

THE ERANDA ROTHSCHILD FOUNDATION

England & Wales · Charity number 255650

Details

Other names THE ERANDA FOUNDATION

Status Registered

Legal form Other

Registered 1968-04-22

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

Contact

Address 31 Tite Street
London
SW3 4JP

Phone 01296689157

Email secretary@erandarothschild.org

Website <http://www.erandarothschild.org/>

Activities

Objects: THE ADVANCEMENT OF LEARNING IN THE ARTS AND SCIENCES AND IN PARTICULAR:- I) THE ADVANCEMENT OF HEALTH AND THE PREVENTION AND RELIEF OF SICKNESS IN PARTICULAR BY MEDICAL RESEARCH AND TEACHING AND BY THE ORGANISATION AND DEVELOPMENT OF MEDICAL AND HEALTH SERVICES. II) THE ADVANCEMENT OF SOCIAL WELL-BEING IN PARTICULAR BY SCIENTIFIC RESEARCH AND THE ORGANISATION DEVELOPMENT AND IMPROVEMENT OF SCIENTIFIC EDUCATION INCLUDING THE TRAINING OF STUDENTS AND THE PROVISION OF SCHOLARSHIPS AND PRIZES. III) THE SUPPORT OF SUCH OTHER CHARITABLE ORGANISATIONS AS THE TRUSTEES SHALL IN THEIR ABSOLUTE DISCRETION FROM TIME TO TIME DETERMINE.

Activities: The Eranda Foundation is a grant making charity.

Classification

- **How:** Makes Grants To Organisations, Sponsors Or Undertakes Research
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Religious Activities, Arts/culture/heritage/science, Amateur Sport, Animals, Environment/conservation/heritage, Economic/community Development/employment
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- United States
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-04-05	£5,746,389	£8,455,180	£146,165,267	2
2024-04-05	£5,251,016	£2,091,772	£154,873,889	2
2023-04-05	£4,765,618	£927,589	£145,086,137	2
2022-04-05	£5,130,934	£1,174,659	£147,437,587	2
2021-04-05	£4,084,544	£1,293,596	£137,826,131	2

Trustees

Name	Role	Appointed
ANTHONY DE ROTHSCHILD		
Benjamin Elliot		2015-07-20
Geraldine Elizabeth Hedger		2024-03-20
JESSICA DE ROTHSCHILD		
LADY DE ROTHSCHILD		
SIR JOHN WILFRED PEACE		2012-12-13

THE ERANDA ROTHSCHILD FOUNDATION

England & Wales - Charity number 255650

Accounts

Registered Charity No: 255650

The Eranda Rothschild Foundation

Report and financial statements

For the year ended 5 April 2025

The Eranda Rothschild Foundation

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The Eranda Rothschild Foundation

Charity details

Trustees

Lady Lynn de Rothschild
Mr Anthony de Rothschild
Ms Jessica de Rothschild
Sir John Peace
Sir Benjamin Elliot
Mrs Geraldine Hedger

Principal/registered office

31 Tite Street
London
SW3 4JP

Auditors

Saffery LLP
71 Queen Victoria Street
London
EC4V 4BE

Bankers

Coutts & Co
440 Strand
London
WC2R 0QS

HSBC
8 Canada Square
London
E14 5HQ

Investment managers

BlackRock Investment Management UK Limited
12 Throgmorton Avenue
London
EC2N 2DL

Status The Eranda Rothschild Foundation was established by trust deed dated 10 February 1967 and is registered in the United Kingdom as a charity, number 255650.

The Eranda Rothschild Foundation

Trustees' report For the year ended 5 April 2025

The Trustees of The Eranda Rothschild Foundation ("The Foundation") present their report and audited financial statements for the year ended 5 April 2025, which have been prepared in accordance with the Charities Act 2011 Statement of Recommended Practice, applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK.

Reference and administrative information

This information is shown on page 1.

Structure, Governance and Management

The Foundation is an unincorporated trust, constituted under a trust deed dated 10 February 1967, and is a registered charity, number 255650.

The Trustees of the Foundation, as listed on page 1, have held office and served throughout the year unless otherwise indicated. The Trust Deed provides for a minimum of three trustees to a maximum of seven trustees. The statutory power of appointing new Trustees vests with the Trustees. Trustees are aware of the aims and objectives of the Foundation and the manner in which the trustees carry out their responsibilities. In addition, each new trustee receives a copy of the Trust Deeds, Minutes of Meetings, Annual Reports and Accounts and a copy of the Charity Commission guidance leaflet, "The Essential Trustee: What you need to Know".

The Trustees are directly responsible for the management of the Foundation and aim to meet at least three times a year to consider grant applications, review investment performance and other matters of an administrative and strategic nature. The Chairman supervises the processing of grant applications and all decisions are ratified at Trustees' meetings. All Trustees give their time freely and no Trustee received remuneration in the year.

Risk Management

The Trustees have considered the major risks to which the Foundation is exposed and believe that there are two significant risks for the Foundation.

The first significant risk is fraud in relation to grants not being used for their intended purpose. The Foundation also awards grants to overseas charities whereby checks cannot always be made in the same way as a UK charity. The Foundation mitigates this risk by using eligibility criteria, assessing the applications raised and monitoring reports from the grant receiver. Reliance is also placed on the Trustees' knowledge of these charities and reports are often presented at Trustees' meetings.

The second significant risk is investment risk. As markets are volatile this can lead to fluctuations in income and valuation. This is mitigated by appointing well respected fund managers, setting and monitoring investment benchmarks and presentations from them at Trustee meetings. More information about investments can be found on page 4.

Risks are reviewed by the Trustees on an on-going basis.

Fund Raising

The Trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications on their activities. The Charity does not actively fundraise from the general public and therefore the Trustees do not consider it necessary to have a formal fundraising policy in place.

The Eranda Rothschild Foundation

Trustees' report For the year ended 5 April 2025

Objectives and activities for public benefit

The Foundation furthers its charitable purposes for the public benefit through its grant making policy which aims to support charitable work in the advancement of:

- the arts;
- health, welfare and medical research; and
- education

The Foundation aims to award grants equal to the amount of income it receives during the year and to try and spread this evenly across the three activities noted above. This aim is dependent upon the applications that are submitted during the year.

In order to measure the success, the Trustees will review the number and value of grants awarded year on year. This is then compared against the amount of income received to ensure that grants are being awarded in line with the Foundation's objectives.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning future activities setting the grant making policy for the year.

The Foundation's strategy for achieving these objectives is to consider applications from appropriate registered charities to whom funds can be distributed in accordance with the above objectives and to monitor and review the work of the beneficiary charities on a regular basis.

Grant making policy

The Foundation accepts applications from registered charities only and no applications from individuals are considered. The Trustees meet regularly to review and approve grants and regular contact is maintained with recipients of grants for monitoring purposes. The Trustees aim to achieve an appropriate balance between medical, education and arts causes.

Achievements and Performance

The Trustees are pleased with the achievements and performance of the Foundation as set out below.

The number of grants distributed to institutions during the year amounted to 31 (2024: 17). A summary of the grants awarded can be found in note 15 of the accounts.

Financial Review

During the year income of £5,746,389 (2024: £5,251,016) was received from investments held by the Foundation. This income was applied to furthering the objectives of the Foundation, and as such the Trustees approved and paid grants totalling £7,856,770 (2024: £1,666,655) during the year.

The net movement in funds for the year, as shown in the statement of financial activities, amounted to an overall decrease in funds of £8,708,622 (2024: £9,787,752 increase). This movement was primarily driven by both market movements on quoted investments and an increase in grant expenditure.

In the financial year ending 5 April 2023, Sir Evelyn de Rothschild, the settlor of the Eranda Rothschild Foundation, sadly passed away. As previously reported the Trustees had fewer trustee meetings over that period which in turn led to significantly less grant making than the longer term historic average. To rectify this, the Trustees have worked to increase the annual grant levels that advance the Eranda Rothschild Foundations objectives for the past two financial years.

The Eranda Rothschild Foundation
Trustees' report
For the year ended 5 April 2025

During the past couple of financial years, the Trustees have designated funds for several significant projects in memory of the late Eranda Rothschild Foundation settlor, Sir Evelyn de Rothschild as per note 13 in these financial statements. Some of these grants have been confirmed after the year end and will be made over a number of years. The Trustees have given \$2,000,000 for The Sir Evelyn de Rothschild Career Development Award to the Mayo Clinic, and have allocated £12m to be granted as follows: a) £300,000 per year for The Sir Evelyn de Rothschild Fellowship for Nature Finance and Inclusive Capitalism with the Circular Bioeconomy Alliance and b) £300,000 per year for The Sir Evelyn de Rothschild Fellowship for Inclusive Capitalism with the Clinton Foundation. The Trustees are also exploring allocating £2,000,000 to be granted as £100,000 a year to the Economist Educational Foundation, along with an endowment of £3,000,000 to the London School of Economics (both of these are subject to final details and agreements between the foundation and the respective organisations).

Investment policy and performance

Investment assets are held with the intention of retaining them on a long-term basis for the continuing benefit of the Foundation in the form of both income generation and capital appreciation. There are no specific investment policies concerning social, environmental or ethical considerations other than investments must not be made in institutions that would be adverse to the objectives of the Foundation.

During the year, the investment portfolio decreased by £3,693,890 to £151,729,785 (2024: £155,423,675). The portfolio includes investments held directly by the Foundation amounting to £61,265,202 (2024: £54,466,355). A list of material investments held is included in Note 7 to these accounts.

Blackrock were appointed as investment managers for the Foundation's portfolio in December 2023. The aim of the investments held at BlackRock, which represent a majority of the total assets of the Foundation, is to generate a total return that can support ongoing spending requirements whilst also protecting and growing the capital over the long term. As at 5 April 2025 the value of the portfolio was £90,292,236 (2024: £93,280,486).

From 5 April 2024 to 5 April 2025, the investments at Blackrock delivered a total return of -3.2% (2024: +6.5 %). It must be noted that this snapshot valuation at the financial year end coincided with a significant period of financial market volatility, and does not wholly reflect the performance of the BlackRock portfolio through time. In the six months following the financial year end, the BlackRock portfolio has increased c.20%. The manager runs a diversified multi-asset portfolio with a bias towards equities that is designed to generate above benchmark returns through the cycle. The manager has flexibility to reposition the portfolio to take advantage of market dislocations across a wide range of asset classes, which they continued to do effectively through the market dislocations. We are living through a period of significant change to long-established status quos, inter alia, the end of the post-cold war low tariff world, challenges to the independence of central banks, and a shift to a multipolar world away from the hegemony of the Pax Americana, and, in addition, a large-scale AI-driven investment boom. These circumstances are likely to create significant volatility in financial markets through time, which the portfolio manager is well positioned to exploit. We continue to monitor the manager closely and receive regular portfolio updates from the manger and her team.

The Eranda Rothschild Foundation

Trustees' report For the year ended 5 April 2025

The Foundation holds a number of investments directly with the aim of generating a total return that can support the ongoing spending requirements, whilst also growing the capital over the long term. As at 5 April 2025 the total valuation of these investments was £ 61,265,202 (2024: £54,446,355). The Economist has provided the Foundation with substantial returns over time. The business has executed a remarkable digital transformation, which has both increased profitability of the core offering and made it more resilient for the future. The 2025 results included a larger than expected dividend, as a result of the sale of Clearstate, the proceeds of which were partially returned to shareholders. The management has confirmed that the normal run-rate of the dividend is likely to return to levels seen in the previous year, underwritten by strong performance and opportunities for future growth in new market segments. The management continues to demonstrate an entrepreneurial mindset to the testing and launching of new products, which should underpin future growth opportunities. We received confirmation that the minority share price valuation remained the same as the prior period at £31.5 per share. IHS Towers, which is listed on the New York Stock Exchange (NYSE:IHS), had faced some challenging conditions in the prior period, as a result of the devaluation of the Naira, the currency of one of its core markets, Nigeria. As a result of the disruption and resultant volatility in the economy and the business, the share price had been under significant pressure. Over the course of this period, the management team took several important actions to stabilise and turn around the business (including deleveraging and refocussing of the portfolio of assets in the business). These actions have been recognised by the market, and have resulted in a significant recovery of the share price over the period. The Radcliff Holdings investments had a year-end valuation of approximately £13,423,765 and made net distributions of £1,327,257 through the year. During the period, the Foundation made a new investment in ProShares, a financial services company in the US, which is a leader in the provision of Exchange Traded Funds (ETFs). The business is growing rapidly and is highly profitable, and therefore likely to deliver significant cashflow to shareholders through time. Radcliff, who sourced the investment, are the first outside investors in the business, demonstrating once again the value of the Radcliff partnership for the Foundation. At the end of the period, we were informed of materially adverse developments at one of the private direct investments, Gwynnie Bee, which strongly alleged that the CEO of the business had been engaged in large-scale fraudulent activities, and a result is facing a criminal investigation in the US. As a result of these announcements, we have materially marked down the position in Gwynnie Bee, and we continue to monitor the situation closely.

Note that over the period of 5 April 2024 to 5 April 2025 USD relative to GBP fell by 2.0% (2024: fell by 1.3%) which in turn has had an impact on those investments (IHS Towers, Gwynnie Bee and Radcliff Holdings) that are held in USD.

Reserves policy

As a general rule, the Trustees apply the income derived from the Foundation's endowment in furtherance of the Foundation's main objects as it arises on an annual basis. The endowment, albeit expendable, is normally retained in order to provide income to fund the main objects in view of the fact that the Foundation does not have any other sources of funding and does not undertake any fundraising activities.

At 5 April 2025, the free reserves of the Foundation had decreased by £2,369,437 to £26,840,357, of which £14,000,000 has been designated to specific projects as per note 13 in these financial statements. The Trustees endeavour to retain reserves for one year's charitable activity and are working to bring funds within these guidelines over a reasonable timescale.

Plans for the future

The Foundation intends to continue to make grants to appropriate registered charities.

The Eranda Rothschild Foundation

Trustees' report For the year ended 5 April 2025

Trustees' responsibilities in relation to the financial statements

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

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- observe the methods and principles of the Charities SORP (FRS 102);
- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for making reasonable steps for the prevention and detection of fraud and other irregularities.

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

Auditors

A resolution to re-appoint Saffery LLP as auditors will be proposed at the Trustees' meeting to approve the financial statements.

09 December 2025

Approved by the Trustees and signed on their behalf on _____ by:

Signed by:



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978D3C2231B245D...
Lady Lynn de Rothschild

The Eranda Rothschild Foundation

Independent auditors' report to the trustees

Opinion

We have audited the financial statements of The Eranda Rothschild Foundation for the year ended 5 April 2025 which comprise a statement of financial activities, balance sheet, statement of cash flows 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 incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

The Eranda Rothschild Foundation

Independent auditors' report to the trustees

Matters on which we are required to report by exception

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

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; 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 6, 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.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

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

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

The Eranda Rothschild Foundation

Independent auditors' report to the trustees

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charity's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with trustees and updating our understanding of the sector in which the charity operates.

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

The Eranda Rothschild Foundation

Independent auditors' report to the trustees

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 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery LLP

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Saffery LLP
71 Queen Victoria Street
London
EC4V 4BE

Statutory Auditors

Date: 11 December 2025

Saffery LLP is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.

The Eranda Rothschild Foundation

**Statement of financial activities
For the year ended 5 April 2025**

	Notes	General Funds £	Expendable Endowment Funds £	2025 Total Funds £	General Funds £	Expendable Endowment Funds £	2024 Total Funds £
Income							
Investment income	2	5,746,389	-	5,746,389	5,251,016	-	5,251,016
Total income		<u>5,746,389</u>	<u>-</u>	<u>5,746,389</u>	<u>5,251,016</u>	<u>-</u>	<u>5,251,016</u>
Expenditure							
Costs of raising funds							
Investment management costs	3	-	373,934	373,934	-	255,821	255,821
Expenditure of charitable activities:							
Grant-making							
Grant related support costs	4	224,476	-	224,476	169,296	-	169,296
Grant expenditure	5	<u>7,856,770</u>	<u>-</u>	<u>7,856,770</u>	<u>1,666,655</u>	<u>-</u>	<u>1,666,655</u>
Total expenditure		<u>8,081,246</u>	<u>373,934</u>	<u>8,455,180</u>	<u>1,835,951</u>	<u>255,821</u>	<u>2,091,772</u>
Net income/(expenditure) before other recognised gains and losses							
Net (losses)/gains on investments	7	(2,334,857)	(373,934)	(2,708,791)	3,415,065	(255,821)	3,159,244
Gains/(losses) on foreign currency translation		-	(5,744,240)	(5,744,240)	-	6,690,839	6,690,839
		(34,580)	(221,011)	(255,591)	72,962	(135,293)	(62,331)
Net movement in funds		<u>(2,369,437)</u>	<u>(6,339,185)</u>	<u>(8,708,622)</u>	<u>3,488,027</u>	<u>6,299,725</u>	<u>9,787,752</u>
Reconciliation of funds							
Balance at 5 April 2024		29,209,794	125,664,095	154,873,889	25,721,767	119,364,370	145,086,137
Balance at 5 April 2025	12	<u>26,840,357</u>	<u>119,324,910</u>	<u>146,165,267</u>	<u>29,209,794</u>	<u>125,664,095</u>	<u>154,873,889</u>

The Eranda Rothschild Foundation

**Statement of financial activities (continued)
For the year ended 5 April 2025**

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

All incoming resources and resources expended derive from continuing operations.

The notes on pages 15 to 28 form part of these financial statements.

The Eranda Rothschild Foundation

Balance sheet At 5 April 2025

	Notes	2025 £	2024 £
Fixed assets			
Investments	7	151,729,785	155,423,675
Current assets			
Debtors	8	169,063	128,767
Cash at bank and in hand		626,172	1,645,028
		<u>795,235</u>	<u>1,773,795</u>
Current Liabilities			
Creditors: amounts falling due within one year	9	(2,858,323)	(1,487,081)
		<u>(2,063,088)</u>	<u>286,714</u>
Net current assets/(liabilities)			
		<u>149,666,697</u>	<u>155,710,389</u>
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	10	(3,501,430)	(836,500)
		<u>146,165,267</u>	<u>154,873,889</u>
Net assets			
The funds of the charity			
Expendable endowment	12	119,324,910	125,664,095
Unrestricted general funds	12	12,840,357	10,574,380
Designated funds	12/13	14,000,000	18,635,414
		<u>146,165,267</u>	<u>154,873,889</u>
Total charity funds			

The notes at pages 15 to 28 form part of these accounts.

