guarantor costs arising from withdrawal from the Universities Superannuation Scheme	94	3,100

Gatsby was the guarantor to the Centre for Mental Health's (CMH's) (formerly the Sainsbury Centre for Mental Health) participation in the Universities Superannuation Scheme (USS). Gatsby withdrew its financial support of CMH under a Deed of Accession dated 14 November 2006, meaning that CMH no longer qualified for participation in the USS. As CMH no longer participated in the USS, this meant that a "Section 75" debt had been triggered at the date the CMH ceased to employ an active member of the USS. A payment of £3,194,000 was paid to USS in November 2021 as full and final settlement of the guarantee. Accordingly no amount is provided at year end to meet Gatsby's guarantee (2021: £Nil).

10. TANGIBLE FIXED ASSETS

	Leasehold Improvements	Equipment	Total
	£'000	£'000	£'000
Cost			
At beginning and end of year	1,106	34	1,140
Depreciation			
At beginning of year	738	34	772
Charge for the year	125	-	125
At end of year	863	34	897
Net book value 5 April 2022	243	-	243
Net book value 5 April 2021	368	-	368

Leasehold improvements consist of Gatsby's share of the cost of refurbishment of leasehold premises at The Peak, 5 Wilton Road, London SW1.

11. FIXED ASSET INVESTMENTS

	2022	2021
	£'000	£'000
Market value 6 April 2021	517,088	457,603
Disposals	(115,875)	(239,293)
Acquisitions at cost	34,970	237,687
Gift of shares	2,200	-
Net gains/(losses) on investments	27,001	61,091
Market value 5 April 2022	465,384	517,088

Total disinvestments from fixed asset investments during the year to meet operating cash requirements amounted to £70,000,000 (2021: £55,199,000).

THE GATSBY CHARITABLE FOUNDATION

5 April 2022

NOTES TO THE ACCOUNTS (continued)

11. FIXED ASSET INVESTMENTS (continued)

The investments held as at 5 April 2022 were as follows:

	2022		2021	
	Cost	Market Value	Cost	Market Value
	£'000	£'000	£'000	£'000
U.K. equities	155,750	212,843	152,447	193,470
Overseas equities	99,839	129,420	95,727	121,915
Overseas equities – unquoted	2,581	-	2,581	-
Short-term deposits	123,065	123,120	201,699	201,703
	381,235	465,384	452,454	517,088

UK equities held at 5 April 2022 has the following market values:

	2022	2021
	£'000	£'000
Trojan Investment Funds	89,234	79,372
LF Ruffer Funds	70,127	64,614
J Sainsbury plc	30,711	29,714
Other UK equities	22,771	19,770
	212,843	193,470

Overseas equities - unquoted principally comprises programme related investments to provide both equity finance and loans to small and medium sized enterprises in the agricultural sector in East Africa, and similar investments to improve overall employment opportunities, and support sector development. Gatsby is exiting its programme related investments, from which Gatsby received redemption proceeds during the year of £Nil (2021: £73,000).

Short term deposits include Lloyds Bank money market deposits and a treasury facility with Barclays Bank which at 5 April 2022 had a market value of £115,000,000 (2021: £195,000,000).

12. DEBTORS

	2022	2021
	£'000	£'000
Gift Aid receivable	425	-
Other debtors	970	2,515
	1,395	2,515

13. CREDITORS - amounts falling due within 1 year

	2022	2021
	£'000	£'000
Grants payable (note 5)	48,297	43,095
Trade creditors	237	258
Other creditors	503	109
Accruals and deferred income	13	128
	49,050	43,590

THE GATSBY CHARITABLE FOUNDATION
5 April 2022

NOTES TO THE ACCOUNTS (continued)

14. CREDITORS - amounts falling due after more than 1 year

	2022	2021
	£'000	£'000
Grant payable (note 5)	15,512	16,512

15. PROVISION FOR LIABILITY

	2022	2021
	£'000	£'000
At beginning of year	3,100	-
Movement in provision (see Note 9)	94	3,100
Paid during year	(3,194)	-
At 5 April 2022	-	3,100

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Fund	Expendable Endowment	Total Funds 2022
	£'000	£'000	£'000
Fund balances at 5 April 2022 are represented by:			
Tangible fixed assets	-	243	243
Investments	-	465,384	465,384
Current assets	-	203,330	203,330
Current liabilities	-	(49,050)	(49,050)
Long term liabilities	-	(15,512)	(15,512)
Provisions	-	-	-
	-	604,395	604,395
Movement in the year			
Opening balance as at 5 April 2021		517,051	517,051
Total income and endowments	5,268	137,450	142,718
Cost of raising funds	-	(998)	(998)
Cost of grant-making	(81,132)	-	(81,132)
Net gain on investments	-	27,001	27,001
Foreign exchange movement	-	(245)	(245)
Transfers between funds	75,864	(75,864)	-
Closing balance as at 5 April 2022	-	604,395	604,395

THE GATSBY CHARITABLE FOUNDATION

5 April 2022

NOTES TO THE ACCOUNTS (continued)

17. CONTINGENT LIABILITIES AND GUARANTEES

Gatsby has indemnified the Trustees of two Settlements which donated assets to Gatsby against any claims which may be brought against the Trustees of the Settlements. The Indemnity is limited to the value of the funds at the time the donations were made which totalled £18.15 million, and security has been provided by Gatsby for the same amount.

Gatsby acts as guarantor for certain property leasehold arrangements on behalf of the Sainsbury Family Charitable Trusts (for which Gatsby has received counter-indemnities). Gatsby has provided undertakings in connection with funds it has received from third parties.

18. FUNDS

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

Restricted funds comprise those funds held by Gatsby which can be used solely for the purpose which they were given.

Expendable Endowment represents those assets held by the Trustees principally in investments. Income arising on the expendable endowment fund can be used in accordance with the objects of the charity and is included as unrestricted income. Investment management charges are charged against the fund. The fund is available to meet grant commitments as the Trustees may see fit.

Material transfers between funds

Transfers have been made from expendable endowment to eliminate the deficit on unrestricted funds where the deficit is considered to be non-reversing with regard to Gatsby's normal grant making.

19. COMPARATIVE ANALYSIS OF NET ASSETS BETWEEN FUNDS AS AT 5 APRIL 2021

	<i>Unrestricted Fund</i>	<i>Expendable Endowment</i>	<i>Total Funds 2021</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Fund balances at 5 April 2021 are represented by:			
Tangible fixed assets	-	368	368
Investments	-	517,088	517,088
Current assets	-	62,797	62,797
Current liabilities	-	(43,590)	(43,590)
Long term liabilities	-	(16,512)	(16,512)
Provisions	-	(3,100)	(3,100)
	-	517,051	517,051
Movement in the year			
Opening balance as at 5 April 2020	-	457,405	457,405
Total income and endowments	5,441	55,000	60,441
Cost of raising funds	-	(791)	(791)
Cost of grant-making	(60,860)	-	(60,860)
Net losses on investments	-	61,091	(28,435)
Foreign exchange movement	-	(235)	(235)
Transfers between funds	55,419	(55,419)	-
Closing balance as at 5 April 2021	-	517,051	517,051

THE GATSBY CHARITABLE FOUNDATION
5 April 2022

NOTES TO THE ACCOUNTS (continued)

20. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2021

	<i>Note</i>	<i>Unrestricted Funds</i>	<i>Expendable Endowment</i>	<i>Total Funds 2021</i>
		<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
INCOME AND ENDOWMENTS FROM:				
Donations and gifts	2	-	55,000	55,000
Investments	3	5,441	-	5,441
Total income		5,441	55,000	60,441
EXPENDITURE ON				
<i>Raising funds</i>				
Investment management costs	4	-	(791)	(791)
<i>Charitable activities</i>				
Grant expenditure	5	(48,471)	-	(48,471)
Direct programme costs	6	(6,667)	-	(6,667)
Support costs	7,8	(2,622)	-	(2,622)
Total cost of grant making		(3,100)	-	(3,100)
Total expenditure		(60,860)	(791)	(61,651)
Loss on investment assets		-	61,091	61,091
Net income/(expenditure) for the year before transfers		(55,419)	115,300	59,881
Transfers between funds		55,419	(55,419)	-
Net income/(expenditure) for the year after transfers		-	59,881	59,881
Other recognised gains and losses				
Foreign exchange gains/(losses)		-	(235)	(235)
Net movement in funds		-	59,646	59,646
Reconciliation of funds				
Total funds brought forward at 6 April 2020		-	457,405	457,405
Total funds carried forward at 5 April 2021		-	517,051	517,051

THE GATSBY CHARITABLE FOUNDATION

England & Wales - Charity number 251988

Accounts

THE GATSBY CHARITABLE FOUNDATION

ANNUAL REPORT

5 APRIL 2021

The Peak
5 Wilton Road
LONDON SW1V 1AP

THE GATSBY CHARITABLE FOUNDATION
5 April 2021

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THE GATSBY CHARITABLE FOUNDATION

5 April 2021

REPORT OF THE TRUSTEES

Legal and Administrative

The Gatsby Charitable Foundation (Gatsby) was established under a Trust Deed dated 17 March 1967 and is registered with the Charity Commission under No. 251988.

Settlor	Lord Sainsbury of Turville	
Trustees	Mr J C Burns Sir Andrew Cahn KCMG Miss J S Portrait OBE	
Registered Office	The Peak, 5 Wilton Road London SW1V 1AP	
Principal Officers	Mr P Hesketh Mr J Highstead Mr J Searancke Mr N Thomas Mr G Wilson	Chief Executive Officer Executive Head of Finance Executive Executive
Bankers	Child & Co, 1 Fleet Street, London EC4Y 1BD	
Solicitors	Portrait Solicitors 21 Whitefriars Street London EC4Y 8JJ	SNR Denton LLP 1 Fleet Place London EC4M 7WS
Auditor	Crowe U.K. LLP 55 Ludgate Hill, London EC4M 7JW	
Investment Advisers	Sarabaite Limited Lower Mill, Kingston Road, Ewell, Surrey KT17 2AE	
Investment Managers	Troy Asset Management Limited Brookfield House, 44 Davies Street, London W1K 5JA Cooke & Bieler, L.P. 1700 Market Street, Suite 3222, Philadelphia, USA Tweedy Browne Company LLC 350 Park Avenue, New York, NY 10022, USA Devon Equity Management Limited 123 Victoria Street, London, SW1E 6DE	
Investment Powers	The Trust Deed empowers the Trustees to appoint investment advisers, who have discretion to invest the funds of Gatsby within guidelines established by the Trustees.	

THE GATSBY CHARITABLE FOUNDATION

5 April 2021

REPORT OF THE TRUSTEES (continued)

Legal and Administrative (continued)

Objects

The objects of Gatsby as given in the Trust Deed are for general charitable purposes.

Organisation

Gatsby is one of the Sainsbury Family Charitable Trusts (SFCT), which share a common administration. The remuneration of the senior staff (including key management personnel) is reviewed by the Trustees on an annual basis taking into account the requirements of their role and performance during the year. From time to time the SFCT Management Committee benchmarks pay levels against the comparable positions in similar organisations.

Objectives

The Trustees' objectives within their current fields of interest are:

- **Plant Science**, to develop basic research in fundamental processes of plant growth and development and molecular plant pathology, and to encourage young researchers in the field of plant science in the UK.
- **Neuroscience**, to support world-class research in the area of neural circuits and behaviour and theoretical neuroscience, and to support activities which enhance understanding in these fields.
- **Science and Engineering Education**, to strengthen science and engineering skills in the UK by developing and enabling innovative programmes and informing national policy.
- **Africa**, to promote economic development in East Africa that benefits the poor through supporting the growth and sustainability of key sectors.
- **The Arts**, to support the fabric and programming of institutions with which Gatsby's founding family has connections.
- **Public Policy**, to support: the Institute for Government as an independent centre available to politicians and the civil service focused on making government more effective; and the Centre for Cities, which provides practical research and policy advice that helps cities understand how they can succeed economically.

The Trustees occasionally support other charitable work which falls outside their main fields of interest.

Within these categories the Trustees make grants in support of work which they judge to have particular merit. Many of their grants fund projects which Gatsby has helped to initiate. It is the policy of the Trustees to evaluate programmes and projects rigorously and carefully, and to assess when the evaluations should most usefully take place.

Generally, the Trustees do not make grants in response to unsolicited applications or to individuals.

THE GATSBY CHARITABLE FOUNDATION

5 April 2021

REPORT OF THE TRUSTEES (continued)

Statement on Public Benefit

Trustees are aware of the Charity Commission's guidance on Public Benefit and confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have regard to it. They consider that the very full information about Gatsby's aims, activities and achievements in the many areas of interest that Gatsby supports, which follows in this annual report, demonstrates the benefit to its beneficiaries, and through them to the public, that arise from carrying out those aims.

Charity Governance

Trustees are aware of the Charity Governance Code published in 2017 which sets out the principles and recommended practice for good governance within the sector. The Charity has reviewed its governance arrangements against the principles within the code and believes that it is compliant with the code whilst maintaining its need to operate its governance efficiently.

Trustees make sure that decision-making processes are informed, rigorous and timely, and that effective delegation, control, risk-assessment, and management systems are set up and monitored. Except for those matters specifically reserved for Trustees, decisions concerning the day to day operation of the Charity are delegated to the Principal Officers, who have implemented suitable financial and related controls and reporting arrangements to make sure Trustees oversee delegated matters.

The Charity's Trustees are also trustees of other charities. Details about other charities for which the Trustees also act as trustee may be found on the Charities Commission website.

Appointment and Powers of Trustees and Management

As per the Gatsby Charitable Foundation Trust Deed, the statutory powers of appointing Trustees are vested in the Settlor during his life. The Trust Deed enables the Trustees to delegate certain powers. Trustees are provided with relevant information relating to their responsibilities as Trustees.

Financial overview of the past year

Gatsby received total income of £60.4 million during the year, including further gifts from the Settlor of £55.0 million. This income was used to meet the Charity's grant expenditure of £48.5 million, charitable programme costs of £6.7 million and other operating expenditure of £6.5 million. The market value of Gatsby's investment portfolio increased by £61.1m in comparison with the previous financial year, which together with the net result from charitable activities, added £59.6 million to Gatsby's expendable endowment that is available for grant making.

Gatsby received £5.4 million of dividends and interest income from its investment portfolio, a significant reduction in comparison to the £10.3 million of investment income received in the previous year. Conversely Gatsby has seen an increase of £61.1 million in the value of its investment portfolio in comparison with the previous year, with the total value of the portfolio at year end at £517.1 million. Returns received by Gatsby have been volatile as a result of an uncertain macro-environment that has been caused by conditions arising from the COVID-19 pandemic. Income is increasingly difficult to find, and in view of the extreme volatility emphasis remains in preserving capital and managing cash. Trustees remain of the view that investment income receivable by Gatsby is very likely to be substantially lower going forward.

THE GATSBY CHARITABLE FOUNDATION

5 April 2021

REPORT OF THE TRUSTEES (continued)

Nevertheless Gatsby's endowment assets remain significant, and this, together with future investment income that is generated, will continue to be paid out to approved beneficiaries in accordance with the objectives of the charity.

Trustees approved grants amounting to £51.9 million during the year, and made payments of £50.5 million covering some of these grants and other grants approved in earlier years. In addition, payments of £6.7 million were made in relation to directly managed charitable programmes. Gatsby has significant unpaid grant commitments at year end totalling £59.6 million, of which £43.1 million is due to be paid within one year.

It is the Trustees' intention to spend out the assets of Gatsby, with grant making over the next two to three years likely to be maintained at a significant level. Consequently Gatsby had short term deposits and cash at bank of £261.9 million at the year end. The Trustees' hold cash and near cash investments that equate approximately to at least three years of grant expenditure, which should avoid a forced sale of investments should investment markets deteriorate.

Trustees met three times and used virtual communication tools as necessary to approve grants, and twice to review investments.

Gatsby, like other members of the Sainsbury Family Charitable Trusts, has responded to the urgent need to provide relief and support to those placed in hardship as a consequence of the COVID-19 pandemic, and has contributed to medical research that is being undertaken to combat the infectious disease. During the financial year Gatsby provided grants of £2.9 million in this respect.

Future plans

For the immediate future Trustees expect to continue to support long standing major beneficiaries and to continue making grants throughout the year in the areas in which they are interested, as detailed in the objectives section earlier in this report.

Reserves policy

The Trustees treat their expendable endowment and unrestricted income funds totalling £517.1 million (2020: £457.4 million) as a single resource for grant-making, and do not consider necessary a particular level of income reserves. Unrestricted income is shown separate from income received into the expendable endowment, and as grant expenditure is shown in the Statement of Financial Activities as a charge against unrestricted income, a significant deficit of income arises. A transfer of £55.4 million (2020: £50.2 million) has therefore been made from the expendable endowment to unrestricted income funds to eliminate the deficit.

Risk assessment

The Trustees have examined the major strategic, business and operational risks to which Gatsby may be exposed. Through the joint office of the Sainsbury Family Charitable Trusts, adequate systems are in place to meet such potential risks as the Trustees have identified in the context of their grant-making.

THE GATSBY CHARITABLE FOUNDATION

5 April 2021

REPORT OF THE TRUSTEES (continued)

The Trustees have evaluated that a major risk faced by Gatsby is that grant payments may not be applied for the charitable purposes for which they were awarded. To mitigate this risk the Trustees have implemented a rigorous, proportionate set of governance procedures which considers whether programmes and activities of the organisation which are to be the recipients of payments are aligned with the charitable objectives of Gatsby. During implementation of these programmes there is a series of performance reviews which checks, amongst other matters, that the funding paid has been and/or continues to be applied to programme outputs approved originally.

The volatility of market investments has been identified as a key risk by Trustees, as evidenced by the impact of the COVID-19 pandemic, where the extreme positive and negative returns have been received from the investment portfolio, and future investment income is anticipated to be substantially lower. The Trustees, in consultation with and on the advice of their Investment Advisers, maintain a diverse and balanced portfolio to mitigate so far as possible against adverse risks affecting the overall value of the investment portfolio so that Gatsby can continue to pay approved grants to its beneficiaries. In particular, a high proportion of the investment portfolio is held in cash, and the diversified investment portfolio is professionally managed.

The Trustees regularly review investment strategy and monitor financial performance. Trustees continue to assess risks arising from the COVID-19 pandemic on the activities and operations of Gatsby.

Fundraising

The Charity and its Trustees are fully aware of the requirements and duties set out in the Charities (Protection and Social Investment) Act 2016. Gatsby does not raise funds from the public and as such has no fundraising activities requiring disclosure under SI 62A of the Charities Act 2011.

Investment policy and performance

The Trustees maintain a diverse and balanced investment portfolio. The effect of the COVID-19 pandemic has been to increase the value of the investment portfolio by approximately £61.1 million at the end of the 2022 financial year. Active cash management ensured that a return above normally available market rates was achieved in the previous financial year.

CHARITABLE ACTIVITIES

Gatsby was established in 1967 by David Sainsbury (Lord Sainsbury of Turville). Gatsby acts as the enabler for projects, developing, overseeing and, in some cases, delivering activities across a small number of focus areas where the Trustees believe charitable funding can secure significant impact. Gatsby's commitment to these areas dates back many years, as Trustees understand that long-term investment and development are often needed to secure significant, sustainable change. Each of Gatsby's focus areas presents different challenges and each demands different models of support, intervention and evaluation. However, some common characteristics can be identified across the different areas.

Across all of Gatsby's programmes the Trustees aim to secure maximum impact with a minimum of bureaucracy. To this end, as well as limiting itself to a small range of fields, Gatsby also adopts a tight focus within each programme area. Trustees are very aware that across even narrowly-defined fields such as plant science or neuroscience research there will never be a shortage of need, and spreading support too thinly risks a disproportionate reduction in impact.

THE GATSBY CHARITABLE FOUNDATION

5 April 2021

REPORT OF THE TRUSTEES (continued)

Gatsby takes a proactive approach to both grant-making and directly managed programmes in its respective areas of focus. Rather than awaiting proposals from third parties, Gatsby identifies areas for action and builds hypotheses for action which can then be tested in the field. Where such tests are successful the intention is that such action is then scaled up and rolled-out. Such hypotheses are informed both by knowledge of the field in question (drawing on the experience of Trustees, expert advisers and staff) and by previous experience of what type of intervention is most likely to work. Where available, independent evaluation evidence is also fed into this process.

While rigorous research from the outset can greatly reduce the chance of failure, underlying Gatsby's approach is an acceptance that not all projects will be successful if innovation is to be fostered. This is especially true of proof-of-principle initiatives which seek novel solutions to stubborn problems. Trustees are therefore willing to take calculated risks with their charitable expenditure in situations where there clearly exists significant potential for positive impact.

This report describes Gatsby's aims in its main areas of interest and gives an indication of how Gatsby pursued them over the last 12 months. More detailed information can be found at www.gatsby.org.uk

PLANT SCIENCE

“To develop basic research in fundamental processes of plant growth and development and molecular plant pathology, and to encourage young researchers in the field of plant science in the UK.”

Gatsby's work in support of plant science seeks to nurture, sustain and increase the number of high-quality researchers for fundamental studies in plant biology. The programme aims to inspire an interest and excitement in plant science at all levels – from school students to graduate researchers – while also attracting world class talent to the UK by creating centres of excellence in the field.

Sainsbury Laboratory Cambridge University (SLCU)

Gatsby's largest ever commitment in plant science funded the building of a state-of-the-art research institute, the Sainsbury Laboratory Cambridge University (SLCU), which opened in 2011. Set within the inspirational grounds of the University's Botanic Garden, the aim of the Laboratory is to elucidate the regulatory systems underlying plant growth and development.

Following the first COVID-related lockdown, SLCU reopened in June 2020 with reduced occupancy and enhanced cleaning protocols for safety of all staff. Rotas and digital booking systems were put in place for all researchers to allow experiments and data gathering to continue at pace.

During this reporting period Dr Chris Whitewoods, a new career development fellow, joined SLCU. The Whitewoods group aims to understand how plants pattern themselves in three dimensions. Specifically, the Whitewoods group will investigate how plants coordinate their overall leaf shape with intricate internal patterning to produce leaves that are exquisitely adapted to their function. To do this the team will combine computational modelling with genetic and developmental analysis in the flat-leaved model plant *Arabidopsis thaliana* and the floating aquatic carnivorous plant *Utricularia gibba*.

REPORT OF THE TRUSTEES (continued)

Dr Alexander Jones, an SLCU group leader, successfully renewed his research support for a further five-year period. The Jones group will continue to investigate how plant hormones serve as signal integrators and master regulators of physiology and development. These functions are crucial for the coordination of the activities of individual cells – each having an independently tuneable hormone level and hormone response – into an ensemble behaviour appropriate for the organism as a whole. Their recent advent of ABACUS and GPS biosensors will permit greater analysis of the levels of hormones, abscisic acid and gibberellin, with cellular resolution to observe novel hormone patterns. The overarching goal for all the work is a systems-level understanding of the signal integration upstream and growth programming downstream of these hormones. Such an understanding could guide targeted interventions into plant physiology and development for improved food security.

SLCU group leader, Dr François Nédélec, is collaborating with Professor Andrea Musacchio (Max Planck Institute of Molecular Physiology in Dortmund) and Dr Thomas Surrey (Centre for Genomic Regulation in Barcelona) to study one of the most fundamental processes in life – cell division. Their project has been awarded a prestigious European Research Council (ERC) Synergy Grant, valued at £9.3 million (€11.0 million), to reconstitute cell division *in vitro* and *in silico*. Pooling their expertise and resources, they hope to reconstitute and model cell division on an entirely new level to generate a quantitative understanding, grounded on the first principles of physics and chemistry of how the cell cycle and the mitotic spindle achieve chromosome segregation.

Gatsby is very pleased to report that SLCU group leader, Professor Giles Oldroyd, has been recognised for his outstanding contributions to science in plant-microbe interactions with his election this year as a Fellow of the Royal Society, as well as a Member of the European Molecular Biology Organisation (EMBO). His international programme of research at SLCU and the newly-established Crop Science Centre attempts to achieve more equitable and sustainable agriculture through the enhanced use of beneficial microbial associations.

SLCU ran a very successful Plant Taskmaster outreach programme targeted at families who were home-schooling during the COVID-19 pandemic involving fun plant science-related challenges and live ‘Chat with a Scientist’ online broadcasts. As part of the Cambridge Festival, SLCU launched a citizen science project called The Great British Liverwort Hunt. More than 50 participants from across the UK were sent a liverwort collecting kit along with clear instructions on how to correctly identify and collect specimens in a safe and legal manner. Participants collected two liverwort species only – *Lunularia cruciata* and *Marchantia polymorpha* – and recorded when and where they were collected. The 37 accessions of *L. cruciata* and 32 accessions of *M. polymorpha* collected from this citizen science project will be used by the SLCU group of Dr Sebastian Schornack to study the resistance/susceptibility to pathogens and how this differs within the same species from different regions. There will be a number of follow-up events over the coming year such as behind the scenes tours of the equipment being used to study the samples, conversations with scientists and interactive workshops.

The next comprehensive review of SLCU has taken place virtually in June 2021 and was led by an independent international panel of experts in plant science research. The panel reviewed all aspects of the Laboratory in terms of research strategy, training and outputs over the last research cycle, and has made assessments and comments on the SLCU’s strategy and future plans to Gatsby for a further five-year funding cycle.

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REPORT OF THE TRUSTEES (continued)

The Sainsbury Laboratory (TSL)

Since 1987 Gatsby has supported The Sainsbury Laboratory (TSL) at the Norwich Research Park to investigate how plants defend themselves against microbes that cause disease, and conversely how microbes manipulate host plants and cause disease. Over these three decades TSL has built an outstanding international reputation for scientific excellence.

As part of the scientific community's response to COVID-19, TSL leadership felt it important to enable staff to volunteer in the testing effort at the Norfolk and Norwich University Hospital, and to utilise expertise at TSL for the development of rapid diagnostic tools. This work was carried out throughout the first national lockdown by a small group of staff, reporting to Professor Sophien Kamoun.