Approved by the trustees on 09 December 2025 and signed on their behalf by:

Signed by:

 Lady Lynn de Rothschild
978D3C2231B245D
 Trustee

The Eranda Rothschild Foundation

Statement of cash flows For the year ended 5 April 2025

	Notes	2025 £	2024 £
Cash flows from operating activities:			
Net cash used in operating activities	14	(4,493,964)	(1,432,427)
Cash flows from investing activities			
Interest received		12,520	99,066
Dividends received		5,733,869	5,151,950
Purchase of fixed asset investments		(64,448,305)	(205,864,412)
Proceeds from sale of fixed asset investments		62,177,024	196,867,846
Net cash (used in)/provided by investing activities		<u>3,475,108</u>	<u>(3,745,550)</u>
Increase / (decrease) in cash and cash equivalents in the year		(1,018,856)	(5,177,977)
Cash and cash equivalents at the beginning of the year	14	<u>1,645,028</u>	<u>6,823,005</u>
Total cash and cash equivalents at the end of the year	14	<u><u>626,172</u></u>	<u><u>1,645,028</u></u>

The Eranda Rothschild Foundation

Notes to the financial statements For the year ended 5 April 2025

1. Accounting policies

Charity information

The Eranda Rothschild Foundation ("The Foundation") is a charity registered in England and Wales under the number 255650. The principal place of business of the Foundation is at 31 Tite Street, London, SW3 4JP.

1.1 Accounting convention

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP 2019 (Second Edition, effective 1 January 2019)), and the Charities Act 2011.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The financial statements are prepared in sterling, which is the functional currency of the Foundation. Monetary amounts in these financial statements are rounded to the nearest £.

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

1.2 Going concern

The trustees consider that there are no material uncertainties about the Foundation's ability to continue as a going concern. The most significant areas of adjustment and key assumptions that affect items in the accounts are to do with estimating the liability of multi-year grant commitments (see note 1.4 for more information).

With respect to the next reporting period, 2025-26, the most significant areas of uncertainty that affect the carrying value of assets held by the Foundation are the level of investment return and the performance of investment markets (see the investment policy and performance and risk management sections of the trustees' annual report for more information).

1.3 Income recognition

Income is credited to the statement of financial activities on a receivable basis. Investment income is stated inclusive of recoverable taxation. Donated services and facilities are included in the financial statements in the year in which they are receivable, where they are quantified, material and where a third party is bearing a cost.

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

The Eranda Rothschild Foundation

Notes to the financial statements For the year ended 5 April 2025

1.3 Income recognition (continued)

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

1.4 Expenditure recognition

Grants are included in the statement of financial activities in the year when the offer is conveyed to the recipient except when the offer is conditional. Grants offered subject to conditions which have not been met at the year-end are included in the Statement of Financial Activities where the condition is not within the control of the Trustees or disclosed as a financial commitment where the Trustees retain that control. The Foundation has only one charitable activity, therefore all support costs have been allocated in full to the "cost of grant making" in the statement of financial activities.

Governance costs include expenditure on compliance with constitutional and statutory requirements.

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

All expenditure is accounted for on an accrual's basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For the information on this attribution refer to note 1.5.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Foundation. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Foundation.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

The provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the Foundation that would permit the Foundation to avoid making the future payment(s), settlement is probable and the effect of discounting is material. The discount rate used is the average rate of investment yield in the year in which the grant award is made. This discount rate is regarded by the trustees as providing the most current available estimate of the opportunity cost of money reflecting the time value of money to the Foundation.

The Eranda Rothschild Foundation

Notes to the financial statements For the year ended 5 April 2025

1.5 Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been apportioned based on the value of grants awarded made in recognition that the administrative costs of awarding, monitoring and assessing education grants, the arts grants and health, welfare and medical research grants are broadly equivalent. The allocation of support and governance costs is analysed in note 4.

1.6 Cost of raising funds

The costs of generating funds consist of investment management costs and certain legal fees.

1.7 Charitable activities

Costs of charitable activities include grants made, governance costs and an apportionment of support costs as shown in note 4.

1.8 Investments

Investments are included in the financial statements at market value, as determined by the trustees based on professional advice, at the balance sheet date. Realised and unrealised gains and losses are credited or debited to the statement of financial activities in the year in which they arise.

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

The Foundation does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

The Eranda Rothschild Foundation

Notes to the financial statements For the year ended 5 April 2025

1.9 Fund accounting

The Funds consist of the expendable endowment, retained to generate income for the Foundation's main objectives, and unrestricted funds, which may be used to meet the Foundation's charitable objectives at the trustees' discretion.

Designated funds are unrestricted funds set aside by the Trustees for specific purposes. As of 5 April 2025, these funds include amounts allocated for several significant projects in memory of the late Eranda Rothschild Foundation settlor, Sir Evelyn de Rothschild. These grants will be distributed over several years.

1.10 Financial Instruments

The Charity has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments including trade and other debtors and creditors, are initially recognised at transaction value and are subsequently recognised at their settlement value.

1.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments.

1.12 Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

1.13 Creditors

Creditors are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

1.14 Taxation

The Foundation is a registered charity, and therefore is not liable for income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

1.15 Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net movements in funds.

The Eranda Rothschild Foundation

Notes to the financial statements For the year ended 5 April 2025

2. Investment income

	2025	2024
	£	£
Bank interest	12,520	99,066
Net investment income receivable	5,733,869	5,151,950
	<u>5,746,389</u>	<u>5,251,016</u>

Investment income is analysed as follows:

	2025	2024
	£	£
Quoted investments in the UK	2,111,771	2,699,284
Unquoted investments in the UK	2,264,170	1,641,168
Unquoted investments outside the UK	1,370,448	910,564
	<u>5,746,389</u>	<u>5,251,016</u>

3. Investment management costs

	2025	2024
	£	£
Investment management fees	373,934	255,821
	<u>373,934</u>	<u>255,821</u>

The Eranda Rothschild Foundation

Notes to the financial statements For the year ended 5 April 2025

4. Allocation of governance and support costs

Breakdown of support costs and how these were allocated between governance and other support costs:

	Governance related £	Other support costs £	Total 2025 £	Basis of apportionment
Cost type				
Admin costs	-	114,292	114,292	Direct cost
Other costs	89,318	20,866	110,184	Direct cost
Total	<u>89,318</u>	<u>135,158</u>	<u>224,476</u>	

	Governance Related £	Other support costs £	Total 2024 £	Basis of apportionment
Cost type				
Admin costs	-	89,104	89,104	Direct cost
Other costs	75,898	4,294	80,192	Direct cost
Total	<u>75,898</u>	<u>93,398</u>	<u>169,296</u>	

	2025 £	2024 £
Allocation of costs by nature:		
Auditors' remuneration	28,000	25,788
Auditors' remuneration – prior year under-provision	32,050	-
Accountancy fees	6,500	6,070
Accountancy fees – prior year under-provision	15,100	-
Payroll administration fees	2,730	3,450
Legal Fees	-	16,560
General advice and charity matters	4,938	24,030
Support costs (see above)	135,158	93,398
	<u>224,476</u>	<u>169,296</u>

The total support costs attributable to charitable activities is then apportioned pro rata to the value of grants awarded as shown in note 5. The trustees have decided to meet all governance costs from unrestricted funds and so no allocation or charge is made to restricted funds for any governance related costs.

The Eranda Rothschild Foundation

Notes to the financial statements For the year ended 5 April 2025

5. Analysis of charitable expenditure

The number of grants distributed to institutions during the year was as follows:

	2025 Number of grants	2024 Number of grants
The arts	7	3
Health, welfare and medical research	13	6
Education	11	8
	31	17
	31	17

See note 15 for details of the grants paid.

The Foundation undertakes its charitable activities through grant making and awarded grants to institutions in furtherance of its charitable activities:

	Grant funded activity £	Support and governance costs £	Total 2025 £
The arts	864,267	24,693	888,960
Education	2,461,360	70,324	2,531,684
Health, welfare and medical research	4,531,143	129,459	4,660,602
	7,856,770	224,476	8,081,246
	7,856,770	224,476	8,081,246

	Grant funded activity £	Support and governance costs £	Total 2024 £
The arts	175,000	23,300	198,300
Education	992,201	80,676	1,072,877
Health, welfare and medical research	499,454	65,320	564,774
	1,666,655	169,296	1,835,951
	1,666,655	169,296	1,835,951

The Eranda Rothschild Foundation

Notes to the financial statements For the year ended 5 April 2025

6. Staff costs and remuneration of key personnel

Aggregate remuneration comprised:

	2025 £	2024 £
Wages and salaries	100,013	73,167
Social security costs	11,278	7,562
Pension costs	3,000	8,375
	114,291	89,104

The average number of employees during the year is 2 (2024: 2).

The trustees received no remuneration in respect of their services to the Foundation during the year (2024: Nil). No trustee received any reimbursement of expenses during the year (2024: Nil).

One employee received remuneration of above £90,000 but not more than £100,000 (2024: Nil).

7. Investments

	2025 £	2024 £
Movement in fixed asset investments		
Market value at 6 April 2024	155,423,675	139,974,200
Additions at Cost	64,448,305	205,864,412
Disposal proceeds	(62,177,024)	(196,867,846)
Net realised gains	1,994,879	9,236,531
Net unrealised (losses)/gains on revaluation	(7,739,119)	(2,545,693)
Management fees	-	(103,057)
(Losses)/Gains on foreign currency translation	(220,931)	(134,872)
	151,729,785	155,423,675

Investments at fair value comprised:

	2025 £	2024 £
Quoted investments in the UK	93,429,900	94,854,068
Quoted investments outside the UK	3,050,673	5,850,598
Unquoted investments in the UK	41,107,563	41,107,563
Unquoted investments outside the UK	13,652,355	13,338,792
Cash held in the investment portfolio	489,298	272,654
	151,729,789	155,423,675

The Eranda Rothschild Foundation

Notes to the financial statements For the year ended 5 April 2025

7. Investments (continued)

The trustees consider that three (2024: four) individually material investments were held at the year-end. The investment in Gwynnie Bee Inc is not considered material at the year-end but has been included below for comparative purposes.

	2025 £	2024 £
The Economist Newspaper Limited	41,107,563	41,107,563
IHS Holding Limited	1,602,204	1,227,553
Gwynnie Bee Inc	228,589	2,330,932
The Radcliff Companies	13,423,765	11,007,860
	<u>56,362,121</u>	<u>55,673,908</u>

8. Debtors

	2025 £	2024 £
Prepayments and accrued income	169,063	128,767
	<u>169,063</u>	<u>128,767</u>

9. Creditors

Amounts falling due within one year

	2025 £	2024 £
Grants payable	2,575,792	1,269,317
Accruals	282,531	217,764
	<u>2,858,323</u>	<u>1,487,081</u>

10. Creditors

Amounts falling due after more than one year

	2025 £	2024 £
Grants payable	3,501,430	836,500
	<u>3,501,430</u>	<u>836,500</u>

The Eranda Rothschild Foundation

**Notes to the financial statements
For the year ended 5 April 2025**

10. Creditors (continued)

Movement in recognised funding commitments during the year:

	2025
	£
Grant commitments recognised at the start of the year	2,105,817
New grant commitments	8,137,063
Impact of discounting non-current grants to net present value	(280,293)
Grants paid during the year	(3,885,365)
	<hr/>
Total of grant commitments recognised at 5 April 2025	6,077,222
	<hr/> <hr/>

Movement in recognised funding commitments during the prior year:

	2024
	£
Grant commitments recognised at the start of the year	1,786,179
New grant commitments charged to the SoFA (see note 5)	1,666,655
Grants paid during the year	(1,347,017)
	<hr/>
Total of grant commitment recognised at 5 April 2024	2,105,817
	<hr/> <hr/>

11. Related party transaction

During the year, donations of £1,380,779 (2024: £129,020) were made to a number of charities, each of which had at least one common trustee with the Foundation.

12. Analysis of charitable funds

	Investments	Current assets	Liabilities	Total 2025
	£	£	£	£
As at 5 April 2025				
Expendable endowment	119,324,910	-	-	119,324,910
Unrestricted	16,161,698	795,235	(4,116,576)	12,840,357
Designated	16,243,177	-	(2,243,177)	14,000,000
	<hr/>	<hr/>	<hr/>	<hr/>
	151,729,785	795,235	(6,359,753)	146,165,267
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	Investments	Current assets	Liabilities	Total 2024
	£	£	£	£
As at 5 April 2024				
Expendable endowment	125,664,095	-	-	125,664,095
Unrestricted	11,124,166	1,773,795	(2,323,581)	10,574,380
Designated	18,635,414	-	-	18,635,414
	<hr/>	<hr/>	<hr/>	<hr/>
	155,423,675	1,773,795	(2,323,581)	154,873,889
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Eranda Rothschild Foundation

**Notes to the financial statements
For the year ended 5 April 2025**

13. Designated Funds

	Balance as at 06-Apr-24 £	Transfers £	Income £	Expenditure £	Balance as at 05-Apr-25 £
The Sir Evelyn de Rothschild Career Development Award	1,585,414	(6,259)	-	(1,579,155)	-
The Sir Evelyn de Rothschild Fellowship for Advancement of the Terra Carta and Inclusive Capitalism	6,000,000	-	-	(1,500,000)	4,500,000
The Sir Evelyn de Rothschild Fellowship for Inclusive Capitalism	6,000,000	-	-	(1,500,000)	4,500,000
Other legacy gifts in honour of Sir Evelyn de Rothschild	5,050,000	-	-	(50,000)	5,000,000
	<u>18,635,414</u>	<u>(6,259)</u>	<u>-</u>	<u>(4,629,155)</u>	<u>14,000,000</u>

During the previous year, the Trustees designated the funds in the above table for several significant projects in memory of the late Eranda Rothschild Foundation settlor, Sir Evelyn de Rothschild. These grants will be distributed over several years. Initially, the Trustees have agreed to allocate the funds as follows:

- \$2 million for The Sir Evelyn de Rothschild Career Development Award with the Mayo Clinic.
- £6 million to be distributed at £300,000 per year for The Sir Evelyn de Rothschild Fellowship for Advancement of the Terra Carta and Inclusive Capitalism with the Circular Bioeconomy Alliance.
- £6 million in respect of The Sir Evelyn de Rothschild Fellowship for Inclusive Capitalism with the Clinton Foundation.
- The remaining amounts are designated for other legacy gifts in honour of Sir Evelyn, including scholarships and wildlife conservation.

The Eranda Rothschild Foundation

Notes to the financial statements For the year ended 5 April 2025

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

	2025 £	2024 £
Net movement in funds	(8,708,622)	9,787,752
Investment income	(5,746,389)	(5,251,016)
Losses/(gains) on investments	5,965,171	(6,452,909)
(Increase)/decrease in debtors	(40,296)	48,544
(Decrease)/increase in creditors	4,036,172	435,202
Net cash used in operating activities	(4,493,964)	(1,432,427)

Analysis of cash and cash equivalents:

	2025 £	2024 £
Cash in hand	626,172	1,645,028
	<u>626,172</u>	<u>1,645,028</u>

15. Grant payments

Below is the breakdown of grant expenditure for the year ended 5 April 2025, before discounting non-current grant commitments back to net present value. Net present value adjustments reduced the total grant expenditure figure by £280,293 (2024: Nil) to £7,856,770.

The Arts	2025 £	2024 £
Creative Dimensions Trust	-	25,000
London Music Fund	10,000	-
National Horseracing Museum	-	25,000
National Theatre	20,000	-
Royal Academy of Dramatic Art	-	-
Royal Ballet School	20,000	-
Royal College of Art	275,000	125,000
The Rothschild Archives	36,000	-
The Royal Opera House	450,000	-
Victoria and Albert Museum	60,000	-
	<u>871,000</u>	<u>175,000</u>

The Eranda Rothschild Foundation

Notes to the financial statements For the year ended 5 April 2025

15. Grant Payments (continued)

Health/welfare/medical research	2025 £	2024 £
Cheshire Project SBA	23,529	-
Circular Bioeconomy Alliance	1,500,000	-
Dyslexia Scotland	35,596	-
GlassDoor Homeless Charity	-	-
Leket UK	-	50,000
Liberty Hill Foundation	7,907	-
Mayo Clinic	1,539,527	-
Medicines Sans Frontiers	-	50,000
MYTIME	48,000	30,000
Quintessentially Foundation	87,779	50,000
Royal Hospital Chelsea	-	-
Royal Osteoporosis Society	50,000	-
The Branch Trust	30,000	-
The Dawn Collective	-	300,000
The Headstrong Project	7,666	-
The Kids Network	15,000	-
The Prince's Trust	-	19,454
Voice for Nature Foundation	1,257,000	-
Wildlife Friends Foundation	50,000	-
	4,652,004	499,454
	4,652,004	499,454

The Eranda Rothschild Foundation

Notes to the financial statements For the year ended 5 April 2025

15. Grant Payments (continued)

Education	2025 £	2024 £
ABF The Soldiers' Charity	-	-
Belvoir Cricket Trust	-	25,000
Bill, Hilary & Chelsea Clinton Foundation	1,500,000	-
Bletchley Park Trust	-	(36,000)
Book Trust	10,000	-
Columbia University	21,674	-
Community Security Trust	10,000	-
Council for Inclusive Capitalism	-	79,434
Durham University (Investigative Journalism)	25,000	-
Economist Educational Foundation	-	-
Give A Book	-	20,000
IntoUniversity	-	-
Liberal Jewish Synagogue	-	109,500
McCain Institute Foundation	-	81,981
Never Such Innocence	80,000	-
Nottingham Trent university	-	630,446
Patchwork Foundation	15,000	-
Peterson Institute Junior Fellowship	-	79,340
Pomona College	10,214	-
Read Easy	5,000	-
St. Mary's Church	-	2,500
The Duke of Edinburgh's Award - World Fellow Programme	45,000	-
Twinning Project	-	-
UNHCR (United Nations High Commissioner for Refugees)	892,171	-
VS Naipaul Lecture Series	-	-
	2,614,059	992,201

THE ERANDA ROTHSCHILD FOUNDATION

England & Wales - Charity number 255650

Accounts

Registered Charity No: 255650

The Eranda Rothschild Foundation

Report and financial statements

For the year ended 5 April 2024

The Eranda Rothschild Foundation

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The Eranda Rothschild Foundation

Charity details

Trustees Lady Lynn de Rothschild
Mr Anthony de Rothschild
Ms Jessica de Rothschild
Sir John Peace
Sir Benjamin Elliot
Mrs Geraldine Hedger (appointed 20 March 2024)

Principal/registered office 31 Tite Street
London
SW3 4JP

Auditors Saffery LLP
71 Queen Victoria Street
London
EC4V 4BE

Bankers Coutts & Co
440 Strand
London
WC2R 0QS

HSBC
8 Canada Square
London
E14 5HQ

Investment managers BlackRock Investment Management UK Limited
12 Throgmorton Avenue
London
EC2N 2DL

Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard
London
EC4M 8BU

Status The Eranda Rothschild Foundation was established by trust deed dated 10 February 1967 and is registered in the United Kingdom as a charity, number 255650.

The Eranda Rothschild Foundation

Trustees' report For the year ended 5 April 2024

The Trustees of The Eranda Rothschild Foundation ("The Foundation") present their report and audited financial statements for the year ended 5 April 2024, which have been prepared in accordance with the Charities Act 2011 Statement of Recommended Practice, applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK.

Reference and administrative information

This information is shown on page 1.

Structure, Governance and Management

The Foundation is an unincorporated trust, constituted under a trust deed dated 10 February 1967, and is a registered charity, number 255650.

The Trustees of the Foundation, as listed on page 1, have held office and served throughout the year unless otherwise indicated. The Trust Deed provides for a minimum of three trustees to a maximum of seven trustees. The statutory power of appointing new Trustees vests with the Trustees. Trustees are aware of the aims and objectives of the Foundation and the manner in which the trustees carry out their responsibilities. In addition, each new trustee receives a copy of the Trust Deeds, Minutes of Meetings, Annual Reports and Accounts and a copy of the Charity Commission guidance leaflet, "The Essential Trustee: What you need to Know".

The Trustees are directly responsible for the management of the Foundation and aim to meet at least three times a year to consider grant applications, review investment performance and other matters of an administrative and strategic nature. The Chairman supervises the processing of grant applications and all decisions are ratified at Trustees' meetings. All Trustees give their time freely and no Trustee received remuneration in the year.

Risk Management

The Trustees have considered the major risks to which the Foundation is exposed and believe that there are two significant risks for the Foundation.

The first significant risk is fraud in relation to grants not being used for their intended purpose. The Foundation also awards grants to overseas charities whereby checks cannot always be made in the same way as a UK charity. The Foundation mitigates this risk by using eligibility criteria, assessing the applications raised and monitoring reports from the grant receiver. Reliance is also placed on the Trustees' knowledge of these charities and reports are often presented at Trustees' meetings.

The second significant risk is investment risk. As markets are volatile this can lead to fluctuations in income and valuation. This is mitigated by appointing well respected fund managers, setting and monitoring investment benchmarks and presentations from them at Trustee meetings. More information about investments can be found on page 4.

Risks are reviewed by the Trustees on an on-going basis.

Fund Raising

The Trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications on their activities. The Charity does not actively fundraise from the general public and therefore the Trustees do not consider it necessary to have a formal fundraising policy in place.

The Eranda Rothschild Foundation

Trustees' report For the year ended 5 April 2024

Objectives and activities for public benefit

The Foundation furthers its charitable purposes for the public benefit through its grant making policy which aims to support charitable work in the advancement of:

- the arts;
- health, welfare and medical research; and
- education

The Foundation aims to award grants equal to the amount of income it receives during the year and to try and spread this evenly across the three activities noted above. This aim is dependent upon the applications that are submitted during the year.

In order to measure the success, the Trustees will review the number and value of grants awarded year on year. This is then compared against the amount of income received to ensure that grants are being awarded in line with the Foundation's objectives.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning future activities setting the grant making policy for the year.

The Foundation's strategy for achieving these objectives is to consider applications from appropriate registered charities to whom funds can be distributed in accordance with the above objectives and to monitor and review the work of the beneficiary charities on a regular basis.

Grant making policy

The Foundation accepts applications from registered charities only and no applications from individuals are considered. The Trustees meet regularly to review and approve grants and regular contact is maintained with recipients of grants for monitoring purposes. The Trustees aim to achieve an appropriate balance between medical, education and arts causes.

Achievements and Performance

The Trustees are pleased with the achievements and performance of the Foundation as set out below.

The number of grants distributed to institutions during the year amounted to 17 (2023: 14). A summary of the grants awarded can be found in note 15 of the accounts.

Financial Review

During the year income of £5,251,016 (2023: £4,765,618) was received from investments held by the Foundation. This income was applied in part to furthering the objectives of the Foundation, and as such the Trustees approved and paid grants totalling £1,666,655 (2023: £488,990) during the year. Up until the approval of these financial statements the Eranda Rothschild Foundation has distributed a further £2.9 million to new grant recipients.

The net movement in funds for the year, as shown in the statement of financial activities, amounted to an overall increase in funds of £9,787,752 (2023: £2,351,450 decrease). This movement was primarily driven by market movements on quoted investments.

In the previous financial year, Sir Evelyn de Rothschild, the settlor of the Eranda Rothschild Foundation, sadly passed away. As previously reported the Trustees had fewer trustee meetings over the period which in turn led to significantly less grant making than the longer term historic average. To rectify this, the Trustees have worked to increase the annual grant levels that advance the Eranda Rothschild Foundations objectives.

The Eranda Rothschild Foundation

Trustees' report For the year ended 5 April 2024

During the year, the Trustees have designated funds for several significant projects in memory of the late Eranda Rothschild Foundation settlor, Sir Evelyn de Rothschild as per note 13 in these financial statements. Some of these grants have been confirmed after the year end and will be made over a number of years. The Trustees have agreed to give \$2,000,000 for The Sir Evelyn de Rothschild Career Development Award to the Mayo Clinic, and have allocated £12m to be granted as follows: a) £300,000 per year for The Sir Evelyn de Rothschild Fellowship for Nature Finance and Inclusive Capitalism with the Circular Bioeconomy Alliance and b) £300,000 per year for The Sir Evelyn de Rothschild Fellowship for Inclusive Capitalism with the Clinton Foundation. The Trustees have also allocated £2,000,000 to be granted as £100,000 a year to the Economist Educational Foundation, along with an endowment of £3,000,000 to the London School of Economics (both of these are subject to final details and agreements between the foundation and the respective organisations).

Investment policy and performance

Investment assets are held with the intention of retaining them on a long-term basis for the continuing benefit of the Foundation in the form of both income generation and capital appreciation. There are no specific investment policies concerning social, environmental or ethical considerations other than investments must not be made in institutions that would be adverse to the objectives of the Foundation.

During the year, the investment portfolio increased by £15,449,475 by means of capital growth and additional investment to £155,423,675 (2023: £139,974,200). The portfolio includes investments held directly by the Foundation amounting to £54,466,355 (2023: £54,849,170). A list of material investments held is included in Note 7 to these accounts.

During the year Blackrock were appointed as investment managers for the Foundation's portfolio. The aim of the investments is to generate a total return that can support ongoing spending requirements whilst also growing the capital over the long term. As at 5 April 2024 the value of the portfolio was £93,280,486 (2023: £85,125,030 was held with Sarasin & Partners).

The vast majority of the monies are invested in Blackrock with the aim of providing income and protect capital over the long term.

From 5 April 2023 to 5 April 2024, the investments between Blackrock and Sarasin delivered a total return of 6.5% net of fees (2023: 3.7% loss). This return continues on from the steady but slow global economic recovery. Despite significant central bank interest rate hikes aimed at restoring price stability, the global economy has shown surprising resilience with falling inflation, steady economic growth and ongoing geopolitical tensions.

The Foundation holds a number of investments directly with the aim of generating a total return that can support the ongoing spending requirements whilst also growing the capital over the long term. As at 5 April 2024 the total valuation of these investments was £ 54,446,355 (2023: £54,849,170). The Economist has provided the Foundation with substantial returns over time. The 2024 results confirmed that the full year dividend remained the same at 160p a share and the minority share price valuation remained the same at £31.5 per share. IHS Towers is now listed on the New York Stock Exchange (NYSE:HIS), and the investment is currently held through Coutts who will provide liquidity to the foundation according to the agreed sell down arrangements that were entered into by the IHS shareholders upon listing. Gwynnie Bee continues to show strong company growth but its capital valuation has stayed flat year on year. The Radcliff Holdings investments had a yearend valuation of approximately £11 m and made net distributions of £969,925 through the year.

The Eranda Rothschild Foundation

Trustees' report For the year ended 5 April 2024

Note that over the period of 5 April 2023 to 5 April 2024 USD relative to GBP fell by 1.3% (2023: increase of 6.0%) which in turn has had an impact on those investments (IHS Towers, Gwynnie Bee and Radcliff Holdings) that are held in USD.

Reserves policy

As a general rule, the Trustees apply the income derived from the Foundation's endowment in furtherance of the Foundation's main objects as it arises on an annual basis. The endowment, albeit expendable, is normally retained in order to provide income to fund the main objects in view of the fact that the Foundation does not have any other sources of funding and does not undertake any fundraising activities.

At 5 April 2024, the free reserves of the Foundation had increased by £3,488,027 to £29,209,794, of which £18,635,414 has been designated to specific projects as per note 13 in these financial statements. The Trustees endeavour to retain reserves for one year's charitable activity and are working to bring funds within these guidelines over a reasonable timescale.

Plans for the future

The Foundation intends to continue to make grants to appropriate registered charities.

Trustees' responsibilities in relation to the financial statements

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

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- observe the methods and principles of the Charities SORP (FRS 102);
- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for making reasonable steps for the prevention and detection of fraud and other irregularities.

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

The Eranda Rothschild Foundation

**Trustees' report
For the year ended 5 April 2024**

Auditors

A resolution to re-appoint Saffery LLP as auditors will be proposed at the Trustees' meeting to approve the financial statements.

03 February 2025

Approved by the Trustees and signed on their behalf on _____ by:

Signed by:

.....
978D3C2231B245D
Lady Lynn de Rothschild

The Eranda Rothschild Foundation

Independent auditors' report to the trustees

Opinion

We have audited the financial statements of The Eranda Rothschild Foundation for the year ended 5 April 2024 which comprise a statement of financial activities, balance sheet, statement of cash flows 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 incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

The Eranda Rothschild Foundation

Independent auditors' report to the trustees

Matters on which we are required to report by exception

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

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; 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 5, 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.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

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

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

The Eranda Rothschild Foundation

Independent auditors' report to the trustees

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charity's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with trustees and updating our understanding of the sector in which the charity operates.

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

The Eranda Rothschild Foundation

Independent auditors' report to the trustees

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 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery LLP

Saffery LLP
71 Queen Victoria Street
London
EC4V 4BE

Statutory Auditors

Date: 03 February 2025

Saffery LLP is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.

The Eranda Rothschild Foundation

Statement of financial activities For the year ended 5 April 2024

	Notes	General Funds £	Expendable Endowment Funds £	2024 Total Funds £	General Funds £	Expendable Endowment Funds £	2023 Total Funds £
Income							
Investment income	2	5,251,016	-	5,251,016	4,765,618	-	4,765,618
Total income		5,251,016	-	5,251,016	4,765,618	-	4,765,618
Expenditure							
Costs of raising funds							
Investment management costs	3	-	255,821	255,821	-	282,214	282,214
Expenditure of charitable activities:							
Grant-making							
Grant related support costs	4	169,296	-	169,296	156,385	-	156,385
Grant expenditure	5	1,666,655	-	1,666,655	488,990	-	488,990
Total expenditure		1,835,951	255,821	2,091,772	645,375	282,214	927,589
Net income/(expenditure) before other recognised gains and losses							
Net (losses)/gains on investments	7	3,415,065	(255,821)	3,159,244	4,120,243	(282,214)	3,838,029
Gains/(losses) on foreign currency translation		-	6,690,839	6,690,839	-	(7,177,237)	(7,177,237)
		72,962	(135,293)	(62,331)	166,399	821,359	987,758
Net movement in funds		3,488,027	6,299,725	9,787,752	4,286,642	(6,638,092)	(2,351,450)
Reconciliation of funds							
Balance at 5 April 2023		25,721,767	119,364,370	145,086,137	21,435,125	126,002,462	147,437,587
Balance at 5 April 2024	12	29,209,794	125,664,095	154,873,889	25,721,767	119,364,370	145,086,137

The Eranda Rothschild Foundation

Statement of financial activities (continued)
For the year ended 5 April 2024

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

All incoming resources and resources expended derive from continuing operations.

The notes on pages 15 to 27 form part of these financial statements.

The Eranda Rothschild Foundation

Balance sheet At 5 April 2024

	Notes	2024 £	2023 £
Fixed assets			
Investments	7	155,423,675	139,974,200
Current assets			
Debtors	8	128,767	177,311
Cash at bank and in hand		1,645,028	6,823,005
		<u>1,773,795</u>	<u>7,000,316</u>
Current Liabilities			
Creditors: amounts falling due within one year	9	(1,487,081)	(1,088,379)
		<u>286,714</u>	<u>5,911,937</u>
Net current assets			
		<u>155,710,389</u>	<u>145,886,137</u>
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	10	(836,500)	(800,000)
		<u>154,873,889</u>	<u>145,086,137</u>
Net assets			
The funds of the charity			
Expendable endowment	12	125,664,095	119,364,370
Unrestricted general funds	12	10,574,380	25,721,767
Designated funds	12/13	18,635,414	-
		<u>154,873,889</u>	<u>145,086,137</u>
Total charity funds			

The notes at pages 15 to 27 form part of these accounts.

Approved by the trustees on 03 February 2025 and signed on their behalf by:

Signed by:

978D3C2231B245D...
 Lady Lynn de Rothschild
 Trustee

The Eranda Rothschild Foundation

Statement of cash flows For the year ended 5 April 2024

	Notes	2024 £	2023 £
Cash flows from operating activities:			
Net cash used in operating activities	14	(1,432,427)	(615,728)
Cash flows from investing activities			
Interest received		99,066	4,551
Dividends received		5,151,950	4,761,067
Purchase of fixed asset investments		(205,864,412)	(2,422,138)
Proceeds from sale of fixed asset investments		196,867,846	36,676
Net cash (used in)/provided by investing activities		<u>(3,745,550)</u>	<u>2,380,156</u>
Increase / (decrease) in cash and cash equivalents in the year		(5,177,977)	1,764,428
Cash and cash equivalents at the beginning of the year	14	<u>6,823,005</u>	<u>5,058,577</u>
Total cash and cash equivalents at the end of the year	14	<u><u>1,645,028</u></u>	<u><u>6,823,005</u></u>

The Eranda Rothschild Foundation

Notes to the financial statements For the year ended 5 April 2024

1. Accounting policies

Charity information

The Eranda Rothschild Foundation ("The Foundation") is a charity registered in England and Wales under the number 255650. The principal place of business of the Foundation is at 31 Tite Street, London, SW3 4JP.

1.1 Accounting convention

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP 2019 (Second Edition, effective 1 January 2019)), and the Charities Act 2011.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The financial statements are prepared in sterling, which is the functional currency of the Foundation. Monetary amounts in these financial statements are rounded to the nearest £.

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

1.2 Going concern

The trustees consider that there are no material uncertainties about the Foundation's ability to continue as a going concern. The most significant areas of adjustment and key assumptions that affect items in the accounts are to do with estimating the liability of multi-year grant commitments (see note 1.4 for more information).

With respect to the next reporting period, 2024-25, the most significant areas of uncertainty that affect the carrying value of assets held by the Foundation are the level of investment return and the performance of investment markets (see the investment policy and performance and risk management sections of the trustees' annual report for more information).

1.3 Income recognition

Income is credited to the statement of financial activities on a receivable basis. Investment income is stated inclusive of recoverable taxation. Donated services and facilities are included in the financial statements in the year in which they are receivable, where they are quantified, material and where a third party is bearing a cost.

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

The Eranda Rothschild Foundation

Notes to the financial statements For the year ended 5 April 2024

1.3 Income recognition (continued)

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

1.4 Expenditure recognition

Grants are included in the statement of financial activities in the year when the offer is conveyed to the recipient except when the offer is conditional. Grants offered subject to conditions which have not been met at the year-end are included in the Statement of Financial Activities where the condition is not within the control of the Trustees or disclosed as a financial commitment where the Trustees retain that control. The Foundation has only one charitable activity, therefore all support costs have been allocated in full to the "cost of grant making" in the statement of financial activities.

Governance costs include expenditure on compliance with constitutional and statutory requirements.

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

All expenditure is accounted for on an accrual's basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For the information on this attribution refer to note 1.5.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Foundation. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Foundation.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

The provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the Foundation that would permit the Foundation to avoid making the future payment(s), settlement is probable and the effect of discounting is material. The discount rate used is the average rate of investment yield in the year in which the grant award is made. This discount rate is regarded by the trustees as providing the most current available estimate of the opportunity cost of money reflecting the time value of money to the Foundation.

The Eranda Rothschild Foundation

Notes to the financial statements For the year ended 5 April 2024

1.5 Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been apportioned based on the value of grants awarded made in recognition that the administrative costs of awarding, monitoring and assessing education grants, the arts grants and health, welfare and medical research grants are broadly equivalent. The allocation of support and governance costs is analysed in note 4.

1.6 Cost of raising funds

The costs of generating funds consist of investment management costs and certain legal fees.

1.7 Charitable activities

Costs of charitable activities include grants made, governance costs and an apportionment of support costs as shown in note 4.

1.8 Investments

Investments are included in the financial statements at market value, as determined by the trustees based on professional advice, at the balance sheet date. Realised and unrealised gains and losses are credited or debited to the statement of financial activities in the year in which they arise.

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

The Foundation does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

The Eranda Rothschild Foundation

Notes to the financial statements For the year ended 5 April 2024

1.9 Fund accounting

The Funds consist of the expendable endowment, retained to generate income for the Foundation's main objectives, and unrestricted funds, which may be used to meet the Foundation's charitable objectives at the trustees' discretion.

Designated funds are unrestricted funds set aside by the Trustees for specific purposes. As of April 5, 2024, these funds include amounts allocated for several significant projects in memory of the late Eranda Rothschild Foundation settlor, Sir Evelyn de Rothschild. These grants will be distributed over several years.

1.10 Financial Instruments

The Charity has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments including trade and other debtors and creditors, are initially recognised at transaction value and are subsequently recognised at their settlement value.

1.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments.

1.12 Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

1.13 Creditors

Creditors are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

1.14 Taxation

The Foundation is a registered charity, and therefore is not liable for income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

1.15 Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net movements in funds.

The Eranda Rothschild Foundation

Notes to the financial statements For the year ended 5 April 2024

2. Investment income

	2024	2023
	£	£
Bank interest	99,066	4,551
Net investment income receivable	5,151,950	4,761,067
	<u>5,251,016</u>	<u>4,765,618</u>

Investment income is analysed as follows:

	2024	2023
	£	£
Quoted investments in the UK	2,699,284	2,385,462
Unquoted investments in the UK	1,641,168	1,660,328
Unquoted investments outside the UK	910,564	719,828
	<u>5,251,016</u>	<u>4,765,618</u>

3. Investment management costs

	2024	2023
	£	£
Investment management fees	255,821	282,214
	<u>255,821</u>	<u>282,214</u>

The Eranda Rothschild Foundation

Notes to the financial statements For the year ended 5 April 2024

4. Allocation of governance and support costs

Breakdown of support costs and how these were allocated between governance and other support costs:

	Governance related £	Other support costs £	Total 2024 £	Basis of apportionment
Cost type				
Admin costs	-	89,104	89,104	Direct cost
Other costs	75,898	4,294	80,192	Direct cost
Total	<u>75,898</u>	<u>93,398</u>	<u>169,296</u>	

	Governance Related £	Other support costs £	Total 2023 £	Basis of apportionment
Cost type				
Admin costs	-	92,368	92,368	Direct cost
Office rent	-	(375)	(375)	Direct cost
Other costs	59,014	5,378	64,392	Direct cost
Total	<u>59,014</u>	<u>97,371</u>	<u>156,385</u>	

	2024 £	2023 £
Allocation of costs by nature:		
Auditors' remuneration	25,788	29,485
Accountancy fees	6,070	17,705
Payroll administration fees	3,450	3,695
Legal Fees	16,560	1,829
General advice and charity matters	24,030	6,300
Support costs (see above)	93,398	97,371
	<u>169,296</u>	<u>156,385</u>

The total support costs attributable to charitable activities is then apportioned pro rata to the value of grants awarded as shown in note 5. The trustees have decided to meet all governance costs from unrestricted funds and so no allocation or charge is made to restricted funds for any governance related costs.