Despite the challenges of COVID-19 in early 2020, TSL reopened from lockdown in June 2020 albeit with reduced occupancy and laboratory rotas, and have remained extremely productive.

In the 2019-20 academic year there were an impressive 115 publications, many appearing in top tier journals. TSL also continued its strong commitment to open science, making its research available through pre-prints ahead of publication and releasing important data associated with emerging disease threats as soon as it was generated.

TSL scientists continue to receive recognition for their scientific achievements. This year Professors Jonathan Jones FRS, Sophien Kamoun FRS and Cyril Zipfel were named in the 2021 Highly Cited Researchers list. This means that a total of six members of TSL have been named in the list of the top 1% most highly cited scientists during the last four years (Professors Jones, Kamoun, Zipfel and Talbot, and Drs Win and Robatzek). Research from TSL generated more than 12,475 citations during the year, which is demonstrably world leading, and it remains one of the most highly cited research institutions in the world in any discipline.

A new senior group leader, Professor Wenbo Ma, arrived in the latter half of 2020. Her group works on the virulence function and evolution of pathogen effectors in order to understand mechanisms underlying plant immunity and microbial pathogenesis. She brings expertise in cutting-edge molecular technologies including genome editing and RNA interference. A new mass spectrometer equipment platform has also been established to facilitate her work, alongside the other group leaders. The Ma group will collaborate extensively across TSL, as well as with several colleagues at the John Innes Centre. Since her arrival, Professor Ma has received the Ruth Allen Award of the American Phytopathological Society, in recognition of her ground-breaking work in plant pathology.

TSL is now marketing its new internationally-focussed MSc Degree programme in Global Plant Health, with the first student entry due to take place in October 2021. The focus will be on global plant protection, not only the fundamental basic science underpinnings, but also agricultural technology, knowledge transfer and business practices. Professor Stephen Bornemann, the TSL Director of Postgraduate Training, in association with TSL group leaders, has generated the curriculum which is innovative in design with scenario-based learning that emphasises the response necessary to emerging disease threats. During the year, TSL has also filmed lectures and presentations for a Massive Online Open Course (MOOC) in Global Challenges in Plant Health that will be hosted on Future Learn during 2021. This exciting online programme will enable TSL to meet its strategic aims with regard to outreach and wider engagement.

REPORT OF THE TRUSTEES (continued)

Through both the MOOC and the MSc programme, TSL aim to encourage the next generation of young scientists into molecular plant pathology research, associated plant disease epidemiology, and policymaking. The courses will be launched during the United Nations International Year of Plant Health which has been extended into 2021 in light of the global pandemic.

2Blades Foundation (2Blades)

Gatsby provides core support to the 2Blades Foundation, a charitable organisation that supports the development of crops with durable disease resistance and promotes their deployment in agriculture worldwide, with a particular aim to benefit developing countries.

Over the past year, 2Blades has continued to engage a global research consortium to develop durable resistance to wheat stem rust, a catastrophic disease of wheat and significant, unmanaged threat to food security. The effort has focused on combining multiple resistance genes into stacks delivered as cassettes into wheat, and the resulting wheat lines were tested in field trials at the University of Minnesota over two seasons. The outcomes of the work were published in the peer-reviewed journal *Nature Biotechnology* in January 2021. The results demonstrated that the use of genetic technologies to build and insert a “stack” of five rust resistance genes into a single location in the genome of a common wheat variety led to the production of lines with exceptional resistance to stem rust, unmatched and unattainable by conventional breeding.

Helping to build resistance gene resources, 2Blades was awarded a grant from the Agriculture and Food Research Initiative of the US Department of Agriculture to isolate resistance genes from wild emmer wheat in collaboration with scientists at Kansas State University, University of Minnesota and the John Innes Centre. The genes identified in this programme will further enhance 2Blades’ world-leading resource of rust resistance genes and will be tested and deployed in future multi-gene stacks. Cassettes of these genes will move towards application in partnership with CIMMYT (International Maize and Wheat Improvement Centre).

A second collaboration with the University of Minnesota will produce a new economic assessment of the top seven diseases of wheat. A related report has been initiated with the International Food Policy Research Institute (a member organisation of the Consultative Group on International Agricultural Research) to provide data on the nutritional and health impacts of plant disease, using wheat rust as an example. These reports will be shared with policymakers, research organisations and potential funders to demonstrate the strong case for investing in solutions for crop disease to help achieve food security.

2Blades has continued to support the work of Dr Marc Ghislain and colleagues at CIP (International Potato Centre) in Kenya and in collaboration with the National Agricultural Research Organisation and other organisations in East Africa.

Field trials and data collection for deregulation of a popular regional potato variety engineered with a three-resistance-gene stack against late blight is at an advanced stage. In the past year, 2Blades raised over \$100,000 from individual donors to help support CIP’s work. A programme supported in Professor Brian Staskawicz’s laboratory at UC Berkeley’s Innovative Genomics Institute (IGI) is advancing gene-editing in tomato and wheat to produce resistance through inactivation of disease susceptibility genes. Research on precision breeding tools in wheat and engineering of synthetic resistance genes is also supported at IGI with matching funds from the US Foundation for Agricultural Research (FFAR).

REPORT OF THE TRUSTEES (continued)

Gatsby Plant Science Education Programme (GPSEP)

The Gatsby Plant Science Education Programme (GPSEP) aims to improve the teaching and learning of plant science at all ages, engaging and inspiring the next generation of plant scientists through projects in both schools and higher education. The programme is overseen by SLCU and the Cambridge University Botanic Garden.

The COVID-19 pandemic required the GPSEP team to pivot quickly to continue to deliver its activities. The Gatsby Plant Science Summer School in June 2020 was adapted to a condensed online version to deliver a remote webinar-style event.

Whilst the in-person practical sessions were unable to take place, 117 students received a range of plenary lectures from leaders in the academic field, public sector and private companies. Students stayed with the same plenary tutors in small groups during breakout sessions for all three days to help foster a sense of ‘teamship’ in a virtual setting to maximise the value of the Q&A, Careers Panel and Next Steps sessions. This online approach was well received by students – survey data collected showed that 82% of alumni said they were enrolled on a module with plant science this year, with 72% saying the GPSSS had influenced their module choice. For the 2021 edition, which will again be online, the numbers of places will be expanded to double the capacity, and additional sessions will be incorporated such as facilitated networking, social events, virtual expositions showcasing employers in the sector, as well as new workshops to capture the essentials from the previous in-person practical sessions.

Science and Plants for Schools

With the closures of schools, the majority of teachers and students were navigating distance learning during lockdown restrictions. The Science and Plants for Schools (saps.org.uk) website meant the team could continue to work to be a supportive presence for teachers and technicians. A section for Distance Learning was launched with collated resources suitable for remote learning; this new page has had 5653 views over the past year. There was an increase of 60% in subscribers to their YouTube channel as videos have been particularly useful for remote teaching scenarios. In March 2021 the team ran the first online SAPS Train the Trainer session for 20 Initial Teacher Education tutors and technicians drawn from 10 teacher training institutions. Usually a face-to-face two-day event, this course was converted into an effective and engaging practical-focussed online training workshop. Boxes of carefully curated, appropriate and safe practical kit were sent to attendees’ places of work and homes. Delegates joined in practical plant science activities remotely, following along with steps shown by the presenters over two morning sessions. This ambitious hybrid approach of real materials with online instruction was very successful as a training model and greatly appreciated by the attendees.

Other programmes

Gatsby further supports excellence in plant science in the UK through a suite of activities overseen by the Gatsby Plant Science Advisers. The Gatsby Plant Science Network consists of Gatsby-funded undergraduates, postgraduates, postdocs and alumni, with mentors chosen from UK universities with teaching and research interests in plant science.

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REPORT OF THE TRUSTEES (continued)

Two new Sainsbury PhD students started their research training in the previous period. Giovanni Giuriani at the University of Glasgow, under the direction of Professor Gareth Jenkins, will investigate a novel mechanism of UV-B photoreceptor signalling, while Maude Grenier at Edinburgh, under the direction of Dr Isla Myers-Smith, will research autumn plant phenology responses to a warming Arctic.

Like most in-person events, the annual network meeting in September 2020 moved to be fully online. The two-day programme gave all current PhD students supported by Gatsby the opportunity to share their research progress over the past year with their peers, other mentors and senior UK researchers in the network. There were also talks on their summer research projects from last year's four recipients of the Sainsbury undergraduate studentships.

The training weekend for Sainsbury PhD students also moved to be completely online in late March 2021. Sessions included: drafting papers and presenting posters; planning your research; writing fellowship and job applications; communicating research to the public; developing transferable skills; and how to maximise benefit from attending conference and placements. An engaging and interesting plenary talk was given by David Flanders, CEO of Agrimetrics, which is enabling agrifood organisations to realise the value trapped in their data.

David Hanke Medal

Gatsby was very sorry to hear during the year that Dr David Hanke received a terminal prognosis after a long battle with cancer. Dr Hanke made an enormous contribution to plant science research and was heavily involved in the Gatsby Plant Science Network for over 25 years: for the training weekend Dr Hanke was instrumental in formulating and delivering these long weekends. He also delivered all the training sessions on how to give talks. For the network meeting, he always attended to connect and reconnect with as many students and colleagues as possible and tirelessly filmed the sessions to make the content available to all. He also used the videos he made each year at the following training weekend – delivering praise and criticism in equal measures and in a hugely entertaining manner. To mark his many contributions, the Gatsby Plant Science Advisers will introduce the David Hanke Medal prize for the best talk at the annual network meeting.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £12,841,000

University of Cambridge - £8,541,000

Towards research activities and core costs at the Sainsbury Laboratory; the provision of Gatsby Fellowships to Principal Investigators at the Sainsbury Laboratory; and start-up funding for new lecturers in the Department of Plant Sciences.

Sainsbury Laboratory - Norwich - £3,370,000

Towards core research support and cost of a new Mass Spectrometer; and temporary accommodation and associated costs for the Director, Professor Nick Talbot.

2Blades Foundation - £777,000

Towards core and project costs.

Cambridge Network - £100,000

Towards core costs of Agri-TechE.

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REPORT OF THE TRUSTEES (continued)

A further grant payment totalling £53,000 was also paid in the year.

TOTAL DIRECT PROGRAMME EXPENSES paid this year: £1,191,000

University of Cambridge – The Sainsbury Laboratory - £559,000

Towards Gatsby Fellowships to Principal Investigators at the Sainsbury Laboratory and the costs of the peer review.

Sainsbury PhD Studentships - £250,000

Towards the Sainsbury PhD studentships in plant science.

Science & Plants for Schools (SAPS) and the Gatsby Plant Science Summer School - £177,000

Towards the Gatsby Plant Science Education Programme, including SAPS and the Undergraduate Summer School.

Gatsby Plant Science Ad Hoc - Gatsby Initiative - £119,000

Towards the plant science advisers' ad hoc grants.

Further direct programme expenses totalling £86,000 were also paid in the year.

NEUROSCIENCE

“To support world-class research in the areas of neural circuits and behaviour and theoretical neuroscience, and to support activities which enhance understanding in these fields.”

Understanding how the intricate anatomy of cells and circuits in the brain work together to generate complex behaviours is one of the most exciting challenges facing neuroscience today. Gatsby’s view, shared by many, is to work towards this by harnessing the efforts of a dynamic and multi-disciplinary group of scientists with a common interest in the workings of the brain. To this end, Gatsby is supporting a number of world-class research centres, programmes and activities.

Sainsbury Wellcome Centre for Neural Circuits and Behaviour (SWC)

Gatsby, in partnership with Wellcome and University College London (UCL), developed and supports the Sainsbury Wellcome Centre for Neural Circuits and Behaviour (SWC), where scientists are using state-of-the-art techniques to investigate how circuits in the brain process information to create neural representations and guide behaviour. It is directed by Professor Thomas Mrsic-Flogel.

Following the first COVID-19 lockdown, the SWC building re-opened in late June 2020 with reduced occupancy and rotas to ensure a safe working space for performing experiments and generating new data. Despite COVID-19, the centre remained very productive during the reporting period.

REPORT OF THE TRUSTEES (continued)

A new group leader, Dr Ann Duan, was recruited during the year and will join the SWC faculty in summer 2021. Dr Duan's long-term scientific goal centres around extracting general principles of neural computation that give rise to cognition. Dr Duan's laboratory at SWC will combine theory-motivated behavioural paradigms with modern experimental and analytical tools to conduct large-scale, cellular-resolution investigations of neural circuit mechanisms for flexible decision-making. In particular, she aims to understand how decision-making is modulated by internal and environmental variables, such as risk preference and competitive/cooperative social interaction.

As proposed at the first major review of the centre, SWC has set up the first Strategic Project led by a multi-disciplinary working group designed to solve challenges which cannot be tackled by individual labs. The Project brings together group leaders from SWC and the Gatsby Computational Neuroscience Unit (GCNU) with experimental and theoretical external collaborators, data scientists, engineers and industrial partners, NeuroGears and DataJoint.