The Eranda Rothschild Foundation

**Notes to the financial statements
For the year ended 5 April 2024**

5. Analysis of charitable expenditure

The number of grants distributed to institutions during the year was as follows:

	2024 Number of grants	2023 Number of grants
The arts	3	2
Health, welfare and medical research	6	3
Education	8	9
	<u>17</u>	<u>14</u>

See note 15 for details of the grants paid.

The Foundation undertakes its charitable activities through grant making and awarded grants to institutions in furtherance of its charitable activities:

	Grant funded activity £	Support and governance costs £	Total 2024 £
The arts	175,000	23,300	198,300
Education	992,201	80,676	1,072,877
Health, welfare and medical research	499,454	65,320	664,774
	<u>1,666,655</u>	<u>169,296</u>	<u>1,935,951</u>

	Grant funded activity £	Support and governance costs £	Total 2023 £
The arts	50,000	15,991	65,991
Education	80,000	25,585	105,585
Health, welfare and medical research	358,990	114,809	473,799
	<u>488,990</u>	<u>156,385</u>	<u>645,375</u>

The Eranda Rothschild Foundation

Notes to the financial statements For the year ended 5 April 2024

6. Staff costs and remuneration of key personnel

Aggregate remuneration comprised:

	2024 £	2023 £
Wages and salaries	73,167	71,841
Social security costs	7,562	7,784
Pension costs	8,375	12,743
	89,104	92,368

The average number of employees during the year is 2 (2023: 2).

The trustees received no remuneration in respect of their services to the Foundation during the year (2023: Nil). No trustee received any reimbursement of expenses during the year (2023: Nil).

No employees received remuneration in excess of £60,000 (2023: 1).

7. Investments

	2024 £	2023 £
Movement in fixed asset investments		
Market value at 6 April 2023	139,974,200	144,224,838
Additions at Cost	205,864,412	2,422,138
Disposal proceeds	(196,867,846)	(36,676)
Net realised gains	9,236,531	7,286
Net unrealised (losses)/gains on revaluation	(2,545,693)	(7,184,523)
Management fees	(103,057)	(280,222)
(Losses)/Gains on foreign currency translation	(134,872)	821,359
	155,423,675	139,974,200

Investments at fair value comprised:

	2024 £	2023 £
Quoted investments in the UK	94,854,068	85,037,085
Quoted investments outside the UK	5,850,598	3,173,454
Unquoted investments in the UK	41,107,563	39,150,060
Unquoted investments outside the UK	13,338,792	12,525,656
Cash held in the investment portfolio	272,654	87,945
	155,423,675	139,974,200

The Eranda Rothschild Foundation

Notes to the financial statements For the year ended 5 April 2024

7. Investments (continued)

The trustees consider that four (2023: four) individually material investments were held at the year-end:

	2024	2023
	£	£
The Economist Newspaper Limited	41,107,563	39,150,060
IHS Holding Limited	1,227,553	3,173,454
Gywnnie Bee Inc	2,330,932	2,362,909
The Radcliff Companies	11,007,860	10,162,747
	<u>55,673,908</u>	<u>54,849,170</u>

8. Debtors

	2024	2023
	£	£
Prepayments and accrued income	128,767	177,311
	<u>128,767</u>	<u>177,311</u>

9. Creditors

Amounts falling due within one year

	2024	2023
	£	£
Grants payable	1,269,317	986,179
Accruals	217,764	102,200
	<u>1,487,081</u>	<u>1,088,379</u>

10. Creditors

Amounts falling due after more than one year

	2024	2023
	£	£
Grants payable	836,500	800,000
	<u>836,500</u>	<u>800,000</u>

The Eranda Rothschild Foundation

Notes to the financial statements For the year ended 5 April 2024

10. Creditors (continued)

Movement in recognised funding commitments during the year:

	2024 £
Grant commitments recognised at the start of the year	1,786,179
New grant commitments charged to the SoFA (see note 5)	1,666,655
Grants paid during the year	(1,347,017)
	<hr/>
Total of grant commitments recognised at 5 April 2024	2,105,817
	<hr/> <hr/>

Movement in recognised funding commitments during the prior year:

	2023 £
Grant commitments recognised at the start of the year	1,913,916
New grant commitments charged to the SoFA (see note 5)	488,990
Grants paid during the year	(616,727)
	<hr/>
Total of grant commitment recognised at 5 April 2023	1,786,179
	<hr/> <hr/>

11. Related party transaction

During the year, donations of £129,020 (2023: £137,467) were made to a number of charities, each of which had at least one common trustee with the Foundation.

12. Analysis of charitable funds

	Investments	Current assets	Liabilities	Total
	£	£	£	2024
				£
As at 5 April 2024				
Expendable endowment	125,664,095	-	-	125,664,095
Unrestricted	11,124,166	1,773,795	(2,323,581)	10,574,380
Designated	18,635,414	-	-	18,635,414
	<hr/>	<hr/>	<hr/>	<hr/>
	155,423,675	1,773,795	(2,323,581)	154,873,889
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	Investments	Current assets	Liabilities	Total
	£	£	£	2023
				£
As at 5 April 2023				
Expendable endowment	119,364,370	-	-	119,364,370
Unrestricted	20,609,830	7,000,316	(1,888,379)	25,721,767
	<hr/>	<hr/>	<hr/>	<hr/>
	139,974,200	7,000,316	(1,888,379)	145,086,137
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Eranda Rothschild Foundation

Notes to the financial statements For the year ended 5 April 2024

13. Designated Funds

	Balance as at 06-Apr-23 £	Transfers £	Income £	Expenditure £	Balance as at 05-Apr-24 £
The Sir Evelyn de Rothschild Career Development Award	-	1,585,414	-	-	1,585,414
The Sir Evelyn de Rothschild Fellowship for Advancement of the Terra Carta and Inclusive Capitalism	-	6,000,000	-	-	6,000,000
The Sir Evelyn de Rothschild Fellowship for Inclusive Capitalism	-	6,000,000	-	-	6,000,000
Other legacy gifts in honour of Sir Evelyn de Rothschild	-	5,050,000	-	-	5,050,000
	-	18,635,414	-	-	18,635,414

During the year, the Trustees designated the funds in the above table for several significant projects in memory of the late Eranda Rothschild Foundation settlor, Sir Evelyn de Rothschild. These grants will be distributed over several years. Initially, the Trustees have agreed to allocate the funds as follows:

- \$2 million for The Sir Evelyn de Rothschild Career Development Award with the Mayo Clinic.
- £6 million to be distributed at £300,000 per year for The Sir Evelyn de Rothschild Fellowship for Advancement of the Terra Carta and Inclusive Capitalism with the Circular Bioeconomy Alliance.
- £6 million in respect of The Sir Evelyn de Rothschild Fellowship for Inclusive Capitalism with the Clinton Foundation.
- The remaining amounts are designated for other legacy gifts in honour of Sir Evelyn, including scholarships and wildlife conservation.

At the time of approving the accounts £2.2 million of the designated funds have been paid to recipients.

The Eranda Rothschild Foundation

Notes to the financial statements For the year ended 5 April 2024

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

	2024 £	2023 £
Net movement in funds	9,787,752	(2,351,450)
Investment income	(5,251,016)	(4,765,618)
Losses/(gains) on investments	(6,452,909)	6,636,099
(Increase)/decrease in debtors	48,544	(16,288)
(Decrease)/increase in creditors	435,202	(118,471)
Net cash used in operating activities	(1,432,427)	(615,728)

Analysis of cash and cash equivalents:

	2024 £	2023 £
Cash in hand	1,645,028	6,823,005
	<u>1,645,028</u>	<u>6,823,005</u>

15. Grant payments

The Arts	2024 £	2023 £
Creative Dimensions Trust	25,000	-
National Horseracing Museum	25,000	25,000
Royal Academy of Dramatic Art	-	25,000
Royal College of Art	125,000	-
	<u>175,000</u>	<u>50,000</u>
Health/welfare/medical research	2024 £	2023 £
GlassDoor Homeless Charity	-	20,000
Leket UK	50,000	-
Medicines Sans Frontiers	50,000	-
MYTIME	30,000	-
Quintessentially Foundation	50,000	50,000
Royal Hospital Chelsea	-	10,000
The Dawn Collective	300,000	-
The Prince's Trust	19,454	-
	<u>499,454</u>	<u>80,000</u>

The Eranda Rothschild Foundation

Notes to the financial statements For the year ended 5 April 2024

15. Grant Payments (continued)

Education	2024 £	2023 £
ABF The Soldiers' Charity	-	20,000
Belvoir Cricket Trust	25,000	-
Bletchley Park Trust	(36,000)	-
Council for Inclusive Capitalism	79,434	6,344
Dyslexia Scotland	-	40,000
Economist Educational Foundation	-	59,180
Give A Book	20,000	10,000
IntoUniversity	-	30,000
Liberal Jewish Synagogue	109,500	50,000
McCain Institute Foundation	81,981	6,344
Nottingham Trent university	630,446	-
Peterson Institute Junior Fellowship	79,340	81,122
St. Mary's Church	2,500	-
Twinning Project	-	50,000
VS Naipaul Lecture Series	-	6,000
	992,201	358,990

THE ERANDA ROTHSCHILD FOUNDATION

England & Wales - Charity number 255650

Accounts

The Eranda Rothschild Foundation

Report and financial statements

For the year ended 5 April 2023

The Eranda Rothschild Foundation

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The Eranda Rothschild Foundation

Charity details

Trustees Sir Evelyn de Rothschild (deceased 7 November 2022)
Mr Anthony de Rothschild
Ms Jessica de Rothschild
Lady Lynn de Rothschild
Sir John Peace
Mr Benjamin Elliot

Principal/registered office 31 Tite Street
London
SW3 4JP

Auditors Saffery LLP
71 Queen Victoria Street
London
EC4V 4BE

Bankers HSBC
8 Canada Square
London
E14 5HQ

Investment managers Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard
London
EC4M 8BU

Status The Eranda Rothschild Foundation was established by trust deed dated 10 February 1967 and is registered in the United Kingdom as a charity, number 255650.

The Eranda Rothschild Foundation

Trustees' report For the year ended 5 April 2023

The Trustees of The Eranda Rothschild Foundation ("The Foundation") present their report and audited financial statements for the year ended 5 April 2023, which have been prepared in accordance with the Charities Act 2011 Statement of Recommended Practice, applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK.

Reference and administrative information

This information is shown on page 1.

Structure, Governance and Management

The Foundation is an unincorporated trust, constituted under a trust deed dated 10 February 1967, and is a registered charity, number 255650.

The Trustees of the Foundation, as listed on page 1, have held office and served throughout the year unless otherwise indicated. The Trust Deed provides for a minimum of three trustees to a maximum of seven trustees. The statutory power of appointing new trustees vests with the Trustees. Trustees are aware of the aims and objectives of the Foundation and the manner in which the trustees carry out their responsibilities. In addition, each new trustee receives a copy of the Trust Deeds, Minutes of Meetings, Annual Reports and Accounts and a copy of the Charity Commission guidance leaflet, "The Essential Trustee: What you need to Know".

The Trustees are directly responsible for the management of the Foundation and aim to meet at least three times a year to consider grant applications, review investment performance and other matters of an administrative and strategic nature. The Chairman supervises the processing of grant applications and all decisions are ratified at Trustees' meetings. All Trustees give their time freely and no Trustee received remuneration in the year.

Risk Management

The Trustees have considered the major risks to which the Foundation is exposed and believe that there are two significant risks for the Foundation.

The first significant risk is fraud in relation to grants not being used for their intended purpose. The Foundation also awards grants to overseas charities whereby checks cannot always be made in the same way as a UK charity. The Foundation mitigates this risk by using eligibility criteria, assessing the applications raised and monitoring reports from the grant receiver. Reliance is also placed on the Trustees' knowledge of these charities and reports are often presented at Trustees' meetings.

The second significant risk is investment risk. As markets are volatile this can lead to fluctuations in income and valuation. This is mitigated by appointing well respected fund managers, setting and monitoring investment benchmarks and presentations from them at Trustee meetings. More information about investments can be found on page 4.

Risks are reviewed by the Trustees on an on-going basis.

Fund Raising

The Trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications on their activities. The Charity does not actively fundraise from the general public and therefore the Trustees do not consider it necessary to have a formal fundraising policy in place.

The Eranda Rothschild Foundation

Trustees' report For the year ended 5 April 2023

Objectives and activities for public benefit

The Foundation furthers its charitable purposes for the public benefit through its grant making policy which aims to support charitable work in the advancement of:

- the arts;
- health, welfare and medical research; and
- education

The Foundation aims to award grants equal to the amount of income it receives during the year and to try and spread this evenly across the three activities noted above. This aim is dependent upon the applications that are submitted during the year.

In order to measure the success the Trustees will review the number and value of grants awarded year on year. This is then compared against the amount of income received to ensure that grants are being awarded in line with the Foundation's objectives.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning future activities setting the grant making policy for the year.

The Foundation's strategy for achieving these objectives is to consider applications from appropriate registered charities to whom funds can be distributed in accordance with the above objectives and to monitor and review the work of the beneficiary charities on a regular basis.

Grant making policy

The Foundation accepts applications from registered charities only and no applications from individuals are considered. The Trustees meet regularly to review and approve grants and regular contact is maintained with recipients of grants for monitoring purposes. The Trustees aim to achieve an appropriate balance between medical, education and arts causes.

Achievements and Performance

The Trustees are pleased with the achievements and performance of the Foundation as set out below.

The number of grants distributed to institutions during the year amounted to 14 (2022: 12). A summary of the grants awarded can be found in note 15 of the accounts.

Financial Review

During the year income of £4,765,618 (2022: £5,130,934) was received from investments held by the Foundation. This income was applied in part to furthering the objectives of the Foundation, and as such the Trustees approved and paid grants totalling £488,990 (2022: £737,915) during the year.

The net movement in funds for the year, as shown in the statement of financial activities, amounted to a decrease in funds of £2,351,450 (2022: £9,611,456 increase). This decrease was primarily driven by market movements on quoted investments.

Sir Evelyn de Rothschild, the settlor of the Eranda Rothschild Foundation, sadly passed away during this financial year. As such the Trustees had fewer trustee meetings over the period which in turn led to significantly less grant making than the longer term historic average. Going forward, the Trustees aim to increase the annual grant levels that advance the Eranda Rothschild Foundations objects.

The Eranda Rothschild Foundation

Trustees' report For the year ended 5 April 2023

Regarding the current excess reserves surplus, the Trustees have agreed to designate £20m worth of funds to grants across a number of significant projects specifically in memory of the late Eranda Rothschild Foundation settlor, Sir Evelyn de Rothschild. These grants will be made over a number of years. Initially the Trustees have agreed to give \$2,000,000 to the Mayo Clinic - The Sir Evelyn de Rothschild Career Development Award, and have allocated £12m to be granted as follows: a) £300,000 per year for The Sir Evelyn de Rothschild Fellowship for Advancement of the Terra Carta and Inclusive Capitalism and b) £300,000 per year for The Sir Evelyn de Rothschild Fellowship for Inclusive Capitalism with the Clinton Foundation. These two grants to be reviewed after 5 years. The remaining ~£6m will be further designated to other legacy gifts in honour of Sir Evelyn, along with annual giving that will be focussed on the legacy and priorities of our founder.

Investment policy and performance

Investment assets are held with the intention of retaining them on a long-term basis for the continuing benefit of the Foundation in the form of both income generation and capital appreciation. There are no specific investment policies concerning social, environmental or ethical considerations other than investments must not be made in institutions that would be adverse to the objectives of the Foundation.

During the year the investment portfolio decreased by £4,250,638 to £139,974,200 (2022: £144,244,838). The portfolio includes investments held directly by the Foundation amounting to £54,849,170 (2022: £55,824,709). A list of material investments held is included in Note 7 to these accounts.

In July 2016 Sarasin & Partners were appointed as investment managers for the Foundation's portfolio. The aim of the investments is to generate a total return that can support ongoing spending requirements whilst also growing the capital over the long term. As at 5 April 2023 the value of the portfolio was £85,125,030 (2022: £88,400,128).

The vast majority of the monies are invested in the Sarasin Endowments Fund. The fund aims to provide an income that can be spent today and to protect both the capital and income from inflation over the long term. This is achieved by investing in a diversified portfolio of equities, bonds, property, alternative assets and cash. In addition to the main portfolio there remains one other specific portfolio:

- Illiquid Assets - investments made by Partners Capital on behalf of the Foundation (Clearbell Property Partners II).

As at 5 April 2023 the split across the various portfolios was as follows:

<i>Asset</i>	<i>Value (£)</i>
<i>Sarasin Endowments Fund</i>	<i>84,985,398</i>
<i>Illiquid Assets</i>	<i>139,632</i>
Total	85,125,030

This resulted in the following overall asset allocation:

<i>Asset Allocation</i>	<i>Capital (%)</i>
<i>Fixed Income</i>	<i>15.0</i>
<i>Global Equities</i>	<i>65.7</i>
<i>Property</i>	<i>4.3</i>
<i>Alternative Investments</i>	<i>12.5</i>
<i>Liquid Assets</i>	<i>2.5</i>
Total	100.0

The Eranda Rothschild Foundation

Trustees' report For the year ended 5 April 2023

From 5 April 2022 to 5 April 2023, the above investments delivered a total return of -3.7% net of fees (2022: 5.8% gain). This return is against a background over the past year of an unprecedented rate hike marathon, record-high inflation, energy shocks, war in Eastern Europe, a collapse of crypto-exchange FTX, rising tensions around Taiwan and the 'Kamikwasi' budget, all topped off with the recent collapse of SVB and the Credit Suisse buyout.

The remaining illiquid assets (inherited from the Partners Capital Portfolio) now represent 0.2% of the total portfolio. The Foundation's portfolio with Sarasin & Partners now has a more liquid investment profile with over 99% of the assets invested in a fund that can be sold on a daily basis.

The Foundation holds a number of investments directly with the aim of generating a total return that can support the ongoing spending requirements whilst also growing the capital over the long term. As at 5 April 2023 the total valuation of these investments was £54,849,170 (2022: £55,824,709). The Economist has provided the Foundation with substantial returns over time. The 2023 results confirmed that the full year dividend remained the same at 120p a share and the minority share price valuation remained the same at £30 per share. IHS Towers is now listed on the New York Stock Exchange (NYSE:HIS), and the investment is held through ECP partners who will provide liquidity to the foundation according to the agreed sell down arrangements that were entered into by the IHS shareholders upon listing. Gwynnie Bee has also shown strong company growth but its capital valuation has stayed flat year on year. The Radcliff Holdings investments had a year end valuation of just under £10.2m and made net distributions of £703,540 through the year. The Covid-19 pandemic had little impact on the Radcliff Holdings investments, with increased valuations and distributions across the period.

Note that over the period of 5 April 2022 to 5 April 2023 USD relative to GBP increased by 6% (2022: increase of 6.0%) which has had an impact on those investments (IHS Towers, Gwynnie Bee and Radcliff Holdings) that are held in USD.

Reserves policy

As a general rule, the Trustees apply the income derived from the Foundation's endowment in furtherance of the Foundation's main objects as it arises on an annual basis. The endowment, albeit expendable, is normally retained in order to provide income to fund the main objects in view of the fact that the Foundation does not have any other sources of funding and does not undertake any fundraising activities.

At 5 April 2023 the free reserves of the Foundation had increased £4,286,642 to £25,721,767. The Trustees endeavour to retain reserves for one year's charitable activity and are working to bring funds within these guidelines over a reasonable timescale.

Plans for the future

The Foundation intends to continue to make grants to appropriate registered charities.

The Eranda Rothschild Foundation

Trustees' report

For the year ended 5 April 2023

Trustees' responsibilities in relation to the financial statements

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

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- observe the methods and principles of the Charities SORP (FRS 102);
- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

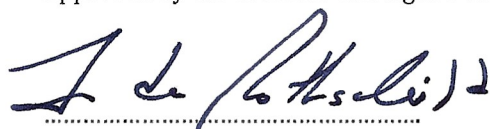
The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for making reasonable steps for the prevention and detection of fraud and other irregularities.

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

Auditors

A resolution to re-appoint Saffery LLP as auditors will be proposed at the Trustees' meeting to approve the financial statements.

Approved by the Trustees and signed on their behalf by:



Lady Lynn de Rothschild

Date: Jan 23rd 2024

Opinion

We have audited the financial statements of The Eranda Rothschild Foundation for the year ended 5 April 2023 which comprise a statement of financial activities, balance sheet, statement of cash flows 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 incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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. The other information comprises the information included in the annual report, other than the financial statements and our auditors' 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.

Independent auditors' report to the trustees

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; 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 5, 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.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

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

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

Independent auditors' report to the trustees

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charity's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with trustees and updating our understanding of the sector in which the charity operates.

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

The Eranda Rothschild Foundation

Independent auditors' report to the trustees

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 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery LLP

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Saffery LLP
Chartered Accountants
71 Queen Victoria Street
London
EC4V 4BE

Statutory Auditors

Date: 30 January 2024

Saffery LLP is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.

The Eranda Rothschild Foundation

**Statement of financial activities
For the year ended 5 April 2023**

	Notes	General Funds £	Expendable Endowment Funds £	2023 Total Funds £	General Funds £	Expendable Endowment Funds £	2022 Total Funds £
Income							
Investment income	2	4,765,618	-	4,765,618	5,130,934	-	5,130,934
Total income		4,765,618	-	4,765,618	5,130,934	-	5,130,934
Expenditure							
Costs of raising funds							
Investment management costs	3	-	282,214	282,214	-	344,988	344,988
Expenditure of charitable activities:							
Grant-making							
Grant related support costs	4	156,385	-	156,385	91,756	-	91,756
Grant expenditure	5	488,990	-	488,990	737,915	-	737,915
Total expenditure		645,375	282,214	927,589	829,671	344,988	1,174,659
Net income/(expenditure) before other recognised gains and losses							
		4,120,243	(282,214)	3,838,029	4,301,263	(344,988)	3,956,275
Net (losses)/gains on investments	7	-	(7,177,237)	(7,177,237)	-	4,088,920	4,088,920
Gains/(losses) on foreign currency translation		166,399	821,359	987,758	177,650	1,388,611	1,566,261
Net movement in funds		4,286,642	(6,638,092)	(2,351,450)	4,478,913	5,132,543	9,611,456
Reconciliation of funds							
Balance at 5 April 2022		21,435,125	126,002,462	147,437,587	16,956,212	120,869,919	137,826,131
Balance at 5 April 2023	12	25,721,767	119,364,370	145,086,137	21,435,125	126,002,462	147,437,587

The Eranda Rothschild Foundation

**Statement of financial activities (continued)
For the year ended 5 April 2023**

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

All incoming resources and resources expended derive from continuing operations.

The notes on pages 15 to 25 form part of these financial statements.

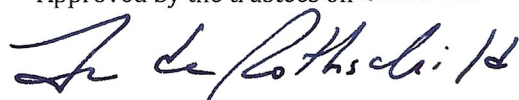
The Eranda Rothschild Foundation

**Balance sheet
At 5 April 2023**

	Notes	2023 £	2022 £
Fixed assets			
Investments	7	139,974,200	144,224,838
Current assets			
Debtors	8	177,311	161,023
Cash at bank and in hand		6,823,005	5,058,577
		<u>7,000,316</u>	<u>5,219,600</u>
Current Liabilities			
Creditors: amounts falling due within one year	9	(1,088,379)	(966,851)
		<u>5,911,937</u>	<u>4,252,749</u>
Net current assets			
		<u>145,886,137</u>	<u>148,477,587</u>
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	10	(800,000)	(1,040,000)
		<u>145,086,137</u>	<u>147,437,587</u>
Net assets			
The funds of the charity			
Expendable endowment	12	119,364,370	126,002,462
Unrestricted general funds	12	25,721,767	21,435,125
		<u>145,086,137</u>	<u>147,437,587</u>
Total charity funds			

The notes at pages 15 to 25 form part of these accounts.

Approved by the trustees on *Jan 23rd 2024* and signed on their behalf by:



Lady Lynn de Rothschild
Trustee

The Eranda Rothschild Foundation

Statement of cash flows For the year ended 5 April 2023

	Notes	2023 £	2022 £
Cash flows from operating activities:			
Net cash used in operating activities	13	(615,728)	(234,767)
Cash flows from investing activities			
Interest received		4,551	218
Dividends received		4,761,067	5,130,716
Purchase of fixed asset investments		(2,422,138)	(3,044,611)
Proceeds from sale of fixed asset investments		36,676	1,231,069
Net cash provided by investing activities		<u>2,380,156</u>	<u>3,317,392</u>
Increase / (decrease) in cash and cash equivalents in the year		1,764,428	3,082,625
Cash and cash equivalents at the beginning of the year	13	<u>5,058,577</u>	<u>1,975,952</u>
Total cash and cash equivalents at the end of the year	13	<u><u>6,823,005</u></u>	<u><u>5,058,577</u></u>

1. Accounting policies

Charity information

The Eranda Rothschild Foundation (“The Foundation”) is a charity registered in England and Wales under the number 255650. The principal place of business of the Foundation is at 31 Tite Street, London, SW3 4JP.

1.1 Accounting convention

These accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The financial statements are prepared in sterling, which is the functional currency of the Foundation. Monetary amounts in these financial statements are rounded to the nearest £.

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

1.2 Going concern

The trustees consider that there are no material uncertainties about the Foundation’s ability to continue as a going concern. The most significant areas of adjustment and key assumptions that affect items in the accounts are to do with estimating the liability of multi-year grant commitments (see note 1.4 for more information).

With respect to the next reporting period, 2023-24, the most significant areas of uncertainty that affect the carrying value of assets held by the Foundation are the level of investment return and the performance of investment markets (see the investment policy and performance and risk management sections of the trustees’ annual report for more information).

1.3 Income recognition

Income is credited to the statement of financial activities on a receivable basis. Investment income is stated inclusive of recoverable taxation. Donated services and facilities are included in the financial statements in the year in which they are receivable, where they are quantified, material and where a third party is bearing a cost.

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

1.3 Income recognition (continued)

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

1.4 Expenditure recognition

Grants are included in the statement of financial activities in the year when the offer is conveyed to the recipient except when the offer is conditional. Grants offered subject to conditions which have not been met at the year-end are included in the Statement of Financial Activities where the condition is not within the control of the Trustees or disclosed as a financial commitment where the Trustees retain that control. The Foundation has only one charitable activity, therefore support costs have been allocated in full to the “cost of grant making” in the statement of financial activities.

Governance costs include expenditure on compliance with constitutional and statutory requirements.

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

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For the information on this attribution refer to note 1.5.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Foundation. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Foundation.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

The provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the Foundation that would permit the Foundation to avoid making the future payment(s), settlement is probable and the effect of discounting is material. The discount rate used is the average rate of investment yield in the year in which the grant award is made. This discount rate is regarded by the trustees as providing the most current available estimate of the opportunity cost of money reflecting the time value of money to the Foundation.

1.5 Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been apportioned based on the value of grants awarded made in recognition that the administrative costs of awarding, monitoring and assessing education grants, the arts grants and health, welfare and medical research grants are broadly equivalent. The allocation of support and governance costs is analysed in note 4.

1.6 Cost of raising funds

The costs of generating funds consist of investment management costs and certain legal fees.

1.7 Charitable activities

Costs of charitable activities include grants made, governance costs and an apportionment of support costs as shown in note 4.

1.8 Investments

Investments are included in the financial statements at market value, as determined by the trustees based on professional advice, at the balance sheet date. Realised and unrealised gains and losses are credited or debited to the statement of financial activities in the year in which they arise.

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

The Foundation does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

1.9 Fund accounting

The Funds comprises the expendable endowment, retained to provide income to fund the main objectives of the Foundation, and unrestricted funds, which may be used towards meeting the charitable objectives of the Foundation at the discretion of the trustees.

The Eranda Rothschild Foundation

Notes to the financial statements For the year ended 5 April 2023

1.10 Taxation

The Foundation is a registered charity, and therefore is not liable for income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

1.11 Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net movements in funds.

2. Investment income

	2023 £	2022 £
Bank interest	4,551	218
Net investment income receivable	4,761,067	5,130,716
	<hr/>	<hr/>
	4,765,618	5,130,934
	<hr/>	<hr/>

Investment income is analysed as follows:

	2023 £	2022 £
Quoted investments in the UK	2,385,462	2,318,398
Unquoted investments in the UK	1,660,328	1,735,783
Unquoted investments outside the UK	719,828	1,076,753
	<hr/>	<hr/>
	4,765,618	5,130,934
	<hr/>	<hr/>

3. Investment management costs

	2023 £	2022 £
Investment management fees	282,214	344,988
	<hr/>	<hr/>
	282,214	344,988
	<hr/>	<hr/>

Notes to the financial statements
For the year ended 5 April 2023

4. Allocation of governance and support costs

Breakdown of support costs and how these were allocated between governance and other support costs:

	Governance related £	Other support costs £	Total 2023 £	Basis of apportionment
Cost type				
Admin costs	-	92,368	92,368	Direct cost
Office rent	-	(375)	(375)	Direct cost
Other costs	59,014	5,378	64,392	Direct cost
Total	<u>59,014</u>	<u>97,371</u>	<u>156,385</u>	

	Governance Related £	Other support costs £	Total 2022 £	Basis of apportionment
Cost type				
Admin costs	-	46,645	46,645	Direct cost
Office rent	-	1,500	1,500	Direct cost
Other costs	33,778	9,833	43,611	Direct cost
Total	<u>33,778</u>	<u>57,978</u>	<u>91,756</u>	

	2023 £	2022 £
Allocation of costs by nature:		
Auditors' remuneration	29,485	16,005
Accountancy fees	17,705	9,965
Payroll administration fees	3,695	3,925
Legal Fees	1,829	-
General advice and charity matters	6,300	3,883
Support costs (see above)	97,371	57,978
	<u>156,385</u>	<u>91,756</u>

The total support costs attributable to charitable activities is then apportioned pro rata to the value of grants awarded as shown in note 5. The trustees have decided to meet all governance costs from unrestricted funds and so no allocation or charge is made to restricted funds for any governance related costs.

Notes to the financial statements
For the year ended 5 April 2023

5. Analysis of charitable expenditure

The number of grants distributed to institutions during the year was as follows:

	2023 Number of grants	2022 Number of grants
The arts	2	3
Health, welfare and medical research	3	3
Education	9	6
	14	12
	14	12

See page 25 for details of the grants paid.

The Foundation undertakes its charitable activities through grant making and awarded grants to institutions in furtherance of its charitable activities:

	Grant funded activity £	Support and governance costs £	Total 2023 £
The arts	50,000	15,991	65,991
Health, welfare and medical research	80,000	25,585	105,585
Education	358,990	114,809	473,799
	488,990	156,385	645,375
	488,990	156,385	645,375

The Foundation undertakes its charitable activities through grant making and awarded grants to institutions in furtherance of its charitable activities:

	Grant funded activity £	Support and governance costs £	Total 2022 £
The arts	170,000	21,140	191,140
Health, welfare and medical research	250,000	31,086	281,086
Education	317,915	39,530	357,445
	737,915	91,756	829,671
	737,915	91,756	829,671

Notes to the financial statements
For the year ended 5 April 2023

6 Staff costs and remuneration of key personnel

Aggregate remuneration comprised:

	2023 £	2022 £
Wages and salaries	71,841	40,000
Social security costs	7,784	3,079
Pension costs	12,743	3,566
	<u>92,368</u>	<u>46,645</u>

The average number of employees during the year is 2 (2022: 2).

The trustees received no remuneration in respect of their services to the Foundation during the year (2022: Nil). No trustee received any reimbursement of expenses during the year (2022: Nil).

One employee received remuneration of between £60,000 and £70,000 (2022: Nil).

7. Investments

	2023 £	2022 £
Movement in fixed asset investments		
Market value at 6 April 2022	144,224,838	137,283,606
Additions at Cost	2,422,138	3,044,699
Disposal proceeds	(36,676)	(1,231,069)
Net realised gains	7,286	310,300
Net unrealised (losses)/gains on revaluation	(7,184,523)	3,778,620
Management fees	(280,222)	(349,929)
Gains/(losses) on foreign currency translation	821,359	1,388,611
	<u>139,974,200</u>	<u>144,224,838</u>

Net cash released from investments in the year was £36,676 (2022: £7,394)

Investments at fair value comprised:

	2023 £	2022 £
Quoted investments in the UK	85,037,085	88,400,071
Quoted investments outside the UK	3,173,454	4,076,114
Unquoted investments in the UK	39,150,060	39,150,060
Unquoted investments outside the UK	12,525,656	12,598,535
Cash held in the investment portfolio	87,945	58
	<u>139,974,200</u>	<u>144,224,838</u>

The Eranda Rothschild Foundation

Notes to the financial statements For the year ended 5 April 2023

7 Investments (continued)

The trustees consider that four (2022: four) individually material investments were held at the year-end:

	2023	2022
	£	£
The Economist Newspaper Limited	39,150,060	39,150,060
IHS Holding Limited	3,173,454	4,076,114
Gywnnie Bee Inc	2,362,909	2,251,981
The Radcliff Companies	10,162,747	10,346,554
	<hr/>	<hr/>
	54,849,170	55,824,709
	<hr/>	<hr/>

8. Debtors

	2023	2022
	£	£
Prepayments and accrued income	177,311	161,023
	<hr/>	<hr/>
	177,311	161,023
	<hr/>	<hr/>

9. Creditors

Amounts falling due within one year

	2023	2022
	£	£
Grants payable	986,179	873,916
Accruals	102,200	92,935
	<hr/>	<hr/>
	1,088,379	966,851
	<hr/>	<hr/>

10. Creditors

Amounts falling due after more than one year

	2023	2022
	£	£
Grants payable	800,000	1,040,000
	<hr/>	<hr/>
	800,000	1,040,000
	<hr/>	<hr/>

The Eranda Rothschild Foundation

Notes to the financial statements For the year ended 5 April 2023

10. Creditors (continued)

Movement in recognised funding commitments during the year:

	2023 £
Grant commitments recognised at the start of the year	1,913,916
New grant commitments charged to the SoFA (see note 5)	488,990
Grants paid during the year	(616,727)
	<hr/>
Amount of grant commitment recognised at 5 April 2023	1,786,179
	<hr/> <hr/>

Movement in recognised funding commitments during the year:

	2022 £
Grant commitments recognised at the start of the year	1,476,000
New grant commitments charged to the SoFA (see note 5)	737,915
Grants paid during the year	(299,999)
	<hr/>
Amount of grant commitment recognised at 5 April 2022	1,913,916
	<hr/> <hr/>

11. Related party transaction

During the year, donations of £137,467 (2022: £126,458) were made to a number of charities, each of which had one common trustee with the Foundation.

12. Analysis of charitable funds

	Investments 2023 £	Net assets 2023 £	Total 2023 £
As at 5 April 2023			
Expendable endowment	119,364,370	-	119,364,370
Unrestricted	20,609,830	5,111,937	25,721,767
	<hr/>	<hr/>	<hr/>
	139,974,200	5,111,937	145,086,137
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Eranda Rothschild Foundation

**Notes to the financial statements
For the year ended 5 April 2023**

12 Analysis of charitable funds (continued)

	Investments 2022 £	Net assets 2022 £	Total 2022 £
As at 5 April 2022			
Expendable endowment	126,002,462	-	126,002,462
Unrestricted	18,222,376	3,212,749	21,435,125
	<u>144,224,838</u>	<u>3,212,749</u>	<u>147,437,587</u>

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

	2023 £	2022 £
Net movement in funds	(2,351,450)	9,611,456
Investment income	(4,765,618)	(5,130,934)
Losses/(gains) on investments	6,636,099	(5,127,690)
(Increase)/decrease in debtors	(16,288)	(7,930)
(Decrease)/increase in creditors	(118,471)	420,331
Net cash used in operating activities	<u>(615,728)</u>	<u>(234,767)</u>
Analysis of cash and cash equivalents:		
	2023 £	2022 £
Cash in hand	6,823,005	5,058,577
	<u>6,823,005</u>	<u>5,058,577</u>

14. Post balance sheet events

Following the balance sheet of these accounts, market volatility has had an impact on investment values. As at 23 January 2024 the value of the investment in ECP IHS (Mauritius) Limited had fallen by £1,681,500 to £1,491,954.

The Eranda Rothschild Foundation

**Notes to the financial statements
For the year ended 5 April 2023**

15. Grants payments

	2023	2022
	£	£
The Arts		
Creative Dimensions Trust	-	25,000
National Horseracing Museum	25,000	-
Royal Academy of Dramatic Art	25,000	-
Royal College of Art	-	125,000
Somerset House Trust	-	20,000
	<u>50,000</u>	<u>170,000</u>
	2023	2022
	£	£
Health/welfare/medical research		
Follicular Lymphoma Foundation	-	50,000
GlassDoor Homeless Charity	20,000	-
Hygienebank	-	150,000
Quintessentially Foundation	50,000	50,000
Royal Hospital Chelsea	10,000	-
	<u>80,000</u>	<u>250,000</u>
	2023	2022
	£	£
Education		
ABF The Soldiers' Charity	20,000	-
Coalition for Inclusive Capitalism	6,344	76,458
Dyslexia Scotland	40,000	-
Economist Educational Foundation	59,180	-
Give A Book	10,000	-
Global Greengrants	-	90,000
IntoUniversity	30,000	-
Liberal Jewish Synagogue	50,000	36,500
London School of Economics	-	10,000
McCain Institute Foundation	6,344	76,458
Peterson Institute Junior Fellowship	81,122	-
School Readers Buckinghamshire	-	28,499
Twinning Project	50,000	-
VS Naipaul Lecture Series	6,000	-
	<u>358,990</u>	<u>317,915</u>

THE ERANDA ROTHSCHILD FOUNDATION

England & Wales - Charity number 255650

Accounts

Registered Charity No: 255650

The Eranda Rothschild Foundation
Report and financial statements
For the year ended 5 April 2022

The Eranda Rothschild Foundation

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The Eranda Rothschild Foundation

Charity details

Trustees Sir Evelyn de Rothschild (deceased 7 November 2022)
Mr Anthony de Rothschild
Ms Jessica de Rothschild
Lady Lynn de Rothschild
Sir John Peace
Mr Benjamin Elliot

Principal/registered office PO Box 6226
Leighton Buzzard
LU7 0XF

Auditors Saffery Champness LLP
71 Queen Victoria Street
London
EC4V 4BE

Bankers HSBC
8 Canada Square
London
E14 5HQ

Investment managers Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard
London
EC4M 8BU

Status The Eranda Rothschild Foundation was established by trust deed dated 10 February 1967 and is registered in the United Kingdom as a charity, number 255650.