The initial Project will develop a technical platform for studying naturalistic foraging behaviour in rodents, including continuous and long-term neural recordings. The Steering Committee, currently chaired by group leader Dr Tiago Branco, has formed sub-groups to work on the hardware, software and data analysis requirements of the project.

The SWC core facilities continue to develop, with new hires in the FabLab workshop, advanced microscopy suite and viral vectors core. This is to add new capabilities and required capacity as the SWC community continues to grow, with new group leaders and affiliates. SWC researchers were also involved in the development and testing of the next generation of Neuropixels neuronal recording silicon probes (Gatsby was part of the consortium that supported the 1.0 version); Neuropixels 2.0 have four shanks (rather than one) and were miniaturised so as to permit capturing the activity of thousands of neurons *in vivo* during free behaviour and following the activity of neurons over extended time periods. These new features should allow more detailed study of forms of learning that happen over weeks.

To further enrich its science and to build local links, SWC has also expanded its Affiliates Programme to five early-career researchers at UCL and the Crick Institute, taking the total to 25. Affiliates are invited to SWC events and have access to the FabLab and some other core resources. They can host first-year SWC PhD students for lab rotations and act as their joint supervisors for placements. They are also invited to jointly host seminar speakers at the SWC.

A Research Culture Working Group has been established to promote cross-disciplinary collaboration, open communication, career development and community building, across all levels at SWC and the GCNU. The group is developing new ways to promote open science including publishing of software and open-access data for research carried out at SWC.

Gatsby Computational Neuroscience Unit (GCNU)

Gatsby founded the Gatsby Computational Neuroscience Unit (GCNU) at UCL over two decades ago to bring together a critical mass of theoreticians focusing on the computational theories of perception and action in neural and machine systems. It is directed by Professor Maneesh Sahani.

REPORT OF THE TRUSTEES (continued)

Being based in the SWC building, the Unit has applied a mixed mode of operation during the COVID-19 crisis involving office and home based working, and taking advantage of video conference platforms for larger group meetings. This has allowed the Unit to maintain momentum in relation to all its efforts during the reporting period.

Dr Andrew Saxe was recruited and will soon start as the first joint GCNU-SWC Group Leader, a new position for applied machine learning research in neuroscience that will help further links between GCNU and SWC. Dr Saxe's research focuses on computational principles governing the dynamics of learning in biological systems, ultimately aiming to build a bridge from changes at the level of synapses and neurons to changes at the level of performance and behaviour. His lab in GCNU/SWC will investigate the hypothesis that depth – the brain's layered structure – is a critical factor shaping learning dynamics in the brain and mind. He aims to develop a tractable theory of deep learning dynamics in artificial and biological agents that will provide predictions for experimental paradigms in a range of systems.

In October 2020, GCNU and SWC students jointly organised a symposium on 'Neural Interfaces for Neurobiological Insights' to learn about and discuss how Brain-Machine Interfaces (BMIs) can help us understand the possibilities and constraints of neural function. Speakers were from academic institutions and technology companies from the UK and USA. The event was held online and was attended by approximately 500 people all over the world.

During 2020 the Unit saw six papers by PhD students and postdocs accepted into the prestigious Neural Information Processing Systems (NeurIPS) conference. NeurIPS is the foremost international conference linking artificial and natural intelligence, with only 20% of submitted papers accepted.

In March 2021, a joint GCNU-SWC postdoctoral fellow, Dr Grace Lindsay, published her first book entitled "Models of the Mind: How physics, engineering and mathematics have shaped our understanding of the brain." It provides a comprehensive introduction into the field of computational neuroscience, and the role that mathematics plays in helping us understand the brain.

GCNU and SWC are carrying out a joint application for the Athena SWAN charter, a framework used to support and transform gender equality in science, technology, engineering, maths and medicine (STEMM) careers within higher education and research, as well as to promote the development of researchers at various career stages. The recent protests on racial equality prompted a group of students from the Unit to initiate a week-long series of conversations and critical presentations examining past and current issues around race in science. This led the Unit to consider measures on and develop activities to begin to address the wider equality, diversity, and inclusion (EDI) agenda, including mentoring to school and/or undergraduate students from underrepresented groups, e.g. providing guidance on course selection, internships, etc, to allow more individuals to move towards fields like Computer Science, Computational Neuroscience, or Machine Learning.

The next major review of the Unit will take place in September 2021, led by an independent panel of international experts in theoretical neuroscience and machine learning. This will assess the Unit in terms of research strategy, innovation, achievement, and reputation over the last five-year cycle, and to examine and comment on the Unit's strategy and plans for a further funding cycle.

REPORT OF THE TRUSTEES (continued)*Theoretical neuroscience and machine learning*

Gatsby's support in the area of theoretical neuroscience and machine learning also includes two other world-class centres as part of an on-going partnership with GCNU. These are the Centre for Theoretical Neuroscience at Columbia University in the USA and the Gatsby programme in theoretical neuroscience at the Safra Centre for Brain Sciences (ELSC) at the Hebrew University in Israel. Despite the impact of the pandemic, the centres remained highly productive, publishing papers in top and mid-tier neuroscience journals as well as in proceedings of the leading machine learning and statistical congresses. The downtime for experimentalists due to closing of laboratory spaces during the first lockdown meant the centres were able to form new and more meaningful connections and collaborations as experimentalists working from home focused on analysing existing data and planning new experiments.

In addition, Professor John Cunningham, a faculty member at the Columbia centre, in parallel to his primary research on machine learning for data analysis, has created open-source tools and a portal with the required computing power to make available his latest algorithms and methods to the wider experimental neuro-community. This is a 'service' to analyse comprehensively very complex neural data sets and to scale up the access of experimentalists to the latest methods. Following COVID-19 related lockdowns everywhere, the tri-centre group of ELSC, GCNU and Columbia looks forward to meeting again to continue conversations and explore new collaborations. They plan to provide an additional opportunity at this meeting for the early-career researchers in the three centres to lead workshops on the latest challenges for theorists and computationalists in key areas such as deep learning, connectomics, behaviour and cognition.

Neuromatch Academy (NMA)

Gatsby also supported the inaugural Neuromatch Academy (NMA), a fully online three-week global summer school for computational neuroscience aimed at undergraduates, graduates and postdocs interested in the topic. COVID-19 created an enormous hole in the training prospects of the early career scientists. NMA pioneered offering online an entire course introducing traditional and emerging tools of computational neuroscience and deep learning to trainees with an emphasis on theory and model building. This was done with a series of plenary lectures from top researchers in the field along with instructional videos from faculty mentors, which were complemented with extensive teaching assistance and tutoring in small groups in their own time zone (and often in their first language). In the end, NMA 2020 consisted of a virtual army of more than 200 volunteers, 250 faculty mentors, 200 Teaching Assistants, and 1700 students from across 65 countries. Their videos, now freely available on YouTube, have been watched nearly 100,000 times. This was a major change of scale considering that, historically, traditional summer schools admit around 20-50 graduate and postgraduate students annually. NMA has the potential to become a key training programme for early career researchers and is particularly meaningful because, thanks to its online nature, it enables participation to community members who traditionally do not have the financial capacity or institutional support to attend summer schools.

REPORT OF THE TRUSTEES (continued)

Stanford Optogenetics Moonshot for Autism (SOMA)

Gatsby is supporting the Stanford Optogenetics Moonshot for Autism (SOMA) under the direction of Professor Karl Deisseroth. This project at Stanford University in the USA aims to elucidate the mechanisms of autism brain dynamics and to resolve relationships among multiple brain-wide projections and cell populations for defined behaviours. During the reporting period, SOMA published six papers that continue to tackle the moonshot goal. A range of molecular tools were perfected and applied to target particular cell types based on wiring anatomy or activity patterns during natural behaviour. This has enabled cutting-edge cellular-resolution recording methods simultaneously across many areas of the brain to look at the complexity of social behaviour. SOMA found that brain-wide interactions defining self, other and their inter-relationships are key for social behaviour. A desynchronisation pattern was found in part of the brain called the thalamus that may explain the mysterious and clinically important state of dissociation. This work suggests a fundamental mechanism for the assembly and disassembly of the self and its boundaries, with key implications for understanding the basic principles enabling social interaction. Technologically, this year SOMA developed an alignment of wiring-based anatomy and deep molecular datastreams to allow cell-type-resolved and single cell-level insight into social processes in health and disease. This new device combines the necessary fluidics, mechanics and control systems all integrated with optical microscopes which will permit the team to find cell-specific molecular targets for therapeutic social opportunities.

These findings will ultimately help the Deisseroth group to create novel and effective therapies which will have an impact on the treatment landscape for Autism Spectrum Disorder.

Cajal Advanced Neuroscience Training Programme AISBL

Gatsby is partnering with Federation of European Neuroscience Societies (FENS), International Brain Research Organisation (IBRO), Champalimaud Foundation and Bordeaux Neurocampus to support the continued development of the CAJAL programme, a dedicated neuroscience advanced training facility. The course offerings at Champalimaud and Bordeaux (totalling 27 courses and 500 students over the past four years) have been refined as well as expanded. Many UK-based researchers, including early career researchers from SWC, have attended and greatly benefitted from some of the courses. The established calibre of the programme and fully international faculty have highlighted to the international neuroscience community the availability of excellent Europe-based training courses, which are beginning to rival the highly respected cutting-edge hands-on intensive training courses in the USA.

In the last year, some hands-on courses had to be cancelled due to COVID-19. The CAJAL Executive pivoted to offer online lecture series to provide the scientific foundations and guidance for future laboratory-based work. In addition, they worked with SWC and GCNU to incubate a new thread of kit-based training, that could be posted out to participants, with online instructions, group tutorials and discussions. This course, entitled ‘The Last Black Box’, provided a foundation for new experimental neuroscientists beginning a PhD or switching discipline. The very successful pilot course introduced the essentials of data acquisition/control, data analysis, and machine learning by guiding the students through the hands-on construction of an increasingly capable robot; in parallel, related concepts in neuroscience were introduced as nature’s solution to the challenges students encounter while designing and building their own “intelligent” system.

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REPORT OF THE TRUSTEES (continued)

During the reporting period, Gatsby also renewed support for a further six-year period to help CAJAL consolidate strengths and develop further directions that will expand the impact and reach of the courses as well as move to make the organisation more sustainable. Over this new funding cycle, CAJAL will continue to keep the topics and quality in Bordeaux and Lisbon at the cutting-edge. The programme will draw in the expertise of SWC and other leading European sites to develop further kit-based training that can be sent anywhere across Europe to create ‘local’ courses run by CAJAL-trained researchers; this will mean CAJAL can be more inclusive as well as increase capacity and capability to do more courses. The organisation will develop more extensive connections with a wide range of funding partners (foundations, companies, universities, research institutes, etc) so as diversify its income to make CAJAL more sustainable and to ensure its future long-term impact on advanced training in neuroscience.

Other programmes

Gatsby provides support to the British Neuroscience Association (BNA) to implement a new strategy aiming to reposition the Association as a powerful force supporting neuroscience and neuroscientists in the UK. BNA’s ongoing aim is to increase and broaden membership with a wider range of activities to ensure it is truly representative and relevant to everyone in neuroscience including those in the private sector, the clinic and in wider society.

Over the past year, BNA partnered with SWC to launch its ‘Building Bridges Between: Industry and Academia’ (BBB) initiative which aims to foster collaboration between neuroscientists in industry and academia for information exchange through workshops and networking. A scene-setting webinar with Sir Mene Pangalos, Executive VP, Research and Development at AstraZeneca, took place in Autumn 2020. The 2021 BNA Festival of Neuroscience conference in early April 2021 featured a BBB workshop entitled ‘How to improve translation between industry and academia in neuroscience?’, and was chaired by Professor Tom Otis, SWC Chief Scientific Officer, who previously led early drug development for neurodevelopmental disorders and psychiatry at Roche. Professor Otis was joined by four leaders and innovators in industry-academia partnerships: Sir Mene Pangalos, AstraZeneca; Dr Eva Loth, Kings College London; Dr Justin Bryans, LifeArc; and Dr John Huxter, Transpharmation Ltd. Through BBB, BNA continues to increase industry members as well as to involve the commercial sector in the Association’s key campaign around research reproducibility and replicability, ‘Credibility in Neuroscience’, because it is essential to include the whole neuroscience landscape to achieve culture change.

Gatsby believes in the value of publicly available, up-to-date, authoritative information about the progress and promise of brain research. It continues to support the Society for Neuroscience to maintain and expand *BrainFacts.org*. This highly successful website targets information about the brain and nervous system to the public, educators and public policy audiences.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £5,622,000

University College London - £3,449,000

Towards the research activities and core costs of the Sainsbury Wellcome Centre for Neural Circuits and Behaviour; and the Gatsby Computational Neuroscience Unit.

Stanford University - £761,000

Towards research costs for Stanford Optogenetics Moonshot for Autism (SOMA) programme

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REPORT OF THE TRUSTEES (continued)

Columbia University, New York - £312,000
 Towards the Centre for Theoretical Neuroscience.

Hebrew University of Jerusalem - £304,000
 Towards the Gatsby Theoretical Neuroscience Programme.

University of Oxford - £232,000
 Towards the Oxford Centre for Neural Circuits and Behaviour.