The Eranda Rothschild Foundation

Trustees' report

For the year ended 5 April 2022

The Trustees of The Eranda Rothschild Foundation ("The Foundation") present their report and audited financial statements for the year ended 5 April 2022, which have been prepared in accordance with the Charities Act 2011 Statement of Recommended Practice, applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK.

Reference and administrative information

This information is shown on page 1.

Structure, Governance and Management

The Foundation is an unincorporated trust, constituted under a trust deed dated 10 February 1967, and is a registered charity, number 255650.

The Trustees of the Foundation, as listed on page 1, have held office and served throughout the year unless otherwise indicated. The Trust Deed provides for a minimum of three trustees to a maximum of seven trustees. The statutory power of appointing new trustees vests with the Settlor, Sir Evelyn de Rothschild. Following Sir Evelyn's passing on 7 November 2022, the Trustees will be considering the constitution regarding the power to appoint trustees at their next meeting in February 2023. Trustees are aware of the aims and objectives of the Foundation and the manner in which the trustees carry out their responsibilities. In addition, each new trustee receives a copy of the Trust Deeds, Minutes of Meetings, Annual Reports and Accounts and a copy of the Charity Commission guidance leaflet, "The Essential Trustee: What you need to Know".

The Trustees are directly responsible for the management of the Foundation and aim to meet at least three times a year to consider grant applications, review investment performance and other matters of an administrative and strategic nature. The Chairman supervises the processing of grant applications and all decisions are ratified at Trustees' meetings. All Trustees give their time freely and no Trustee received remuneration in the year.

Risk Management

The Trustees have considered the major risks to which the Foundation is exposed and believe that there are two significant risks for the Foundation.

The first significant risk is fraud in relation to grants not being used for their intended purpose. The Foundation also awards grants to overseas charities whereby checks cannot always be made in the same way as a UK charity. The Foundation mitigates this risk by using eligibility criteria, assessing the applications raised and monitoring reports from the grant receiver. Reliance is also placed on the Trustees' knowledge of these charities and reports are often presented at Trustees' meetings.

The second significant risk is investment risk. As markets are volatile this can lead to fluctuations in income and valuation. This is mitigated by appointing well respected fund managers, setting and monitoring investment benchmarks and presentations from them at Trustee meetings. More information about investments can be found on page 4.

Risks are reviewed by the Trustees on an on-going basis.

Fund Raising

The Trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications on their activities. The Charity does not actively fundraise from the general public and therefore the Trustees do not consider it necessary to have a formal fundraising policy in place.

**Trustees' report
For the year ended 5 April 2022**

Objectives and activities for public benefit

The Foundation furthers its charitable purposes for the public benefit through its grant making policy which aims to support charitable work in the advancement of:

- the arts;
- health, welfare and medical research; and
- education

The Foundation aims to award grants equal to the amount of income it receives during the year and to try and spread this evenly across the three activities noted above. This aim is dependent upon the applications that are submitted during the year.

In order to measure the success the Trustees will review the number and value of grants awarded year on year. This is then compared against the amount of income received to ensure that grants are being awarded in line with the Foundation's objectives.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning future activities setting the grant making policy for the year.

The Foundation's strategy for achieving these objectives is to consider applications from appropriate registered charities to whom funds can be distributed in accordance with the above objectives and to monitor and review the work of the beneficiary charities on a regular basis.

Grant making policy

The Foundation accepts applications from registered charities only and no applications from individuals are considered. The Trustees meet regularly to review and approve grants and regular contact is maintained with recipients of grants for monitoring purposes. The Trustees aim to achieve an appropriate balance between medical, education and arts causes.

Achievements and Performance

The Trustees are pleased with the achievements and performance of the Foundation as set out below.

The number of grants distributed to institutions during the year amounted to 12 (2021: 27). A summary of the grants awarded can be found in note 5 of the accounts.

Financial Review

During the year income of £5,130,934 (2021: £4,084,544) was received from investments held by the Foundation. This income was applied in part to furthering the objectives of the Foundation, and as such the Trustees approved and paid grants totalling £737,915 (2021: £838,197) during the year.

The net movement in funds for the year, as shown in the statement of financial activities, amounted to an increase in funds of £9,611,456 (2021: £19,584,309).

The volume of grant applications received during the year was more than the previous year but not quite back to pre-covid levels, particularly from the smaller organisations. The trustees are pleased the number of applications for grants has started to increase again and will hopefully get stronger in the coming year to continue to be in line with the Foundation's objectives.

Trustees' report
For the year ended 5 April 2022

Investment policy and performance

Investment assets are held with the intention of retaining them on a long-term basis for the continuing benefit of the Foundation in the form of both income generation and capital appreciation. There are no specific investment policies concerning social, environmental or ethical considerations other than investments must not be made in institutions that would be adverse to the objectives of the Foundation.

During the year the investment portfolio increased by £6,941,232 to £144,224,838 (2021: £137,283,606). The portfolio includes investments held directly by the Foundation amounting to £55,824,709 (2021: £53,660,226). A list of material investments held is included in Note 7 to these accounts.

In July 2016 Sarasin & Partners were appointed as investment managers for the Foundation's portfolio that was previously run by Partners Capital. The aim of the investments is to generate a total return that can support ongoing spending requirements whilst also growing the capital over the long term. As at 5 April 2022 the value of the portfolio was £88,400,128 (2021: £83,623,379).

The vast majority of the monies are invested in the Sarasin Endowments Fund. The fund aims to provide an income that can be spent today and to protect both the capital and income from inflation over the long term. This is achieved by investing in a diversified portfolio of equities, bonds, property, alternative assets and cash. In addition to the main portfolio there remains one other specific portfolio:

- Illiquid Assets - investments made by Partners Capital on behalf of the Foundation (Clearbell Property Partners II).

As at 5 April 2022 the split across the various portfolios was as follows:

Asset	Value (£)
<i>Sarasin Endowments Fund</i>	88,219,831
<i>Illiquid Assets</i>	180,297
Total	88,400,128

This resulted in the following overall asset allocation:

Asset Allocation	Capital (%)
<i>Fixed Income</i>	7.0
<i>Global Equities</i>	69.9
<i>Property</i>	5.6
<i>Alternative Investments</i>	12.7
<i>Liquid Assets</i>	4.9
Total	100.0

From 5 April 2021 to 5 April 2022, the above investments delivered a total return of 5.8% net of fees. This strong return was supported by the swift monetary and fiscal policies enacted to combat the economic risks posed by the pandemic, with the global economy now experiencing a robust recovery.

The remaining illiquid assets (inherited from the Partners Capital Portfolio) now represent 0.2% of the total portfolio. The Foundation's portfolio with Sarasin & Partners now has a more liquid investment profile with over 99% of the assets invested in a fund that can be sold on a daily basis.

Trustees' report

For the year ended 5 April 2022

The Foundation holds a number of investments directly with the aim of generating a total return that can support the ongoing spending requirements whilst also growing the capital over the long term. As at 5 April 2022 the total valuation of these investments was £55,824,709 (2021: £53,660,226). The Economist has provided the Foundation with substantial returns over time. The 2022 results confirmed that the full year dividend was being increased to 120p a share (100p in 2021) the minority share price valuation increased from £25 per share to £30 per share. IHS Towers used its growth trajectory and in October 2021, conducted an initial public offering in the United States, listing their shares on the New York Stock Exchange (NYSE:IHS). The investment in IHS is through ECP partners who will provide liquidity to the foundation according to the agreed sell down arrangements that were entered into by the IHS shareholders upon listing. Gwynnie Bee has also shown strong company growth but its capital valuation has stayed flat year on year. The Radcliff Holdings investments had a year end valuation of just under £10.3m and made net distributions of over £2.3m through the year. The Covid-19 pandemic had little impact on the Radcliff Holdings investments, with increased valuations and distributions across the period.

Note that over the period of 5 April 2021 to 5 April 2022 USD relative to GBP increased by 6.0% (2021: decrease of 13.7%) which has had an impact on those investments (IHS Towers, Gwynnie Bee and Radcliff Holdings) that are held in USD.

Reserves policy

As a general rule, the Trustees apply the income derived from the Foundation's endowment in furtherance of the Foundation's main objects as it arises on an annual basis. The endowment, albeit expendable, is normally retained in order to provide income to fund the main objects in view of the fact that the Foundation does not have any other sources of funding and does not undertake any fundraising activities.

At 5 April 2022 the free reserves of the Foundation had increased £4,478,913 to £21,435,125. The Trustees endeavour to retain reserves for one year's charitable activity and are working to bring funds within these guidelines over a reasonable timescale.

Plans for the future

The Foundation intends to continue to make grants to appropriate registered charities.

Trustees' responsibilities in relation to the financial statements

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

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- observe the methods and principles of the Charities SORP (FRS 102);
 - select suitable accounting policies and then apply them consistently;
 - make judgments and estimates that are reasonable and prudent;
 - state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and;
 - prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.
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The Eranda Rothschild Foundation

Trustees' report

For the year ended 5 April 2022

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for making reasonable steps for the prevention and detection of fraud and other irregularities.

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

Auditors

A resolution to re-appoint Saffery Champness LLP as auditors will be proposed at the Trustees' meeting to approve the financial statements.

Approved by the Trustees and signed on their behalf by:



Lady Lynn de Rothschild

Date: 3rd February 2023

Opinion

We have audited the financial statements of The Eranda Rothschild Foundation for the year ended 5 April 2022 which comprise a statement of financial activities, balance sheet, statement of cash flows 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 incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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. The other information comprises the information included in the annual report, other than the financial statements and our auditors' 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.

Independent auditors' report to the trustees

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; 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 5, 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.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

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

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

Independent auditors' report to the trustees

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charity's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with trustees and updating our understanding of the sector in which the charity operates.

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery Champness LLP

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Saffery Champness LLP
Chartered Accountants
71 Queen Victoria Street
London
EC4 4BE

Statutory Auditors

Date: 03.02.2023

Saffery Champness LLP is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.

The Eranda Rothschild Foundation

Statement of financial activities
For the year ended 5 April 2022

	Notes	General Funds £	Expendable Endowment Funds £	2022 Total Funds £	General Funds £	Expendable Endowment Funds £	2021 Total Funds £
Income							
Investment income	2	5,130,934	-	5,130,934	4,084,544	-	4,084,544
Total income		5,130,934	-	5,130,934	4,084,544	-	4,084,544
Expenditure							
Costs of raising funds							
Investment management costs	3	-	344,988	344,988	-	318,927	318,927
Expenditure of charitable activities:							
Grant-making							
Grant related support costs	4	91,756	-	91,756	136,472	-	136,472
Grant expenditure	5	737,915	-	737,915	838,197	-	838,197
Total expenditure		829,671	344,988	1,174,659	974,669	318,927	1,293,596
Net income/(expenditure) before other recognised gains and losses							
		4,301,263	(344,988)	3,956,275	3,109,875	(318,927)	2,790,948
Net gains/(losses) on investments	7	-	4,088,920	4,088,920	-	19,684,581	19,684,581
(Losses)/gains on foreign currency translation		177,650	1,388,611	1,566,261	(137,791)	(2,753,429)	(2,891,220)
Net movement in funds		4,478,913	5,132,543	9,611,456	2,972,084	16,612,225	19,584,309
Reconciliation of funds							
Balance at 5 April 2021		16,956,212	120,869,919	137,826,131	13,984,128	104,257,694	118,241,822
Balance at 5 April 2022	12	21,435,125	126,002,462	147,437,587	16,956,212	120,869,919	137,826,131

The Eranda Rothschild Foundation

**Statement of financial activities (continued)
For the year ended 5 April 2022**

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

All incoming resources and resources expended derive from continuing operations.

The notes on pages 15 to 26 form part of these financial statements.

The Eranda Rothschild Foundation

Balance sheet
At 5 April 2022

	Notes	2022 £	2021 £
Fixed assets			
Investments	7	144,224,838	137,283,606
Current assets			
Debtors	8	161,023	153,093
Cash at bank and in hand		5,058,577	1,975,952
		<u>5,219,600</u>	<u>2,129,045</u>
Current Liabilities			
Creditors: amounts falling due within one year	9	(966,851)	(466,520)
Net current assets		<u>4,252,749</u>	<u>1,662,525</u>
Total assets less current liabilities		<u>148,477,587</u>	<u>138,946,131</u>
Creditors: amounts falling due after more than one year	10	(1,040,000)	(1,120,000)
Net assets		<u>147,437,587</u>	<u>137,826,131</u>
The funds of the charity			
Expendable endowment	12	126,002,462	120,869,919
Unrestricted general funds	12	21,435,125	16,956,212
Total charity funds		<u>147,437,587</u>	<u>137,826,131</u>

The notes at pages 15 to 26 form part of these accounts.

Approved by the trustees on 3rd February 2023 and signed on their behalf by:

Lady Lynn de Rothschild
Trustee



The Eranda Rothschild Foundation

**Statement of cash flows
For the year ended 5 April 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities:			
Net cash used in operating activities	13	(234,767)	(1,145,384)
Cash flows from investing activities			
Interest received		218	2,626
Dividends received		5,130,716	4,080,984
Purchase of fixed asset investments		(3,044,611)	(2,450,555)
Proceeds from sale of fixed asset investments		1,231,069	25,297
Net cash provided by investing activities		<u>3,317,392</u>	<u>1,658,352</u>
Increase / (decrease) in cash and cash equivalents in the year		<u>3,082,625</u>	<u>512,968</u>
Cash and cash equivalents at the beginning of the year	13	<u>1,975,952</u>	<u>1,462,984</u>
Total cash and cash equivalents at the end of the year	13	<u><u>5,058,577</u></u>	<u><u>1,975,952</u></u>

1. Accounting policies

Charity information

The Eranda Rothschild Foundation (“The Foundation”) is a charity registered in England and Wales under the number 255650. The principal place of business of the Foundation is at PO Box 6226, Leighton Buzzard, LU7 0XF.

1.1 Accounting convention

These accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The financial statements are prepared in sterling, which is the functional currency of the Foundation. Monetary amounts in these financial statements are rounded to the nearest £.

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

1.2 Going concern

The trustees consider that there are no material uncertainties about the Foundation’s ability to continue as a going concern. The most significant areas of adjustment and key assumptions that affect items in the accounts are to do with estimating the liability of multi-year grant commitments (see note 1.4 for more information). With respect to the next reporting period, 2022-23, the most significant areas of uncertainty that affect the carrying value of assets held by the Foundation are the level of investment return and the performance of investment markets (see the investment policy and performance and risk management sections of the trustees’ annual report for more information).

1.3 Income recognition

Income is credited to the statement of financial activities on a receivable basis. Investment income is stated inclusive of recoverable taxation. Donated services and facilities are included in the financial statements in the year in which they are receivable, where they are quantified, material and where a third party is bearing a cost.

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

1.3 Income recognition (continued)

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

1.4 Expenditure recognition

Grants are included in the statement of financial activities in the year when the offer is conveyed to the recipient except when the offer is conditional. Grants offered subject to conditions which have not been met at the year-end are included in the Statement of Financial Activities where the condition is not within the control of the Trustees or disclosed as a financial commitment where the Trustees retain that control. The Foundation has only one charitable activity, therefore support costs have been allocated in full to the “cost of grant making” in the statement of financial activities.

Governance costs include expenditure on compliance with constitutional and statutory requirements.

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

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For the information on this attribution refer to note 1.5.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Foundation. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Foundation.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

1.4 Expenditure recognition (continued)

The provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the Foundation that would permit the Foundation to avoid making the future payment(s), settlement is probable and the effect of discounting is material. The discount rate used is the average rate of investment yield in the year in which the grant award is made. This discount rate is regarded by the trustees as providing the most current available estimate of the opportunity cost of money reflecting the time value of money to the Foundation.

1.5 Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been apportioned based on the value of grants awarded made in recognition that the administrative costs of awarding, monitoring and assessing education grants, the arts grants and health, welfare and medical research grants are broadly equivalent. The allocation of support and governance costs is analysed in note 4.

1.6 Cost of raising funds

The costs of generating funds consist of investment management costs and certain legal fees.

1.7 Charitable activities

Costs of charitable activities include grants made, governance costs and an apportionment of support costs as shown in note 4.

1.8 Investments

Investments are included in the financial statements at market value, as determined by the trustees based on professional advice, at the balance sheet date. Realised and unrealised gains and losses are credited or debited to the statement of financial activities in the year in which they arise.

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

The Foundation does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Notes to the financial statements
For the year ended 5 April 2022

1.9 Fund accounting

The Funds comprises the expendable endowment, retained to provide income to fund the main objectives of the Foundation, and unrestricted funds, which may be used towards meeting the charitable objectives of the Foundation at the discretion of the trustees.

1.10 Taxation

The Foundation is a registered charity, and therefore is not liable for income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

1.11 Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net movements in funds.

2. Investment income

	2022	2021
	£	£
Bank interest	218	2,626
Other income	-	934
Net investment income receivable	5,130,716	4,080,984
	<u>5,130,934</u>	<u>4,084,544</u>

Investment income is analysed as follows:

	2022	2021
	£	£
Quoted investments in the UK	2,318,398	2,425,258
Quoted investments outside the UK	-	-
Unquoted investments in the UK	1,735,783	3,382
Unquoted investments outside the UK	1,076,753	1,655,904
	<u>5,130,934</u>	<u>4,084,544</u>

3. Investment management costs

	2022	2021
	£	£
Investment management fees	344,988	318,927
	<u>344,988</u>	<u>318,927</u>

Notes to the financial statements
For the year ended 5 April 2022

4. Allocation of governance and support costs

Breakdown of support costs and how these were allocated between governance and other support costs:

	Governance related £	Other support costs £	Total 2022 £	Basis of apportionment
Cost type				
Admin costs	-	46,645	46,645	Direct cost
Office rent	-	1,500	1,500	Direct cost
Other costs	33,778	9,833	43,611	Direct cost
Total	<u>33,778</u>	<u>57,978</u>	<u>91,756</u>	

	Governance related £	Other support costs £	Total 2021 £	Basis of apportionment
Cost type				
Admin costs	-	92,408	92,408	Direct cost
Office rent	-	1,500	1,500	Direct cost
Other costs	33,914	8,650	42,564	Direct cost
Total	<u>33,914</u>	<u>102,558</u>	<u>136,472</u>	

	2022 £	2021 £
Governance costs:		
Auditors' remuneration	16,005	13,500
Accountancy fees	9,965	14,930
Payroll administration fees	3,925	1,428
General advice and charity matters	3,883	4,056
Support costs (see above)	57,978	102,558
	<u>91,756</u>	<u>136,472</u>

The total support costs attributable to charitable activities is then apportioned pro rata to the value of grants awarded as shown in note 5. The trustees have decided to meet all governance costs from unrestricted funds and so no allocation or charge is made to restricted funds for any governance related costs.

Notes to the financial statements
For the year ended 5 April 2022

5. Analysis of charitable expenditure

The number of grants distributed to institutions during the year was as follows:

	2022 Number of grants	2021 Number of grants
The arts	3	6
Health, welfare and medical research	3	7
Education	6	14
	12	27
	12	27

See page 25 for details of the grants paid.

The Foundation undertakes its charitable activities through grant making and awarded grants to institutions in furtherance of its charitable activities:

	Grant funded activity £	Support and governance costs £	Total 2022 £
The arts	170,000	21,140	191,140
Health, welfare and medical research	250,000	31,086	281,086
Education	317,915	39,530	357,445
	737,915	91,756	829,671
	737,915	91,756	829,671

The Foundation undertakes its charitable activities through grant making and awarded grants to institutions in furtherance of its charitable activities:

	Grant funded activity £	Support and governance costs £	Total 2021 £
The arts	154,790	25,202	179,992
Health, welfare and medical research	300,167	48,872	349,039
Education	383,240	62,398	445,638
	838,197	136,472	974,669
	838,197	136,472	974,669

Notes to the financial statements
For the year ended 5 April 2022

6 Staff costs and remuneration of key personnel

Aggregate remuneration comprised:

	2022 £	2021 £
Wages and salaries	40,000	78,638
Social security costs	3,079	7,576
Pension costs	3,566	6,194
Other employee benefits	-	-
	46,645	92,408

The average number of employees during the year is 2 (2021: 2).

The trustees received no remuneration in respect of their services to the Foundation during the year (2021: Nil). No trustee received any reimbursement of expenses during the year (2021: Nil).

No employees received remuneration in excess of £60,000 (2021: Nil).

7. Investments

	2022 £	2021 £
Movement in fixed asset investments		
Market value at 6 April 2021	137,283,606	118,184,610
Additions at Cost	3,044,699	2,450,555
Disposal proceeds	(1,231,069)	(25,297)
Net realised gains	310,300	4,297
Net unrealised gains/(losses) on revaluation	3,778,620	19,680,284
Management fees	(349,929)	(257,414)
Gains/(losses) on foreign currency translation	1,388,611	(2,753,429)
	144,224,838	137,283,606

Net cash released from investments in the year was £7,394 (2021: £25,297)

Investments at fair value comprised:

	2022 £	2021 £
Quoted investments in the UK	88,400,071	83,525,471
Quoted investments outside the UK	4,076,114	-
Unquoted investments in the UK	39,150,060	32,625,050
Unquoted investments outside the UK	12,598,535	21,035,176
Cash held in the investment portfolio	58	97,909
	144,224,838	137,283,606

Notes to the financial statements
For the year ended 5 April 2022

7 Investments (continued)

The trustees consider that four (2021: four) individually material investments were held at the year-end:

	2022	2021
	£	£
The Economist Newspaper Limited	39,150,060	32,625,050
ECP IHS (Mauritius) Limited	4,076,114	9,920,252
Gywnnie Bee Inc	2,251,981	2,116,836
The Radcliff Companies	10,346,554	8,998,088
	<u>55,824,709</u>	<u>53,660,226</u>

8. Debtors

	2022	2021
	£	£
Prepayments and accrued income	161,023	153,093
	<u>161,023</u>	<u>153,093</u>

9. Creditors

Amounts falling due within one year

	2022	2021
	£	£
Grants payable	873,916	356,000
Accruals	92,935	110,520
	<u>966,851</u>	<u>466,520</u>

10. Creditors

Amounts falling due after more than one year

	2022	2021
	£	£
Grants payable	1,040,000	1,120,000
	<u>1,040,000</u>	<u>1,120,000</u>

Notes to the financial statements
For the year ended 5 April 2022

10. Creditors (continued)

Movement in recognised funding commitments during the year:

	2022
	£
Grant commitments recognised at the start of the year	1,476,000
New grant commitments charged to the SoFA (see note 5)	737,915
Grants paid during the year	(299,999)
	<hr/>
Amount of grant commitment recognised at 5 April 2022	<u>1,913,916</u>

Movement in recognised funding commitments during the year:

	2021
	£
Grant commitments recognised at the start of the year	1,481,000
New grant commitments charged to the SoFA (see note 5)	838,197
Grants paid during the year	(843,197)
	<hr/>
Amount of grant commitment recognised at 5 April 2021	<u>1,476,000</u>

11. Related party transaction

During the year, donations of £126,458 (2021: £76,225) were made to a number of charities, each of which had one common trustee with the Foundation.

12. Analysis of charitable funds

	Investments	Net assets	Total
	2022	2022	2022
	£	£	£
As at 5 April 2022			
Expendable endowment	126,002,462	-	126,002,462
Unrestricted	18,222,376	3,212,749	21,435,125
	<hr/>	<hr/>	<hr/>
	<u>144,224,838</u>	<u>3,212,749</u>	<u>147,437,587</u>

Notes to the financial statements
For the year ended 5 April 2022

12 Analysis of charitable funds (continued)

	Investments 2021 £	Net assets 2021 £	Total 2021 £
As at 5 April 2021			
Expendable endowment	120,869,919	-	120,869,919
Unrestricted	16,413,687	542,525	16,956,212
	<u>137,283,606</u>	<u>542,525</u>	<u>137,826,131</u>

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

	2022 £	2021 £
Net movement in funds	9,611,456	19,584,309
Investment income	(5,130,934)	(4,083,611)
Losses/(gains) on investments	(5,127,690)	(16,673,783)
Decrease/(increase) in debtors	(7,930)	14,262
Increase in creditors	420,331	13,394
Net cash used in operating activities	<u>(234,767)</u>	<u>(1,145,384)</u>
Analysis of cash and cash equivalents:		
	2022 £	2021 £
Cash in hand	5,058,577	1,975,952
	<u>5,058,577</u>	<u>1,975,952</u>

14. Post balance sheet events

Following the balance sheet of these accounts, market volatility has had an impact on investment values. This has resulted from external shocks such as the war in Ukraine and its ongoing impact on inflation and the global economy. The duration and ongoing severity of this impact is unknown at this time. As at 30 January 2023 the value of the main Sarasin portfolio had fallen by £2,519,050 to £85,700,724 and the value of the investment in ECP IHS (Mauritius) Limited had fallen by £1,117,327 to £2,958,787.

Notes to the financial statements
For the year ended 5 April 2022

15. Grants payments

	2022	2021
	£	£
The Arts		
Coram Shakespeare Schools Foundation	-	34,892
Creative Dimensions Trust	25,000	25,000
National Horseracing Museum	-	25,000
Philharmonia Orchestra	-	25,000
Roundhouse Trust / Sadler's Wells	-	34,895
Royal College of Art	125,000	-
Royal Ballet School	-	10,000
Somerset House Trust	20,000	-
	170,000	154,790
	170,000	154,790
	2022	2021
	£	£
Health/welfare/medical research		
Alzheimer's Drug Discovery Foundation	-	70,167
Felix Project	-	50,000
Follicular Lymphoma Foundation	50,000	-
Good Samaritan Foundation	-	50,000
Hygienebank	150,000	-
Leon Foundation	-	50,000
Quintessentially Foundation	50,000	-
Royal Hospital Chelsea	-	10,000
Valid Nutrition	-	50,000
Wellbeing for Women	-	20,000
	250,000	300,167
	250,000	300,167

Notes to the financial statements
For the year ended 5 April 2022

15. Grants payments (continued)

	2022	2021
	£	£
Education		
American Civil Liberties Union	-	8,000
Burnet News Club	-	58,750
Children's Scholarship Fund	-	(3,860)
Coalition for Inclusive Capitalism	76,458	-
David Sheldrick Wildlife Trust	-	10,000
Global Dialogue (The Five Foundation)	-	25,000
Global Greengrants	90,000	-
IntoUniversity	-	35,000
Liberal Jewish Synagogue	36,500	-
London School of Economics	10,000	10,000
McCain Institute Foundation	76,458	-
Peterson Institute for International Economics	-	76,225
Place2Be	-	30,000
Ross Initiative in Sports for Equality	-	8,000
Royal Botanic Gardens Kew	-	5,000
School Readers Buckinghamshire	28,499	-
Smallpeice Trust	-	22,000
Summer Search	-	(4,875)
Voice for Nature Foundation	-	50,000
Youth Sport Trust	-	44,000
Zoological Society of London	-	10,000
	<u>317,915</u>	<u>383,240</u>

THE ERANDA ROTHSCHILD FOUNDATION

England & Wales - Charity number 255650

Accounts

The Eranda Rothschild Foundation

Report and financial statements

For the year ended 5 April 2021

The Eranda Rothschild Foundation

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The Eranda Rothschild Foundation

Charity details

Trustees

Sir Evelyn de Rothschild
Mr Anthony de Rothschild
Ms Jessica de Rothschild
Lady Lynn de Rothschild
Sir John Peace
Mr Benjamin Elliot

Principal/registered office

PO Box 6226
Leighton Buzzard
LU7 0XF

Auditors

Saffery Champness LLP
71 Queen Victoria Street
London
EC4V 4BE

Bankers

HSBC
8 Canada Square
London
E14 5HQ

Investment managers

Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard
London
EC4M 8BU

Status The Eranda Rothschild Foundation was established by trust deed dated 10 February 1967 and is registered in the United Kingdom as a charity, number 255650.

The Eranda Rothschild Foundation

Trustees' report

For the year ended 5 April 2021

The Trustees of The Eranda Rothschild Foundation ("The Foundation") present their report and audited financial statements for the year ended 5 April 2021, which have been prepared in accordance with the Charities Act 2011 Statement of Recommended Practice, applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK.

Reference and administrative information

This information is shown on page 1.

Structure, Governance and Management

The Foundation is an unincorporated trust, constituted under a trust deed dated 10 February 1967, and is a registered charity, number 255650.

The Trustees of the Foundation, as listed on page 1, have held office and served throughout the year. The Trust Deed provides for a minimum of three trustees to a maximum of seven trustees. The statutory power of appointing new trustees vests with the Settlor, Sir Evelyn de Rothschild. Trustees are aware of the aims and objectives of the Foundation and the manner in which the trustees carry out their responsibilities. In addition, each new trustee receives a copy of the Trust Deeds, Minutes of Meetings, Annual Reports and Accounts and a copy of the Charity Commission guidance leaflet, "The Essential Trustee: What you need to Know".

The Trustees are directly responsible for the management of the Foundation and meet at least three times a year to consider grant applications, review investment performance and other matters of an administrative and strategic nature. The Chairman supervises the processing of grant applications and all decisions are ratified at Trustees' meetings. All Trustees give their time freely and no Trustee received remuneration in the year.

Risk Management

The Trustees have considered the major risks to which the Foundation is exposed and believe that there are two significant risks for the Foundation.

The first significant risk is fraud in relation to grants not being used for their intended purpose. The Foundation also awards grants to overseas charities whereby checks cannot always be made in the same way as a UK charity. The Foundation mitigates this risk by using eligibility criteria, assessing the applications raised and monitoring reports from the grant receiver. Reliance is also placed on the Trustees' knowledge of these charities and reports are often presented at Trustees' meetings.

The second significant risk is investment risk. As markets are volatile this can lead to fluctuations in income and valuation. This is mitigated by appointing well respected fund managers, setting and monitoring investment benchmarks and presentations from them at Trustee meetings. More information about investments can be found on page 4.

Risks are reviewed by the Trustees on an on-going basis.

Fund Raising

The Trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications on their activities. The Charity does not actively fundraise from the general public and therefore the Trustees do not consider it necessary to have a formal fundraising policy in place.

Objectives and activities for public benefit

The Foundation furthers its charitable purposes for the public benefit through its grant making policy which aims to support charitable work in the advancement of:

- the arts;
- health, welfare and medical research; and
- education

The Foundation aims to award grants equal to the amount of income it receives during the year and to try and spread this evenly across the three activities noted above. This aim is dependent upon the applications that are submitted during the year.

In order to measure the success the Trustees will review the number and value of grants awarded year on year. This is then compared against the amount of income received to ensure that grants are being awarded in line with the Foundation's objectives.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning future activities setting the grant making policy for the year.

The Foundation's strategy for achieving these objectives is to consider applications from appropriate registered charities to whom funds can be distributed in accordance with the above objectives and to monitor and review the work of the beneficiary charities on a regular basis.

Grant making policy

The Foundation accepts applications from registered charities only and no applications from individuals are considered. The Trustees meet regularly to review and approve grants and regular contact is maintained with recipients of grants for monitoring purposes. The Trustees aim to achieve an appropriate balance between medical, education and arts causes.

Achievements and Performance

The Trustees are pleased with the achievements and performance of the Foundation as set out below.

The number of grants distributed to institutions during the year amounted to 27 (2020: 72). A summary of the grants awarded can be found in note 5 of the accounts.

Financial Review

During the year income of £4,084,544 (2020: £4,448,755) was received from investments held by the Foundation. This income was applied in part to furthering the objectives of the Foundation, and as such the Trustees approved and paid grants totalling £838,197 (2020: £3,646,672) during the year.

The net movement in funds for the year, as shown in the statement of financial activities, amounted to an increase in funds of £19,584,309 (2020: decrease of £8,559,876).

The volume of grant applications received during the year was lower than historic levels as a result of the COVID-19 pandemic. The trustees are pleased the number of applications for grants has started to increase in 2022 and will be considered in line with the Foundation's objectives and reserve policy.

Trustees' report
For the year ended 5 April 2021

Investment policy and performance

Investment assets are held with the intention of retaining them on a long-term basis for the continuing benefit of the Foundation in the form of both income generation and capital appreciation. There are no specific investment policies concerning social, environmental or ethical considerations other than investments must not be made in institutions that would be adverse to the objectives of the Foundation.

During the year the investment portfolio increased by £19,098,996 to £137,283,606 (2020: £118,184,610). The portfolio includes investments held directly by the Foundation amounting to £53,660,226 (2020: £52,914,750). A list of material investments held is included in Note 7 to these accounts.

In July 2016 Sarasin & Partners were appointed as investment managers for the Foundation's portfolio that was previously run by Partners Capital. The aim of the investments is to generate a total return that can support ongoing spending requirements whilst also growing the capital over the long term. As at 5 April 2021 the value of the portfolio was £83,623,379.

The vast majority of the monies are invested in the Sarasin Endowments Fund. The fund aims to provide an income that can be spent today and to protect both the capital and income from inflation over the long term. This is achieved by investing in a diversified portfolio of equities, bonds, property, alternative assets and cash. In addition to the main portfolio there remains one other specific portfolio:

- Illiquid Assets - investments made by Partners Capital on behalf of the Foundation (Clearbell Property Partners II).

As at 5 April 2021 the split across the various portfolios was as follows:

Asset	Value (£)
<i>Sarasin Endowments Fund</i>	83,440,221
<i>Illiquid Assets</i>	183,158
Total	83,623,379

This resulted in the following overall asset allocation:

Asset Allocation	Capital (%)
<i>Fixed Income</i>	11.0
<i>Global Equities</i>	72.4
<i>Property</i>	2.4
<i>Alternative Investments</i>	8.2
<i>Liquid Assets</i>	6.0
Total	100.0

From 5 April 2020 to 5 April 2021, the above investments delivered a total return of 28.1% net of fees. This strong return was supported by the swift monetary and fiscal policies enacted to combat the economic risks posed by the pandemic, with the global economy now experiencing a robust recovery.

The remaining illiquid assets (inherited from the Partners Capital Portfolio) now represent less than 0.3% of the total portfolio. The Foundation's portfolio with Sarasin & Partners now has a more liquid investment profile with over 99% of the assets invested in a fund than can sold on a daily basis.

**Trustees' report
For the year ended 5 April 2021**

The Foundation holds a number of investments directly with the aim of generating a total return that can support the ongoing spending requirements whilst also growing the capital over the long term. As at 5 April 2021 the total valuation of these investments was £53,660,226 (2020: £52,914,750). The Economist has provided the Foundation with substantial returns over time. At the 2020 AGM the Board failed to declare a final dividend for the first time in many years. However management managed the Covid-19 uncertainty with a 40%+ year on year increase in adjusted Profit After Tax as at the year ended March 2021. The 2021 results confirmed that a dividend was being renewed at 100p a share and that the minority share price valuation increased from £23 per share to £25 per share. IHS Towers has shown company growth resulting in a significant increase in capital valuation over time in excess of £5m. IHS continues to target a 2021 IPO as its primary liquidity option. Gwynnie Bee has also shown strong company growth but its capital valuation has stayed flat year on year. The Radcliff Holdings investment had a year end valuation of just under £9m and made net distributions of over £1.59m through the year. The Covid-19 pandemic had little impact on the Radcliff Holdings investments, with increased valuations and distributions across the period.

Note that over the period of 5 April 2020 to 5 April 2021 USD relative to GBP decreased by 13.7% (2020: increase of 6.3%) which has had an impact on those investments (IHS Towers, Gwynnie Bee and Radcliff Holdings) that are held in USD.

Reserves policy

As a general rule, the Trustees apply the income derived from the Foundation's endowment in furtherance of the Foundation's main objects as it arises on an annual basis. The endowment, albeit expendable, is normally retained in order to provide income to fund the main objects in view of the fact that the Foundation does not have any other sources of funding and does not undertake any fundraising activities.

At 5 April 2021 the free reserves of the Foundation had increased £2,972,084 to £16,956,212. The Trustees endeavour to retain reserves for one year's charitable activity and are working to bring funds within these guidelines over a reasonable timescale.

Plans for the future

The Foundation intends to continue to make grants to appropriate registered charities.