Cajal Advanced Neuroscience Training Programme AISBL - £218,000
 Towards the CAJAL Advanced Neuroscience Training Programme.

New York University – School of Medicine - £148,000
 Towards the completion of Oliver Sacks’ remaining books, and the rehousing of his archive.

Society for Neuroscience - £93,000
 Towards Brainfacts.org.

Further grant payments totalling £105,000 were also paid in the year.

TOTAL DIRECT PROGRAMME EXPENSES paid this year: £10,000

SCIENCE AND ENGINEERING EDUCATION

“To strengthen science, technology, engineering and mathematics (STEM) education and training in the UK by informing national policy and developing innovative programmes.”

Gatsby’s interest in education continues to centre on five priorities: the reform of technical education; the supply of STEM skills in the UK workforce; career guidance; science and maths in schools; and strengthening business education for engineers. Gatsby funds the core costs of a separate organisation – Gatsby Technical Education Projects, a registered charity and company limited by guarantee – to oversee many of its programmes in this area.

During the past year, COVID-19 had an impact on the progress of several Gatsby-supported projects, especially those that involved working directly with schools and colleges. This impact has typically presented itself as a lengthening in the timelines for completing projects, rather than derailing them completely and, overall, Gatsby continues to be very pleased with the progress being made in this grant category.

REPORT OF THE TRUSTEES (continued)

The government reforms to technical education in England have continued apace. The first T-levels (new technical qualifications for 16-19 year olds) were introduced in three subjects in around 40 schools and colleges from September 2020. A further seven T-level subjects will come onstream from September 2021, with the remaining 14 being introduced over the subsequent two years. The idea of T-levels originates from the 2016 review by the *Independent Panel on Technical Education* (the so-called ‘Sainsbury Review’, named after the Panel chairman and Gatsby’s settlor, Lord Sainsbury of Turville). Over the past year, Gatsby staff have worked closely with colleges, selected local authorities, and officials at the Department for Education (DFE) to help ensure a smooth roll-out for T-levels. This activity has involved continuing to work with five Mayoral Combined Authorities and LEPs to analyse local labour market demand and develop coherent plans for introducing T-levels across their regions; and helping teachers in Further Education colleges understand and prepare for the new qualifications. Pilot activity to explore how NHS Trusts might offer extended industry placements for future T-level students also progressed, albeit at a much slower pace than initially planned due to COVID-19.

Trustees were pleased to see that the government’s ‘Skills for Jobs’ White Paper, published in January 2021, built squarely on policy first outlined in the Sainsbury Review. In particular, government’s commitment to giving employers a central role in determining the mix of courses and training offered in a local area, and to align the vast majority of post-16 technical education to employer-led standards was extremely welcome. The White Paper’s recommitment to strengthen and expand higher technical education at Levels 4 and 5 was also a positive step. Gatsby has long called for higher technical education – the so called ‘missing middle’ of England’s education system – to be prioritised, and Gatsby staff continue to work with the DFE and others to seek to ensure a smooth implementation of these reforms. Key to this will be the new Institutes of Technology (IoTs) – 20 centres of excellence being established around the country to specialise in higher technical education. The original concept for IoTs came from Gatsby, and Trustees continue to be very supportive of the new institutes. This support was bolstered in the past year by an initiative led by the Higher Value Manufacturing Catapult (HVMC) and Gatsby to explore how workers in advanced manufacturing industries can be upskilled through higher technical education as new digital technologies transform the sector.

While reforms underway to national policy will positively impact on the future flow of workers entering the UK workforce, it is still the case that the many and varied roles that technicians already undertake remain poorly understood by the general public. Without greater awareness of the contribution technicians make, there will continue to be a struggle to recruit the skilled technicians this country needs both to remain economically competitive and to run core public services like the NHS. Gatsby’s ‘*Technicians Make it Happen*’ campaign seeks to raise the profile of technicians among young people, their parents and the public at large, through case studies, social media messaging and events. Gatsby has also embarked on an ambitious partnership with the Science Museum in London to create a new gallery at the museum – to open in late 2022 – dedicated to profiling the work of technicians.

Gatsby continues to be a national leader in the debate around career guidance in schools and colleges. The Gatsby Benchmarks for Good Career Guidance remain central to the government’s policy on career guidance, and Gatsby staff are continuing to scope and develop a project that will explore the barriers and enablers to engaging parents in conversations with their children about career options.

REPORT OF THE TRUSTEES (continued)

In recent years, and reflecting its increasing support for technical education, Gatsby has been reducing the support it offers for projects seeking to strengthen science and maths in schools. Activity in this area is now focused on exploring effective approaches to science teacher recruitment and retention, and supporting three national initiatives: the National STEM Learning Centre, which houses the country's largest collection of STEM curriculum support materials; activity to support schools to establish and develop STEM Clubs; and the Big Bang Fair events.

Gatsby's final priority area is supporting engineers in the UK to gain a deeper understanding of business and entrepreneurship. To this end, Gatsby supports the Engineers in Business Fellowship (EIBF), a charity established to manage the Sainsbury Management Fellowships (SMFs) scheme and other activity promoting business education for engineers. Each year, the SMFs scheme awards bursaries of £50,000 to ten outstanding early-career engineers, to enable them to study for an MBA at a top international business school. Gatsby also supports the EIBF's wider work, including the development of an inter-university competition in which teams of engineering undergraduates pitch business plans to expert judges.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £4,149,000

Gatsby Technical Education Projects (GTEP) - £3,359,000

Towards the core costs of Gatsby Technical Education Projects.

Engineers in Business Fellowship - £715,000

Towards the core costs of the Engineers in Business Fellowship and the SMF bursary scheme.

Engineering UK - £75,000

Towards the core costs of the Big Bang Fair.

TOTAL DIRECT PROGRAMME EXPENSES paid this year: £5,302,000

Technicians Gallery at the Science Museum - £1,347,000

Towards the costs of creating a new technicians gallery at the Science Museum in South Kensington.

National STEM Centre - £1,030,000

Towards the core costs of the National STEM Learning Centre and the STEM Clubs expansion programme for secondary schools.

Career Guidance in Schools - £522,000

Towards work to improve career guidance in schools, including ongoing development and promotion of the Compass benchmark audit tool for schools, and development and piloting of activities to enable parents to support the career guidance of their children.

Coherent Technical Education Pathways in Local Areas - £490,000

Towards supporting the delivery of coherent technical education routes in local areas.

IT Technician Registration Scheme - £319,000

To support an expansion of the RITTech registration scheme for IT technicians.

THE GATSBY CHARITABLE FOUNDATION

5 April 2021

REPORT OF THE TRUSTEES (continued)

Raising the Profile of Technician Roles - £279,000

Towards activities that raise awareness of technician careers and the education routes that lead to them.

Development of a common framework of employability/transferable skills - £169,000

Towards the development and implementation of a framework of transferable skills for work.

High Value Manufacturing Catapult - supporting skills development in advanced manufacturing - £148,000

Towards the development of higher technical courses and apprenticeships in advanced manufacturing.

Practical Work in School Science - £153,000

Towards practical work in schools.

Baker Dearing Educational Trust - £100,000

Towards the activities of the Baker Dearing Educational Trust and UTCs initiative.

Further direct programme expenses totalling £745,000 were also paid in the year.

AFRICA

“To promote economic development in East Africa that benefits the poor through support to the growth and sustainability of key sectors.”

Gatsby has funded, designed and run programmes in Africa since 1985, with the overall aim of creating jobs and raising incomes for poor people. Gatsby’s programmes in Africa are now mainly implemented by a separate UK charitable company - Gatsby Africa (GA) - with registered branches in Tanzania and Kenya.

GA aims to help more people benefit from economic growth in East Africa – creating jobs, raising incomes, building opportunities and reducing poverty. It looks to achieve this by:

- Funding and implementing programmes that bring stakeholders together to catalyse large-scale and lasting change in priority sectors – such as commercial forestry in Tanzania;
- Building and supporting local organisations dedicated to sector transformation; and
- Sharing lessons with others - including donors and governments - who are trying to transform sectors.

GA is implementing programmes in the Tanzanian cotton and textiles sector, forestry sectors in Kenya and Tanzania, and (in partnership with The Wood Foundation) the Tanzanian and Rwandan tea sectors. It has also invested resources in building two local independent organisations - Kenya Markets Trust and Msingi - to undertake similar work and influence the broader debate on how to ensure economic growth benefits people in East Africa.

THE GATSBY CHARITABLE FOUNDATION

5 April 2021

REPORT OF THE TRUSTEES (continued)

GA and its partner organisations are running 10 sector programmes across East Africa. Yet many other sectors also need support. Each programme and organisation thus aims to capture what is working and what is not, and to share this with other stakeholders - particularly governments and donors - so that they can benefit from the lessons learned. In this way, GA aims to contribute to a wider movement, and to see a series of sectors in East Africa and beyond transformed by its own efforts and those of others, bringing widespread benefits to East African citizens and poor people across developing countries.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £14,500,000

Gatsby Africa (GA) - £14,500,000

Towards GA programmes and operating core costs.

THE ARTS

“To support the fabric and programming of institutions with which Gatsby’s founding family has connections.”

Gatsby provides core support for organisations with which Gatsby has a long-standing history, especially in view of the global pandemic and the consequent economic impact that has been catastrophic for all parts of the UK Arts sector. Trustees continue to provide additional funding support and flexibility for the repurposing of existing grant commitments as these organisations cope with the unprecedented challenges of COVID-19.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £4,110,000

Backstage Trust - £2,000,000

Towards core costs and to aid beneficiaries adversely affected by the COVID-19 pandemic.

Sainsbury Centre for Visual Arts - £700,000

Towards core costs, including special exhibitions.

Chamber Orchestra of Europe - £500,000

Towards core costs.

Sainsbury Institute for the Study of Japanese Arts and Cultures - £400,000

Towards core costs.

Royal Shakespeare Company - £268,000

Towards the Artist Development Programme.

Sainsbury Research Unit for the Arts of Africa, Oceania & the Americas - £225,000

Towards core costs.

Further grant payments totalling £17,000 were also paid in the year.

REPORT OF THE TRUSTEES (continued)

PUBLIC POLICY

“To support independent research organisations which provide evidence-based advice to policy makers.”

Gatsby’s grant-making in public policy focuses on five organisations: the Institute for Government; the Centre for Cities; the Centre for Science, Technology & Innovation Policy; Policy Links; and the Babbage Policy Forum.

The Institute for Government (IfG)

Gatsby established the Institute for Government (IfG) in 2008 with the ambitious objective of improving the working of government in the UK. Bronwen Maddox is the Director, and is accountable to a distinguished all-party board of governors chaired by Lord Sainsbury. The Institute is independent and non-partisan, and works with the main political parties in Westminster, senior civil servants in Whitehall, and officials, politicians, academics and other stakeholders across the UK to promote more effective government. It provides impartial, evidence-based research, advice and training drawing on best practice and experience from within government and the public sector, universities and business not just in the UK but from around the world. Its findings and ideas are disseminated through a wide range of channels including reports, commentary, public and private roundtable events, seminars and podcasts.

As the COVID-19 pandemic took hold, the Institute pivoted immediately to remote working and only a little more slowly to online events. While the move to remote working did not impede the activities of the Institute, the research plan that had been shaped by the government’s 2019 election manifesto had to be completely re-worked in the light of the new circumstances and priorities. The Institute’s reputation and authority stood it in good stead as online audiences grew, especially for its weekly podcast, and, read by ever greater numbers, it published significant work on the major government issues of the day: the pandemic response; the implications of COVID-19 for the public finances; getting to net zero; civil service reform; the constitutional issues around devolution and the impact, particularly on trade and Northern Ireland of the UK finally leaving the European Union.

In relation to the pandemic the Institute has undertaken research on decision-making at the centre of government, how scientific advice has been used in policymaking and the measures introduced to support the UK economy (comparing with the response of other countries), as well as calling for a public inquiry to allow government to learn lessons from this exceptional period.

The net zero project resulted in a widely-praised report which has positioned the Institute as an expert voice on how government should organise itself to achieve the 2050 target, and prompted discussions with many arms of government and the voluntary sector. Culminating in an international, online conference, the work highlighted the key issues government will have to address to achieve its target. Two related projects identified lessons for the UK from the efforts of other countries to incorporate evidence into transport and energy policymaking.

REPORT OF THE TRUSTEES (continued)

In the run up to the end of the Brexit transition period in December 2020, and its aftermath, the consequences of the UK's departure from the EU and the new roles it has created for government began to emerge. The Institute has addressed these in its research over the course of the year, focusing in particular on the readiness of government and business for the approaching deadline, the role of the civil service, the implementation of the Northern Ireland Protocol, and on the government's plans for state aid and managing the UK internal market.

The Institute has strengthened its existing substantial body of work on the civil service and ministers. It has continued to support the development of the functional agenda in government through private and public events and a major report on civil service skills. This year has seen a special focus on the centre of government with reports on accountability and structures at the centre, Number 10 and the Cabinet Office and the role of Special Advisers. In addition to work looking at how Whitehall has responded to the COVID-19 pandemic, the Institute has maintained a focus on the government's agenda for civil service reform. A highly successful one-day conference was held in the summer of 2020, and this was followed up by reports on the relocation of civil servants, the relevance of digital technology for policymaking and the structure of the civil service and work on civil service pay and performance.

The Institute also produced the latest iterations of its two annual data-focused reports: in October 2020, *Performance Tracker* (which looks at the performance of nine key public services and focussed on the impact of the pandemic on these services); and in January 2021, *Whitehall Monitor* (which analyses the size, shape and performance of central government and provided a snapshot of the impact of this exceptional year on government, parliament and the civil service).

The Institute's devolution team has focused on the devolved, mayoral and local elections, many of which were delayed from 2020 due to the pandemic. In addition to influential reports on the operation of the Sewell Convention and the Barnett Formula, which have sparked interest in the UK Parliament and across the devolved nations, high profile reports have examined the implications of the SNP's manifesto for Scottish independence and compared the performance of public services across England, Scotland, Wales and Northern Ireland.

IfG has continued to deliver professional development for individuals involved in government, providing high-level advice, seminars and research to support ministers, advisers, senior officials and select committees. To inform this work, the Institute has continued to expand its archive of Ministers Reflect interviews recording the insights of former ministers in the UK and devolved nations about what it takes to be effective in government.

The Centre for Cities

The Centre for Cities is an independent research and policy organisation, chaired by Nigel Hugill and directed by Andrew Carter. The Centre is committed to helping Britain's cities and large towns improve their economic performance by focusing on the drivers of urban economic success. The Centre produces practical research and policy advice for city leaders, national government and businesses.

REPORT OF THE TRUSTEES (continued)

As the pandemic took hold in April 2020, the Centre shifted focus to tracking and researching the economic impact of COVID-19 across the UK's largest cities and towns to help their leaders understand the likely effects and to plan their response. Throughout the year, it launched publicly accessible data trackers covering cases, local footfall and spend, and unemployment. City leaders have found this real-time analysis extremely valuable in understanding the impact the pandemic was having on their areas and planning for the re-opening and recovery of their economies. The Centre released over 80 briefings, blogs and research reports about COVID-19, covering topics including cities' use of technology to tackle the pandemic, the effects of Eat Out to Help Out, and the impact of lockdowns on labour markets and analysis of the furlough scheme. Levelling up has always been a key theme for the Centre, and one that is of even greater importance given the uneven impact of the pandemic, and they continued to focus on this during the reporting period.

Investment in research and development across the UK has been identified as a priority area in order to achieve levelling up. Working with Connected Places Catapult, they analysed which of Britain's cities and largest towns have the most potential to harness extra public Research and Development funding and convert it into wider local economic growth. This analysis will continue to be valuable and relevant to the levelling up agenda for years to come as investment decisions are made. Devolution of powers and resources to Metro Mayors and local government will also be key to delivering levelling up. In September, the Centre published new research, setting out how the Government should use its devolution white paper to re-organise and simplify local government so it is ready for the task of levelling up the country.

The Centre for Science, Technology & Innovation Policy (CSTI)

The Centre for Science, Technology & Innovation Policy (CSTI), based at Cambridge University's Institute for Manufacturing (IfM), carries out practical policy research exploring what makes national innovation systems effective at translating new science and engineering ideas into technologies, industries and economic wealth. Under the direction of Dr Eoin O'Sullivan, CSTI brings a science and engineering perspective to innovation and industrial policy.

During the reporting period, CSTI continued to be productive and made significant contributions to academic knowledge and policy practice, despite the challenges of the COVID-19 pandemic. As well as academic publications in journals for innovation economics, technology management, and science, technology and innovation policy, CSTI researchers also produced studies and briefing notes for key UK stakeholders. For example, in the context of the Government's commitment to the development of a new funding agency (announced in February as the Advanced Research & Invention Agency (ARIA)) modelled on the US Advanced Research Projects Agency (ARPA), CSTI developed a programme of activities aimed at better explaining the ARPA-model and characterising the research and innovation challenges where ARPA-like agencies have been most effective. As part of this work, CSTI submitted a policy briefing note to the House of Commons Science & Technology Committee inquiry into 'a new UK research agency'. Policy seminars on the new model were given to a variety of UK innovation policy stakeholders, with CSTI also providing informal advice on ARPA (and alternative models, eg Bell Labs) to policy advisers in No 10 Downing Street. CSTI also arranged an international roundtable workshop comparing international lessons and practices from ARPA-like agencies in early 2021.

Furthermore, a new PhD student studying mission-oriented challenge programmes, with a focus on the life sciences sector, started research in January 2021.

REPORT OF THE TRUSTEES (continued)

As well as maintaining existing internal collaborations within the Cambridge Institute for Manufacturing, CSTI established new research partnerships in 2020, exploring new external collaborations with the UK Productivity Institute (led by University of Manchester) and other UK innovation policy-related institutes.

Over the past year, CSTI continued to develop its research agenda related to regional innovation policy, exploring new academic and policy collaborations. New work in this area in the next period will build on CSTI research on R&D diffusion dynamics within regional innovation ecosystems. This will explore, in more depth, the role of intermediate research and innovation institutes in translating university-based research into capabilities underpinning regional economic value capture opportunities. In particular, this research would explore how intermediate institutes help provide (or develop) critical research and innovation resources and competences necessary to support a complete ‘innovation pathway’ within a regional economy. This research would also investigate the importance of the configuration of regionally-clustered industrial value chains in shaping potential ‘innovation pathways’ for regional economic value capture.

Policy Links (PL)

The Policy Links (PL) unit is a not-for-profit consultancy unit that works with governments and international organisations to develop effective industrial innovation policies. The Unit offers consultancy services and capacity building programmes based on the latest academic thinking and the study of international best practice. Also based at IfM, Policy Links works closely with CSTI and with the Babbage Policy Forum under the shared banner of Cambridge Industrial Innovation Policy, which operates at the intersection of technology, innovation and industrial competitiveness.

Over the last year, Policy Links continued to strengthen collaborations with the UK Government and associated agencies. The Unit produced a series of rapid response studies for the Department for Business, Energy and Industrial Strategy (BEIS) to inform manufacturing policy responses to COVID-19, and offered evidence to the House of Commons International Trade Committee inquiry on the impact of COVID-19 on trade of manufactured goods. The Unit also successfully applied to become part of the BEIS Futures Framework, a register of consultants and researchers that can be called upon by UK public bodies to conduct future-oriented studies and support long-term strategic thinking in government. Policy Links collaborated with Innovate UK to inform future international collaborations in advanced manufacturing and the Made Smarter digitalisation programme. In addition, the Unit delivered a bespoke capacity building programme for key policy stakeholders from various teams at BEIS, HM Treasury, and devolved administrations.

In February, together with CSTI, the Unit produced and launched the first edition of the ‘UK Innovation Report’, a new study that benchmarks the UK’s industrial and innovation performance in a global context. While numerous sources of data on the topic of innovation exist, the UK Innovation Report aims to make a distinctive contribution by bringing together, in a single place, innovation and value-added indicators in a concise and accessible format. In doing so, the report seeks to demonstrate the value of combining different types of datasets to facilitate policy discussions on innovation and industrial performance – and the interplay between them. There are ongoing plans to update the data annually to make it an authoritative source of the information for all key policy stakeholders.

REPORT OF THE TRUSTEES (continued)

Outside of the UK, Policy Links strengthened its collaborations with international organisations such as the Inter-American Development Bank, with projects in the Caribbean, and the United Nations Development Programme, to inform manufacturing development policies in Cambodia. Articles based on the Unit's work were featured in newsletters and websites of the World Economic Forum and the United Nations Industrial Development Organisation. Findings from the Policy Links report 'Innovate Indonesia', produced for the Asian Development Bank, were presented to Indonesia's Minister of Research and Technology and the British Chamber of Commerce in Indonesia. In addition to these activities, Policy Links supervised two student projects designed jointly with BEIS on topics related to net zero and digital manufacturing.

The Babbage Policy Forum

Three years ago, Gatsby supported Professor Sir Mike Gregory, previously Head of the Manufacturing and Management Division of the University of Cambridge's Department of Engineering and of the Institute for Manufacturing, to establish and chair the Babbage International Policy Forum. It aimed to provide a unique forum through symposia and a network within which to develop new thinking at the interface of economics, engineering and management. This is to generate new insights with the potential to underpin industrial policies for economic competitiveness and growth.

The Babbage network was successfully established with a group of leading international economists, engineers and operations academics and practitioners to develop new approaches to the understanding, analysis and design of policies for science, technology, innovation, manufacturing and industry. Babbage symposia convened to date have highlighted the need for better integrated disciplinary foundations for the development of policy in the areas of technology, innovation and manufacturing. They have paid particular attention to the role of manufacturing and its accelerating evolution in response to changing technologies and global structures. Issues of productivity, competitiveness and leadership have also been addressed. To consolidate these strong initial efforts, Gatsby recently provided additional support for three years for a second phase of Babbage activities.

The opportunity now exists to take forward Babbage ideas, concepts and experience to build 'practical' tools, processes and guidelines for policy makers and politicians. Four strands of activity are envisaged:

- Refinement of a Green Paper: that will distil and capture the conversations of the Babbage meetings over the first phase. This will be prepared for publication through robust review by Babbage members and external experts.
- Processes and Tools: detailing Babbage and related ideas and processes (eg production capability) for use by practitioners and researchers. This will include a new dedicated Principal Industrial Research Fellow to develop and deliver these materials.
- Dissemination of Babbage themes and outputs: including case examples, educational publications and practitioner materials.
- Community Building: involving the development, through an open competition, of an international group of early-career scholars and practitioners to provide a 'safe space' for the next generation of leaders to explore multi-disciplinary, practice-oriented work and to provide a reference community for policymakers.

THE GATSBY CHARITABLE FOUNDATION
5 April 2021

REPORT OF THE TRUSTEES (continued)

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £6,426,000

Institute for Government - £4,746,000

Towards core costs and research to assess quality of UK policymaking in transport and energy.

Centre for Cities - £1,100,000

Towards core costs.

University of Cambridge Institute for Manufacturing – £350,000

Towards the production of case studies from the UK manufacturing community during the COVID-19 pandemic.

New Philanthropy Capital – £200,000

Towards core costs, “Future of the Charity Sector” programme and research to influence charity funding in response to coronavirus.

Further grant payments totalling £30,000 were also paid in the year.

TOTAL DIRECT PROGRAMME EXPENSES paid this year: £123,000

Babbage Symposium and Professor Mike Gregory support - £123,000

Towards Phase 2 of the Babbage Symposium and consultancy for Prof Mike Gregory.

GENERAL

‘To support on occasion other charitable work which falls outside the Trustees’ main fields of interest.’

Gatsby is supporting healthcare delivery innovation research entitled ‘Proactive and Integrated Management and Empowerment in Parkinson’s Disease’ (PRIME Parkinson). The main thrust is an integrated care approach that delivers high-quality personalised care to people with Parkinson’s Disease (PD) close to home. This is a dual site activity taking place in the greater Bristol/Bath area in the UK and the greater Nijmegen area in the Netherlands (NL).

As is to be expected, any clinical research activity has been impacted by the COVID-19 pandemic, and it is a difficult time to run clinical trials and begin participant recruitment. To mitigate delays due to COVID-19, the PRIME team focused all efforts on activities that can occur during lockdown such as submissions to ethics boards, data collection methodologies, optimising training protocols for staff delivering PRIME, and setting up the required IT platforms.

REPORT OF THE TRUSTEES (continued)

A key point of personalised care is an exercise regime. Over the past year the PRIME team worked with a personal trainer, specialising in sports medicine with an interest in movement disorders, to develop a series of tailored exercise videos that people with PD can access easily in the comfort of their own homes with minimal or no equipment required. There are two sets of videos targeting the physical challenges of PD. The first takes patients through exercise modules such as strength, power, speed, balance, flexibility, and cardiovascular fitness. The second shows exercise continuums, which demonstrate a series of exercises being progressed from easy variations to more challenging ones. Alongside these videos is guidance (recovery strategies and what to do in the event of pain or injury), support (common points on self-management, and advice on intensity, duration, and frequency of training) and motivational resources. These materials will form a key part of the physical activity section in the PRIME information and educational database for patients and carers.

As lockdown measures changed over the year, the teams restarted and adapted recruitment strategies to fit with government COVID guidelines, whilst ensuring the safety of staff and participants. The NL team will now proceed with current numbers to initiate the trial of the PRIME intervention. The team will also carry out embedded sub-studies on (1) personalised gait rehabilitation, (2) gender differences, (3) remote monitoring by physiotherapists, and (4) respiratory function. In the UK, the trial design is complete, and recruitment is on track. They have added a new fourth workstream that will take a more qualitative approach with social science methods to look closely at the views and experiences of those involved such as people with Parkinson's, carers, families, or clinical staff. This additional information will be very important alongside the quantitative data of the formal trials in the future dissemination efforts of PRIME's key findings within the healthcare systems of the UK and the NL and beyond.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £2,820,000

Radboud University Medical Centre - £1,434,000

Towards the Proactive and Integrated Management and Empowerment in Parkinson's Disease (PRIME-Parkinson) programme in partnership with the University of Bristol in the UK.