Trustees' responsibilities in relation to the financial statements

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

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- observe the methods and principles of the Charities SORP (FRS 102);
- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

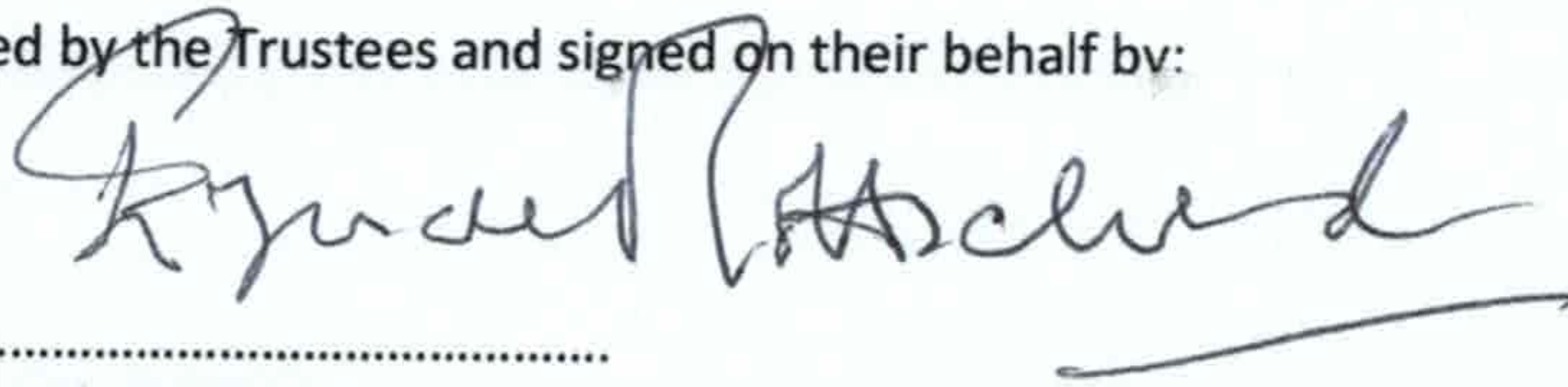
The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for making reasonable steps for the prevention and detection of fraud and other irregularities.

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

Auditors

A resolution to re-appoint Saffery Champness LLP as auditors will be proposed at the Trustees' meeting to approve the financial statements.

Approved by the Trustees and signed on their behalf by:



.....
Sir Evelyn de Rothschild

Date : February 4th
2022

Opinion

We have audited the financial statements of The Eranda Rothschild Foundation for the year ended 5 April 2021 which comprise a statement of financial activities, balance sheet, statement of cash flows 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 incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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. The other information comprises the information included in the annual report, other than the financial statements and our auditors' 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.

Independent auditors' report to the trustees

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; 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 5, 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.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

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

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

Independent auditors' report to the trustees

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charity's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with trustees and updating our understanding of the sector in which the charity operates.

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery Champness LLP

Saffery Champness LLP
Chartered Accountants
71 Queen Victoria Street
London
EC4 4BE

Statutory Auditors

Date: 4 February 2022

Saffery Champness LLP is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.

The Eranda Rothschild Foundation

Statement of financial activities
For the year ended 5 April 2021

	Notes	General Funds £	Expendable Endowment Funds £	2021 Total Funds £	General Funds £	Expendable Endowment Funds £	2020 Total Funds £
Income							
Investment income	2	4,084,544	-	4,084,544	4,448,755	-	4,448,755
Total income		4,084,544	-	4,084,544	4,448,755	-	4,448,755
Expenditure							
Costs of raising funds							
Investment management costs	3	-	318,927	318,927	-	288,934	288,934
Expenditure of charitable activities:							
Grant-making							
Grant related support costs	4	136,472	-	136,472	142,615	-	142,615
Grant expenditure	5	838,197	-	838,197	3,646,672	-	3,646,672
Total expenditure		974,669	318,927	1,293,596	3,789,287	288,934	4,078,221
Net income/(expenditure) before other recognised gains and losses							
		3,109,875	(318,927)	2,790,948	659,468	(288,934)	370,534
Net gains/(losses) on investments	7	-	19,684,581	19,684,581	-	(10,251,907)	(10,251,907)
(Losses)/gains on foreign currency translation		(137,791)	(2,753,429)	(2,891,220)	67,325	1,254,172	1,321,497
Net movement in funds		2,972,084	16,612,225	19,584,309	726,793	(9,286,669)	(8,559,876)
Reconciliation of funds							
Balance at 5 April 2020		13,984,128	104,257,694	118,241,822	13,257,335	113,554,363	126,801,698
Balance at 5 April 2021	12	16,956,212	120,869,919	137,826,131	13,984,128	104,257,694	118,241,822

The Eranda Rothschild Foundation

**Statement of financial activities (continued)
For the year ended 5 April 2021**

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

All incoming resources and resources expended derive from continuing operations.

The notes on pages 15 to 24 form part of these financial statements.

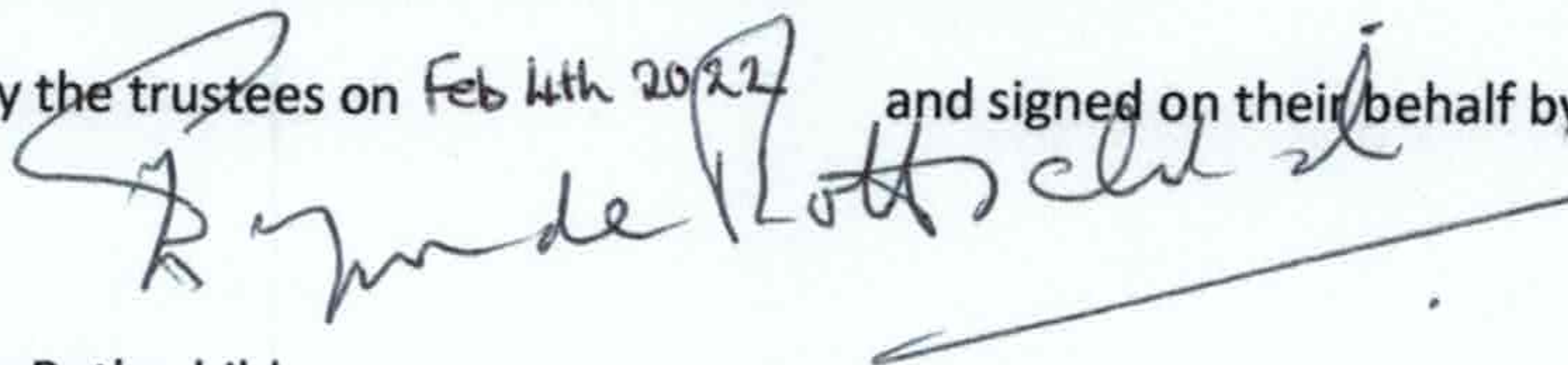
The Eranda Rothschild Foundation

Balance sheet
At 5 April 2021

	Notes	2021 £	2020 £
Fixed assets			
Investments	7	137,283,606	118,184,610
Current assets			
Debtors	8	153,093	167,355
Cash at bank and in hand		1,975,952	1,462,984
		<u>2,129,045</u>	<u>1,630,339</u>
Current Liabilities			
Creditors: amounts falling due within one year	9	(466,520)	(293,127)
Net current assets		<u>1,662,525</u>	<u>1,337,212</u>
Total assets less current liabilities		<u>138,946,131</u>	<u>119,521,822</u>
Creditors: amounts falling due after more than one year	10	(1,120,000)	(1,280,000)
Net assets		<u>137,826,131</u>	<u>118,241,822</u>
The funds of the charity			
Expendable endowment	12	120,869,919	104,257,694
Unrestricted general funds	12	16,956,212	13,984,128
Total charity funds		<u>137,826,131</u>	<u>118,241,822</u>

The notes at pages 15 to 24 form part of these accounts.

Approved by the trustees on Feb 14th 2022 and signed on their behalf by:



Sir Evelyn de Rothschild
Trustee

The Eranda Rothschild Foundation

**Statement of cash flows
For the year ended 5 April 2021**

	Notes	2021	2020
		£	£
Cash flows from operating activities:			
Net cash used in operating activities	13	(1,145,384)	(2,456,180)
Cash flows from investing activities			
Interest received		2,626	9,541
Dividends received		4,080,984	4,439,214
Purchase of fixed asset investments		(2,450,555)	(6,139,928)
Proceeds from sale of fixed asset investments		25,297	36,991
Net cash provided by investing activities		1,658,352	(1,654,182)
Increase / (decrease) in cash and cash equivalents in the year		512,968	(4,110,362)
Cash and cash equivalents at the beginning of the year	13	1,462,984	5,573,346
Total cash and cash equivalents at the end of the year	13	1,975,952	1,462,984

1. Accounting policies

Charity information

The Eranda Rothschild Foundation (“The Foundation”) is a charity registered in England and Wales under the number 255650. The principal place of business of the Foundation is at PO Box 6226, Leighton Buzzard, LU7 0XF.

1.1 Accounting convention

These accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The financial statements are prepared in sterling, which is the functional currency of the Foundation. Monetary amounts in these financial statements are rounded to the nearest £.

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

1.2 Going concern

The trustees consider that there are no material uncertainties about the Foundation’s ability to continue as a going concern. The most significant areas of adjustment and key assumptions that affect items in the accounts are to do with estimating the liability of multi-year grant commitments (see note 1.4 for more information). With respect to the next reporting period, 2021-22, the most significant areas of uncertainty that affect the carrying value of assets held by the Foundation are the level of investment return and the performance of investment markets (see the investment policy and performance and risk management sections of the trustees’ annual report for more information).

1.3 Income recognition

Income is credited to the statement of financial activities on a receivable basis. Investment income is stated inclusive of recoverable taxation. Donated services and facilities are included in the financial statements in the year in which they are receivable, where they are quantified, material and where a third party is bearing a cost.

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

Notes to the financial statements
For the year ended 5 April 2021

1.3 Income recognition (continued)

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

1.4 Expenditure recognition

Grants are included in the statement of financial activities in the year when the offer is conveyed to the recipient except when the offer is conditional. Grants offered subject to conditions which have not been met at the year-end are included in the Statement of Financial Activities where the condition is not within the control of the Trustees or disclosed as a financial commitment where the Trustees retain that control. The Foundation has only one charitable activity, therefore support costs have been allocated in full to the “cost of grant making” in the statement of financial activities.

Governance costs include expenditure on compliance with constitutional and statutory requirements.

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

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For the information on this attribution refer to note 1.5.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Foundation. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Foundation.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

1.4 Expenditure recognition (continued)

The provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the Foundation that would permit the Foundation to avoid making the future payment(s), settlement is probable and the effect of discounting is material. The discount rate used is the average rate of investment yield in the year in which the grant award is made. This discount rate is regarded by the trustees as providing the most current available estimate of the opportunity cost of money reflecting the time value of money to the Foundation.

1.5 Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been apportioned based on the value of grants awarded made in recognition that the administrative costs of awarding, monitoring and assessing education grants, the arts grants and health, welfare and medical research grants are broadly equivalent. The allocation of support and governance costs is analysed in note 4.

1.6 Cost of raising funds

The costs of generating funds consist of investment management costs and certain legal fees.

1.7 Charitable activities

Costs of charitable activities include grants made, governance costs and an apportionment of support costs as shown in note 4.

1.8 Investments

Investments are included in the financial statements at market value, as determined by the trustees based on professional advice, at the balance sheet date. Realised and unrealised gains and losses are credited or debited to the statement of financial activities in the year in which they arise.

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

The Foundation does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Notes to the financial statements
For the year ended 5 April 2021

1.9 Fund accounting

The Funds comprises the expendable endowment, retained to provide income to fund the main objectives of the Foundation, and unrestricted funds, which may be used towards meeting the charitable objectives of the Foundation at the discretion of the trustees.

1.10 Taxation

The Foundation is a registered charity, and therefore is not liable for income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

1.11 Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net movements in funds.

2. Investment income

	2021	2020
	£	£
Bank interest	2,626	9,541
Other income	934	-
Net investment income receivable	4,080,984	4,439,214
	<u>4,084,544</u>	<u>4,448,755</u>

Investment income is analysed as follows:

	2021	2020
	£	£
Quoted investments in the UK	2,425,258	2,271,792
Quoted investments outside the UK	-	-
Unquoted investments in the UK	3,382	1,504,807
Unquoted investments outside the UK	1,655,904	672,156
	<u>4,084,544</u>	<u>4,448,755</u>

3. Investment management costs

	2021	2020
	£	£
Investment management fees	318,927	288,934
	<u>318,927</u>	<u>288,934</u>

Notes to the financial statements
For the year ended 5 April 2021

4. Allocation of governance and support costs

Breakdown of support costs and how these were allocated between governance and other support costs:

	Governance related £	Other support costs £	Total 2021 £	Basis of apportionment
Cost type				
Admin costs	-	92,408	92,408	Direct cost
Office rent	-	1,500	1,500	Direct cost
Other costs	33,914	8,650	42,564	Direct cost
Total	<u>33,914</u>	<u>102,558</u>	<u>136,472</u>	

	Governance related £	Other support costs £	Total 2020 £	Basis of apportionment
Cost type				
Admin costs	-	91,840	91,840	Direct cost
Office rent	-	1,500	1,500	Direct cost
Other costs	35,485	13,790	49,275	Direct cost
Total	<u>35,485</u>	<u>107,130</u>	<u>142,615</u>	

	2021 £	2020 £
Governance costs:		
Auditors' remuneration	13,500	12,500
Accountancy fees	14,930	16,390
Payroll administration fees	1,428	480
General advice and charity matters	2,616	1,680
Tax matters	1,440	2,040
Legal fees	-	2,395
Support costs (see above)	102,558	107,130
	<u>136,472</u>	<u>142,615</u>

The total support costs attributable to charitable activities is then apportioned pro rata to the value of grants awarded as shown in note 5. The trustees have decided to meet all governance costs from unrestricted funds and so no allocation or charge is made to restricted funds for any governance related costs.

Notes to the financial statements
For the year ended 5 April 2021

5. Analysis of charitable expenditure

The number of grants distributed to institutions during the year was as follows:

	2021 Number of grants	2020 Number of grants
The arts	6	20
Health, welfare and medical research	7	22
Education	14	30
	<u>27</u>	<u>72</u>

A detailed list of grants is available from the Administrator at the Foundation's address at the front of these accounts.

The Foundation undertakes its charitable activities through grant making and awarded grants to institutions in furtherance of its charitable activities:

	Grant funded activity £	Support and governance costs £	Total 2021 £	Total 2020 £
The arts	154,790	25,202	179,992	430,474
Health, welfare and medical research	300,167	48,872	349,039	2,404,498
Education	383,240	62,398	445,638	954,422
	<u>838,197</u>	<u>136,472</u>	<u>974,669</u>	<u>3,789,287</u>

The Foundation undertakes its charitable activities through grant making and awarded grants to institutions in furtherance of its charitable activities:

	Grant funded activity £	Support and governance costs £	Total 2020 £	Total 2019 £
The arts	414,170	16,197	430,367	395,625
Health, welfare and medical research	2,314,001	90,497	2,404,498	611,176
Education	918,501	35,921	954,422	869,594
	<u>3,646,672</u>	<u>142,615</u>	<u>3,789,287</u>	<u>1,876,395</u>

Notes to the financial statements
For the year ended 5 April 2021

6 Staff costs and remuneration of key personnel

Aggregate remuneration comprised:

	2021 £	2020 £
Wages and salaries	78,638	76,123
Social security costs	7,576	8,151
Pension costs	6,194	4,444
Other employee benefits	-	3,122
	92,408	91,840
	92,408	91,840

The average number of employees during the year is 2 (2020: 3).

The trustees received no remuneration in respect of their services to the Foundation during the year (2020: Nil). No trustee received any reimbursement of expenses during the year (2020: Nil).

No employees received remuneration in excess of £60,000 (2020: Nil).

7. Investments

	2021 £	2020 £
Movement in fixed asset investments		
Market value at 6 April 2020	118,184,610	121,346,316
Additions at Cost	2,450,555	6,139,928
Disposal proceeds	(25,297)	(36,991)
Net realised gains	4,297	6,031
Net unrealised gains/(losses) on revaluation	19,680,284	(10,257,938)
Management fees	(257,414)	(266,336)
(Losses)/gains on foreign currency translation	(2,753,429)	1,253,600
	137,283,606	118,184,610
	137,283,606	118,184,610

Net cash released from investments in the year was £25,297 (2020: £36,991)

Investments at fair value comprised:

	2021 £	2020 £
Quoted investments in the UK	83,525,471	65,185,387
Quoted investments outside the UK	-	-
Unquoted investments in the UK	32,625,050	30,015,046
Unquoted investments outside the UK	21,035,176	22,899,704
Cash held in the investment portfolio	97,909	84,473
	137,283,606	118,184,610
	137,283,606	118,184,610

Notes to the financial statements
For the year ended 5 April 2021

7 Investments (continued)

The trustees consider that four (2020: four) individually material investments were held at the year-end:

	2021	2020
	£	£
The Economist Newspaper Limited	32,625,050	30,015,046
ECP IHS (Mauritius) Limited	9,920,252	10,783,955
Gywnnie Bee Inc	2,116,836	2,406,148
The Radcliff Companies	8,998,088	9,709,601
	<u>53,660,226</u>	<u>52,914,750</u>

8. Debtors

	2021	2020
	£	£
Prepayments and accrued income	153,093	167,355
	<u>153,093</u>	<u>167,355</u>

9. Creditors

Amounts falling due within one year

	2021	2020
	£	£
Grants payable	356,000	201,000
Accruals	110,520	92,127
	<u>466,520</u>	<u>293,127</u>

10. Creditors

Amounts falling due after more than one year

	2021	2020
	£	£
Grants payable	1,120,000	1,280,000
	<u>1,120,000</u>	<u>1,280,000</u>

Notes to the financial statements
For the year ended 5 April 2021

10. Creditors (continued)

Movement in recognised funding commitments during the year:

	2021
	£
Grant commitments recognised at the start of the year	1,481,000
New grant commitments charged to the SoFA (see note 5)	838,197
Grants paid during the year	(843,197)
	<hr/>
Amount of grant commitment recognised at 5 April 2021	<u>1,476,000</u>

Movement in recognised funding commitments during the year:

	2020
	£
Grant commitments recognised at the start of the year	172,000
New grant commitments charged to the SoFA (see note 5)	3,646,672
Grants paid during the year	(2,337,672)
	<hr/>
Amount of grant commitment recognised at 5 April 2020	<u>1,481,000</u>

11. Related party transaction

During the year, donations of £76,225 (2020: £322,135) were made to a number of charities, each of which had one common trustee with the Foundation.

12. Analysis of charitable funds

	Investments	Net assets	Total
	2021	2021	2021
	£	£	£
As at 5 April 2021			
Expendable endowment	120,869,919	-	120,869,919
Unrestricted	16,413,687	542,525	16,956,212
	<hr/>	<hr/>	<hr/>
	<u>137,283,606</u>	<u>542,525</u>	<u>137,826,131</u>

Notes to the financial statements
For the year ended 5 April 2021

12 Analysis of charitable funds (continued)

	Investments 2020 £	Net assets 2020 £	Total 2020 £
As at 5 April 2020			
Expendable endowment	104,257,694	-	104,257,694
Unrestricted	13,926,916	57,212	13,984,128
	<u>118,184,610</u>	<u>57,212</u>	<u>118,241,822</u>

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

	2021 £	2020 £
Net movement in funds	19,584,309	(8,559,876)
Investment income	(4,083,611)	(4,448,755)
Losses/(gains) on investments	(16,673,738)	9,264,642
Decrease/(increase) in debtors	14,262	(15,941)
Increase in creditors	13,394	1,303,750
Net cash used in operating activities	<u>(1,145,384)</u>	<u>(2,456,180)</u>
Analysis of cash and cash equivalents:		
	2021 £	2020 £
Cash in hand	1,975,952	1,462,984
	<u>1,975,952</u>	<u>1,462,984</u>