King's College London - £500,000

Towards the Life Lines project as part of the COVID-19 response.

True Colours Trust - £300,000

Towards the work of KHPC.

Mercatus Center Inc - £250,000

Towards to researchers involved in COVID-19.

University of Cambridge and Kings College, Cambridge - £130,000

Towards the COVID -19 Student Hardship Fund; and a Summer School Internship Programme to support 10 disadvantaged students in the sciences.

Further grant payments totalling £206,000 were also paid in the year.

THE GATSBY CHARITABLE FOUNDATION
5 April 2021

REPORT OF THE TRUSTEES (continued)

TOTAL DIRECT PROGRAMME EXPENSES paid this year: £42,000

GRANTS CANCELLED

Grants totalling £19,602,000 were cancelled or amended during the year.

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE ACCOUNTS

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of its net outgoing resources for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- 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 the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. 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.

Approved by the Board of Trustees on 4 November 2021 and signed on their behalf by



Mr J C Burns
 TRUSTEE

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE GATSBY CHARITABLE FOUNDATION**Opinion**

We have audited the financial statements of the Gatsby Charitable Foundation ('the charity') for the year ended 5 April 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and Notes to the Financial Statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2021 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 about the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE GATSBY CHARITABLE FOUNDATION (*continued*)

Other information

The Trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the 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.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 requires 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 and proper accounting records have not been kept by the charity; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 31, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the 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.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE GATSBY CHARITABLE FOUNDATION (*continued*)**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations, are set out below.

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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR).

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

THE GATSBY CHARITABLE FOUNDATION
5 April 2021

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE GATSBY CHARITABLE FOUNDATION (*continued*)

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.

Crowe U.K. LLP

Crowe U.K. LLP
Statutory Auditor
London

29 November 2021

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE GATSBY CHARITABLE FOUNDATION
5 April 2021

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 5 APRIL 2021

	<i>Notes</i>	Unrestricted Funds	Expendable Endowment	Total Funds 2021	Total Funds 2020
		£'000	£'000	£'000	£'000
INCOME AND ENDOWMENTS FROM:					
Donations and gifts	2	-	55,000	55,000	94,878
Investments	3	5,441	-	5,441	10,322
Total income		5,441	55,000	60,441	105,200
EXPENDITURE ON:					
<i>Raising funds</i>					
Investment management costs	4	-	(791)	(791)	(961)
<i>Charitable activities</i>					
Grant expenditure	5	(48,471)	-	(48,471)	(53,694)
Direct programme costs	6	(6,667)	-	(6,667)	(3,967)
Support costs	7,8	(2,622)	-	(2,622)	(2,860)
Other operating costs	9	(3,100)	-	(3,100)	-
Total cost of grant making		(60,860)	-	(60,860)	(60,521)
Total expenditure		(60,860)	(791)	(61,651)	(61,482)
Gains/(losses) on investment assets		-	61,091	61,091	(28,435)
Net income for the year before transfers		(55,419)	115,300	59,881	15,283
Transfers between funds	16	55,419	(55,419)	-	-
Net income/(loss) for the year after transfers		-	59,881	59,881	(28,435)
Other recognised gains and losses					15,283
Foreign exchange (losses)		-	(235)	(235)	(148)
Net movement in funds		-	59,646	59,646	15,135
Reconciliation of funds					
Total funds brought forward at 6 April 2020		-	457,405	457,405	442,270
Total funds carried forward at 5 April 2021		-	517,051	517,051	457,405

The notes on pages 39 to 50 form part of these accounts.

THE GATSBY CHARITABLE FOUNDATION
5 April 2021

BALANCE SHEET
AS AT 5 APRIL 2021

	<i>Note</i>	2021 £'000	2020 £'000
FIXED ASSETS			
Tangible fixed assets	<i>10</i>	368	154
Investments	<i>11</i>	517,088	457,603
		<u>517,456</u>	<u>457,757</u>
CURRENT ASSETS			
Debtors	<i>12</i>	2,515	9,089
Cash at bank and in hand		60,282	52,499
		<u>62,797</u>	<u>61,588</u>
LIABILITIES			
Creditors - amounts falling due within 1 year	<i>13</i>	(43,590)	(44,607)
		<u>19,207</u>	<u>16,981</u>
NET CURRENT ASSETS			
		536,663	474,738
LIABILITIES			
Creditors - amounts falling due after 1 year	<i>14</i>	(16,512)	(17,333)
Provision for liability	<i>15</i>	(3,100)	-
NET ASSETS		<u>517,051</u>	<u>457,405</u>
THE FUNDS OF THE CHARITY			
Capital funds			
Expendable endowment		517,051	457,405
Income funds			
Unrestricted funds		-	-
Restricted funds		-	-
	<i>16</i>	<u>517,051</u>	<u>457,405</u>

These financial statements were approved and authorised for issue by Trustees on 4 November 2021 and were signed on their behalf by:



Mr J C Burns
 TRUSTEE

The notes on pages 39 to 50 form part of these accounts

THE GATSBY CHARITABLE FOUNDATION
5 April 2021

CASH FLOW STATEMENT
FOR THE YEAR ENDED 5 APRIL 2021

	2021	2020
	£'000	£'000
Net cash provided by operating activities	1,310	23,436
Net cash provided by/(used in) investing activities	6,708	(41,751)
Change in cash and cash equivalents during the year	8,018	(18,315)
Cash and cash equivalents at the beginning of year	52,499	70,962
Change in cash and cash equivalents due to exchange rate movements	(235)	(148)
Cash and cash equivalents at the end of year	60,282	52,499
Reconciliation of net income to net cash provided by/(used in) operating activities	2021	2020
	£'000	£'000
Net income for the year (as per the Statement of Financial Activities)	59,881	15,283
Gift of investments	-	(5,000)
(Gains)/losses on investments	(61,091)	28,435
Depreciation charges	125	76
Income from investments (interest and dividends)	(5,441)	(10,322)
Decrease/(Increase) in debtors	6,574	(6,560)
Increase in creditors and provisions	1,262	1,524
Net cash provided by operating activities	1,310	23,436
Net cash (used in) investing activities	2021	2020
	£'000	£'000
Purchase of fixed assets	(339)	-
Purchase of investments	(237,687)	(255,728)
Income from investments	5,441	7,616
Proceeds from sale of investments	239,293	203,655
Net cash received from/(used in) investing activities	6,708	(41,751)
Cash and cash equivalents	Change in	2020
	year	£'000
	2021	£'000
	£'000	£'000
Cash at bank and in hand	8,169	60,112
Cash balances held by investment managers	(386)	170
	7,783	60,282
	60,282	52,499

The notes on pages 39 to 50 form part of these accounts.

NOTES TO THE ACCOUNTS

1. PRINCIPAL ACCOUNTING POLICIES

a) Basis of preparation and consolidation

The financial statements have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

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 Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) 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.

Gatsby constitutes a public benefit entity as defined by FRS102.

In the view of the Trustees, there are no material uncertainties casting doubt on the going concern of the charity. The value of the investment portfolio has increased by approximately £61.1 million in comparison to the end of the previous financial year. Gatsby's endowment assets remain significant, and this, together with future investment income that is generated, will continue to be paid out to approved beneficiaries in accordance with the objectives of the charity.

b) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and any provision for impairments in value. Fixed assets are depreciated at rates which reflect their useful lives to Gatsby. The following rates have been used:

Leasehold improvements - over the remaining lifetime of the lease
 Equipment - 10-33% straight line

c) Income

- (i) Donations are shown gross which includes the associated tax credit unless the tax so deducted is considered irrecoverable.
- (ii) Dividends are included by reference to their due dates.
- (iii) Interest is recorded on an accruals basis.

d) Grants payable

Grants for which there is a legal obligation, or a valid expectation of receipt by the beneficiary at the year end, and for which conditions attaching to their payment have been fulfilled, are accounted for within the Statement of Financial Activities. Grants approved subject to conditions that have not been met at the year end are not accrued (see note 5).

e) Investments

Net realised and unrealised gains and losses are reflected in the Statement of Financial Activities. Investments are shown at mid market value. Partial disposals are accounted for using average book value. Unquoted investments which represent programme related investments are carried at cost less provision for impairment where required (See note 10).

f) Support costs

These costs support predominantly the grant-making activity of Gatsby. Such costs include a share of the staff and office costs of the joint office of the Sainsbury Family Charitable Trusts, which are allocated in proportion to time spent on Foundation matters and grants paid.

NOTES TO THE ACCOUNTS (continued)

1. PRINCIPAL ACCOUNTING POLICIES (continued)

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include fees for statutory audit, legal fees where relevant, together with an allocation of support costs.

g) Fund accounting

Details of the nature and purpose of each fund is set out in note 16.

h) Pension costs

Gatsby has a money purchase scheme for qualifying employees. Pension costs charged to the Statement of Financial Activities represent the contributions payable by Gatsby in the year (See Note 8).

i) Foreign currencies

Foreign currency transactions are translated into sterling at the rate prevailing at the time of the transaction. Balance sheet items are translated using the year end rate of exchange. Foreign exchange gains and losses resulting from the settlement of transactions and from translation using year end rates of exchange, are recognised in the Statement of Financial Activities.

j) Financial instruments

Gatsby has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand, together with accrued interest and other debtors. Financial liabilities held at amortised cost comprise grants payable and accruals. Investments, including bonds held as part of an investment portfolio, are held at fair value at the balance sheet date, with gains and losses being recognised within income and expenditure.

At the balance sheet date the Group held financial assets at fair value of £517,088,000 (2020: £457,603,000).

k) Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand, cash held for reinvestment and short term deposits.

l) Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in note 1, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, the critical judgments that have been made at arriving at the amounts recognised in the financial statements and the key estimation uncertainty that has a significant risk of causing a material adjustment to the carrying values of assets and liabilities in the next financial year are as follows:

Impairment of programme related investments.

The carrying values of these investments are reviewed for impairment only when events or circumstances arise which may indicate impairment. Assessment is made initially in relation to the investments ability to continue to operate and deliver charitable benefit, the net asset values of the companies involved, and the consideration of budgets and any wider economic factors.

THE GATSBY CHARITABLE FOUNDATION

5 April 2021

NOTES TO THE ACCOUNTS (continued)

1. PRINCIPAL ACCOUNTING POLICIES (continued)

m) Provisions for liabilities and charges

Provisions for liabilities and charges are made when a present obligation has arisen as a result of a past event, payment is probable, and the amount can be estimated reliably.

2. GRANTS AND DONATIONS

Gatsby received donations from the Settlor during the year totalling £55,000,000 (2020: £94,878,000) and £Nil (2020: £Nil) in grants and donations from other sources.

3. INVESTMENT INCOME

Income received on investments may be analysed as follows:

	2021		2020	
	£'000	%	£'000	%
UK equities	2,433	45	5,454	53
Overseas equities	1,368	25	1,419	14
Short term deposits	1,640	30	3,449	33
	5,441	100	10,322	100

4. COST OF RAISING FUNDS

Fund raising costs comprise the fees of investment managers. Investment management fees amount to £791,000 (2020: £961,000). The Trustees are of the opinion that these costs contribute to the generation of a total return on the investment portfolio and, as such, have charged the Expendable Endowment with these fees.

5. GRANTS PAYABLE

	2021		2020	
	£'000	£'000	£'000	£'000
Reconciliation of grants payable:				
Commitments at 6 April 2020		61,603		60,017
Grants not accrued at 6 April 2020	98,384		64,947	
Grants approved in the year	51,851		95,561	
Grants cancelled, refunded or amended	(19,602)		(8,430)	
Grants not accrued at 5 April 2021	(82,162)		(98,384)	
Grants expenditure for the year		48,471		53,694
Grants paid during the year		(50,467)		(52,108)
Commitments at 5 April 2021		59,607		61,603

THE GATSBY CHARITABLE FOUNDATION

5 April 2021

NOTES TO THE ACCOUNTS (continued)

5. GRANTS PAYABLE (continued)

Commitments at 5 April 2021 are payable as follows:

	2021	2020
	£'000	£'000
Within one year (note 12)	43,095	44,270
After more than one year (note 13)	16,512	17,333
	59,607	61,603

The Trustees had appointments with the following organisations which received grant funding during the year:

Mr J C Burns	– Centre for Cities, Gatsby Africa, Gatsby Technical Education Projects, Sainsbury Institute for the Study of Japanese Arts and Cultures, Sainsbury Research Unit for the Arts of Africa, Oceania & the Americas
Sir Andrew Cahn KCMG	– The Institute for Government
Miss J S Portrait OBE	– Gatsby Africa, Gatsby Technical Education Projects, Sainsbury Institute for the Study of Japanese Arts and Cultures (as Trustee of HON & V Trustee Limited), Sainsbury Research Unit for the Arts of Africa, Oceania & the Americas (as Trustee of HON & V Trustee Limited)

Commitments

In addition to the amounts committed and accrued noted above, the Trustees have also authorised certain grants which are subject to the recipient fulfilling certain conditions relating to the delivery of the grant-funded activities.

The total amount authorised but not accrued as expenditure at 5 April 2021 was £82,162,000 (2020: £98,384,000). Of this total, £30,812,000 will be payable during 2022/23 and £18,848,000 during 2023/24.

The amount payable during 2021/22 includes the following: £'000

Neuroscience

University College London – Sainsbury Wellcome Centre for Neural Circuits and Behaviour	9,880
University College London - Gatsby Computational Neuroscience Unit	2,426
Stanford University	903
Columbia University – New York	683
Hebrew University of Jerusalem	308
Federation of European Neuroscience	224
University of Oxford	196
Royal College of Psychiatrists	185
British Neuroscience Association	150
University of Cambridge	82
Other grants	225

Plant Science

University of Cambridge – the Sainsbury Laboratory	7,645
The Sainsbury Laboratory – Norwich	3,075
Cambridge Network	200
University of Cambridge - Department of Plant Sciences	100

Science and Engineering Education

Gatsby Technical Education Projects	1,769
Engineers in Business Fellowship (formerly Sainsbury Management Fellows' Society)	1,051
Smaller grants	8

Africa

Gatsby Africa	2,013
The Wood Foundation	479

THE GATSBY CHARITABLE FOUNDATION
5 April 2021

NOTES TO THE ACCOUNTS (continued)

5. GRANTS PAYABLE (continued)

£'000

Arts

Chamber Orchestra of Europe	500
The Royal Shakespeare Company	268
Clore Duffield Foundation	150
Sainsbury Institute for the Study of Japanese Art and Culture	66
Sainsbury Centre for Visual Arts	65

Public Policy

Institute for Government	4,613
Centre for Cities	1,100
University of Cambridge - Institute for Manufacturing	745
Imperial College, London	527
Bennett Institute for Public Policy	139
Smaller grants	25

General

Raboud University Medical Centre	1,957
St Mark's Hospital, London	920
Imperial College, London	278
Smaller grants	140

Total due within one year (Note 12)

43,095

6. DIRECT PROGRAMME EXPENSES

	2021	2020
	£'000	£'000
Science and Engineering Education	5,302	3,138
Plant Science	1,190	648
Public Policy	123	168
Neuroscience	10	13
Other	42	-
	6,667	3,967

7. SUPPORT COSTS

	Charitable Activities	Governance	2021 Total	2020 Total
	£'000	£'000	£'000	£'000
Staff costs	1,006	-	1,006	992
Share of joint office costs	977	-	977	810
Direct costs including travel, consultancy, legal and professional fees	484	-	484	957
Depreciation	125	-	125	76
	2,592	-	2,592	2,835
Auditors' remuneration	-	30	30	25
	2,592	30	2,622	2,860

THE GATSBY CHARITABLE FOUNDATION

5 April 2021

NOTES TO THE ACCOUNTS (continued)

7. SUPPORT COSTS (continued)

Audit fees include irrecoverable VAT of £5,000 (2020: £4,000). Included within grant-related support costs is a total of £174,000 (2020: £158,000), of which £95,000 (2020: £Nil) is included within accruals and deferred income, for legal services provided by Portrait Solicitors, a firm in which Miss J S Portrait OBE is a partner.

8. ANALYSIS OF STAFF COSTS

	2021	2020
	£'000	£'000
Wages and salaries	837	824
Social security costs	92	92
Other pension costs	77	76
	1,006	992

The average number of employees within the charity was as follows

	2021	2020
	No.	No.
Charity	3	4

As mentioned in Note 1a, Gatsby is one of the Sainsbury Family Charitable Trusts which share a joint administration at the Registered Office. 19.5% of the total support and administration costs of these trusts have been allocated to the Gatsby Charitable Foundation, including a proportionate share of the costs of employing the total number of staff serving in the office in 2020/20.

A total of 9 staff (2020: 12) were charged to Gatsby during the year, with some being on a part-time basis. This equates to 3.2 full-time employees (2020: 4.2).

The Trust considers its key management personnel to comprise of 4 staff (2020: 4). The total employment benefits, including employer pension contributions, of these key management personnel, were £295,481 (2020: £380,793).

No Trustee received any remuneration for their services during the year or claimed expenses (2020: £Nil). One Trustee had travel expenses of £2,255 paid during the year (2020: £Nil).

The number of employees whose earnings in relation to time spent on Gatsby's affairs exceeded £60,000 p.a. excluding pension contributions was:

	2021	2020
	No.	No.
£70,000 - £80,000	-	1
£80,000 - £90,000	1	-
£140,000 - £150,000	1	-
£210,000 - £220,000	-	1

THE GATSBY CHARITABLE FOUNDATION
5 April 2021

NOTES TO THE ACCOUNTS (continued)

9. OTHER OPERATING COSTS

	2021	2020
	£'000	£'000
Guarantor costs arising from withdrawal from the Universities Superannuation Scheme	3,100	-

Gatsby is guarantor to the Centre for Mental Health's (CMH's) (formerly the Sainsbury Centre for Mental Health) participation in the Universities Superannuation Scheme (USS). Gatsby withdrew its financial support of CMH under a Deed of Accession dated 14 November 2006, meaning that CMH no longer qualifies for participation in the USS. As CMH no longer participates in the USS, this means that a "Section 75" debt has been triggered at the date the CMH ceased to employ an active member of the USS. The amount that has been provided to meet Gatsby's guarantee based on guidance from professional pension advisers is £3,100,000 (2020: £Nil). The timing of the guarantee payment is subject to reaching agreement with USS.

10. TANGIBLE FIXED ASSETS

	Leasehold Improvements	Equipment	Total
	£'000	£'000	£'000
Cost			
At beginning of year	767	34	801
Acquisitions	339	-	339
At end of year	1,106	34	1,140
Depreciation			
At beginning of year	613	34	647
Charge for the year	125	-	125
At end of year	738	34	772
Net book value 5 April 2021	368	-	368
Net book value 5 April 2020	154	-	154

Leasehold improvements consist of Gatsby's share of the cost of refurbishment of leasehold premises at The Peak, 5 Wilton Road, London SW1.

11. FIXED ASSET INVESTMENTS

	2021	2020
	£'000	£'000
Market value 6 April 2020	457,603	428,965
Disposals	(239,293)	(203,655)
Acquisitions at cost	237,687	255,728
Gift of shares	-	5,000
Net gains/(losses) on investments	61,091	(28,435)
Market value 5 April 2021	517,088	457,603

Total disinvestments from fixed asset investments during the year to meet operating cash requirements amounted to £55,199,000 (2020: £51,489,000).

THE GATSBY CHARITABLE FOUNDATION

5 April 2021

NOTES TO THE ACCOUNTS (continued)

11. FIXED ASSET INVESTMENTS (continued)

The investments held as at 5 April 2021 were as follows:

	2021		2020	
	Cost	Market Value	Cost	Market Value
	£'000	£'000	£'000	£'000
U.K. equities	152,447	193,470	153,482	168,992
Overseas equities	95,727	121,915	86,467	79,230
Overseas equities – unquoted	2,581	-	2,581	-
Short-term deposits	201,699	201,703	209,421	209,381
	452,454	517,088	451,951	457,603

UK equities held at 5 April 2021 has the following market values:

	2021	2020
	£'000	£'000
Trojan Investment Funds	79,372	72,810
LF Ruffer Funds	64,614	53,344
J Sainsbury plc	29,714	26,576
Other UK equities	19,770	16,262
	193,470	168,992

Overseas equities - unquoted principally comprises programme related investments to provide both equity finance and loans to small and medium sized enterprises in the agricultural sector in East Africa, and similar investments to improve overall employment opportunities, and support sector development. Gatsby is exiting its programme related investments, from which Gatsby received redemption proceeds during the year of £73,000 (2020: £2,409,000).

Short term deposits include Lloyds Bank money market deposits and a treasury facility with Barclays Bank which at 5 April 2021 had a market value of £195,000,000 (2020: £196,000,000).

12. DEBTORS

	2021	2020
	£'000	£'000
Gift Aid receivable	-	2,875
Other debtors	2,515	6,214
	2,515	9,089

13. CREDITORS - amounts falling due within 1 year

	2021	2020
	£'000	£'000
Grants payable (note 5)	43,095	44,270
Trade creditors	258	38
Other creditors	109	138
Accruals and deferred income	128	161
	43,590	44,607

THE GATSBY CHARITABLE FOUNDATION
5 April 2021

NOTES TO THE ACCOUNTS (continued)

14. CREDITORS - amounts falling due after more than 1 year

	2021	2020
	£'000	£'000
Grant payable (note 5)	16,512	17,333

15. PROVISION FOR LIABILITY

	2021	2020
	£'000	£'000
At beginning of year	-	-
Movement in provision (see Note 9)	3,100	-
At 5 April 2021	3,100	-

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Fund	Expendable Endowment	Total Funds 2021
	£'000	£'000	£'000
Fund balances at 5 April 2021 are represented by:			
Tangible fixed assets	-	368	368
Investments	-	517,088	517,088
Current assets	-	62,797	62,797
Current liabilities	-	(43,590)	(43,590)
Long term liabilities	-	(16,512)	(16,512)
Provisions	-	(3,100)	(3,100)
	-	517,051	517,051
Movement in the year			
Opening balance as at 5 April 2020	-	457,405	457,405
Total income and endowments	5,441	55,000	60,441
Cost of raising funds	-	(791)	(791)
Cost of grant-making	(60,860)	-	(60,860)
Net gain on investments	-	61,091	61,091
Foreign exchange movement	-	(235)	(235)
Transfers between funds	54,419	(55,419)	-
	-	517,051	517,051
Closing balance as at 5 April 2021	-	517,051	517,051

NOTES TO THE ACCOUNTS (continued)

17. CONTINGENT LIABILITIES AND GUARANTEES

Gatsby has indemnified the Trustees of two Settlements which donated assets to Gatsby against any claims which may be brought against the Trustees of the Settlements. The Indemnity is limited to the value of the funds at the time the donations were made which totalled £18.15 million, and security has been provided by Gatsby for the same amount.

Gatsby acts as guarantor for certain property leasehold arrangements on behalf of the Sainsbury Family Charitable Trusts (for which Gatsby has received counter-indemnities). Gatsby has provided undertakings in connection with funds it has received from third parties.

18. FUNDS

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

Restricted funds comprise those funds held by Gatsby which can be used solely for the purpose which they were given.

Expendable Endowment represents those assets held by the Trustees principally in investments. Income arising on the expendable endowment fund can be used in accordance with the objects of the charity and is included as unrestricted income. Investment management charges are charged against the fund. The fund is available to meet grant commitments as the Trustees may see fit.

Material transfers between funds

Transfers have been made from expendable endowment to eliminate the deficit on unrestricted funds where the deficit is considered to be non-reversing with regard to Gatsby's normal grant making.

THE GATSBY CHARITABLE FOUNDATION
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NOTES TO THE ACCOUNTS (continued)

19. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2020

	<i>Note</i>	<i>Unrestricted Funds</i>	<i>Expendable Endowment</i>	<i>Total Funds 2020</i>
		<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
INCOME AND ENDOWMENTS FROM:				
Donations and gifts	2	-	94,878	94,878
Investments	3	10,322	-	10,322
Total income		10,322	94,878	105,200
EXPENDITURE ON				
<i>Raising funds</i>				
Investment management costs	4	-	(961)	(961)
<i>Charitable activities</i>				
Grant expenditure	5	(53,694)	-	(53,694)
Direct programme costs	6	(3,967)	-	(3,967)
Support costs	7,8	(2,860)	-	(2,860)
Total cost of grant making		(60,521)	-	(60,521)
Total expenditure		(60,521)	(961)	(61,482)
Loss on investment assets		-	(28,435)	(28,435)
Net income/(expenditure) for the year before transfers		(50,199)	65,482	15,283
Transfers between funds		50,199	(50,199)	-
Net income/(expenditure) for the year after transfers		-	15,283	15,283
Other recognised gains and losses				
Foreign exchange gains/(losses)		-	(148)	(148)
Net movement in funds		-	15,135	15,135
Reconciliation of funds				
Total funds brought forward at 6 April 2019		-	442,270	442,270
Total funds carried forward at 5 April 2020		-	457,405	457,405

THE GATSBY CHARITABLE FOUNDATION
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NOTES TO THE ACCOUNTS (continued)

20. COMPARATIVE ANALYSIS OF NET ASSETS BETWEEN FUNDS AS AT 5 APRIL 2020

	<i>Unrestricted Fund</i>	<i>Expendable Endowment</i>	<i>Total Funds 2020</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Fund balances at 5 April 2020 are represented by:			
Tangible fixed assets	-	154	154
Investments	-	457,603	457,603
Current assets	-	61,588	61,588
Current liabilities	-	(44,607)	(44,607)
Long term liabilities	-	(17,333)	(17,333)
	-	457,405	457,405
Movement in the year			
Opening balance as at 5 April 2019	-	442,270	442,270
Total income and endowments	10,322	94,878	105,200
Cost of raising funds	-	(961)	(961)
Cost of grant-making	(60,521)	-	(60,521)
Net losses on investments	-	(28,435)	(28,435)
Foreign exchange movement	-	(148)	(148)
Transfers between funds	50,199	(50,199)	-
Closing balance as at 5 April 2020	-	457,405	457,405