

THE ALCHEMY FOUNDATION
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2025

CHARITY NUMBER: 292500

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Trustees

Alex Armitage
Tony Elias
Andrew Murison
Caroline Pedley
Lady Annabel M Stilgoe OBE (until 2 November 2024)
Holly J M Stilgoe
Dr Jack E Z Stilgoe
Dr Jemima R Stilgoe
Joseph R I Stilgoe
Sir Richard H Z S Stilgoe OBE
Rufus N A Stilgoe
Nicolas M Turner (appointed 20 September 2025)

Charity number

292500

Principal address

Trevereux Manor
Limpsfield Chart
Oxted
Surrey
RH8 0TL

Auditors

McKenzies
Chartered Accountants
2 Station Road West
Oxted
Surrey
RH8 9EP

Bankers

Coutts & Co
440 Strand
London
WC2R 0QS

Solicitors

TWM Solicitors LLP
40 West Street
Reigate
Surrey
RH2 9BT

Investment Managers

Cazenove Capital Management Ltd
12 Moorgate
London EC2R 6DA

The Alchemy Foundation

Report of the trustees for the year ended 5 April 2025

The trustees present their report and accounts for the year ended 5 April 2025.

Structure, Governance and Management

The charity was established, as The Starlight Foundation, by a charitable trust deed on 14 August 1985 under charity number 292500. The name was changed to The Alchemy Foundation on 2 June 1987. Lady Annabel M Stilgoe OBE who stood down as a trustee on 2 November 2024 sadly died on 15 January 2025.

The trustees who have served during the year and since the year end are set out below. Trustees meet as required to discuss the charity. Richard, Rufus and Holly Stilgoe, Caroline Pedley and Tony Elias, who are trustees, run the day-to-day activities of the charity.

The trustees who served during the year were:

Alex Armitage
Tony Elias
Andrew Murison
Caroline Pedley
Lady Annabel M Stilgoe OBE (until 2 November 2024)
Holly J M Stilgoe
Dr Jack E Z Stilgoe
Dr Jemima R Stilgoe
Joseph R I Stilgoe
Sir Richard H Z S Stilgoe OBE
Rufus N A Stilgoe

Trustees may serve indefinitely, and new trustees may be co-opted by existing trustees. All trustees are advised of their responsibilities under charity law.

Related parties

The Alchemy Foundation is connected to another charity, The Orpheus Centre Trust, with which it co-operates in the pursuit of its charitable objectives.

Risk factors

The trustees make regular reviews of the risks which the charity faces.

The most significant risks facing the charity are fluctuations in the value of investments. In early 2025 the Foundation received a capital input upon the sale of future royalties. To minimise the risk of a reduction in their value and following a rigorous process to select suitable investment managers, two were appointed.

Objectives and Public Benefits of the charity

The charity's objects are particularly focused on The Alchemist Scheme (funding the costs of fundraisers assigned to charities handpicked by the trustees), and charitable causes including those in the fields of disability, social welfare, prisons and young carers, with a particular focus on making a lasting difference to young people.

Under the terms of the trust deed, the trustees have power to invest monies of the Foundation in any investments they deem fit, to accumulate income and to convert income into capital.

The Alchemy Foundation

Report of the trustees for the year ended 5 April 2025

Review of activities

In December 2024, the rights to the royalties were sold and proceeds invested in cash at the best prevailing rates of interest.

In furtherance of the charity's objectives, the Foundation made 229 donations during the year.

In line with the objects above, the grant-making policy of the Foundation is to support a variety of causes, with special emphasis on The Alchemist Scheme whereby the Foundation supports the costs of fundraisers at invited charities including Child Rescue Nepal, Youth Music, The Orpheus Centre and WaterAid. In deciding to which charities grants should be made, the guideline "making a lasting difference to young people" is generally followed.

Until this year, the Foundation's income came from royalties from musicals running outside the United Kingdom. Since early 2025 the Foundation's income comes from the capital gifted because of the sale of those royalties. Total income has increased by £12,046,005 during the year, and this is principally because of the one-off capital gift. Income of the Foundation is now generated by this capital sum which is managed by Barclays Private Bank and Rathbones Investment Management.

The investment policy of the Foundation has been to take moderate risk.

The Foundation has no employees and therefore no employee costs were incurred during the year.

None of the trustees (or any persons connected with them) received any remuneration or benefits during the year.

Financial review

During the year, incoming resources of £12,346,510 were received and £505,662 was expended. The net current assets at the end of year amounted to £13,825,949.

Reserves

The reserves amounted to £13,825,949 at 5 April 2025.

Sir Richard H Z S Stilgoe OBE
Trustee

28 November 2025

The Alchemy Foundation

Trustees' responsibilities

Law applicable to charities in England and Wales require the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year (unless the charity is entitled to prepare accounts on the alternative receipts and payment basis).

In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state where applicable accounting standards and statements of recommended practice 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 operation.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditor's Report to the Trustees of The Alchemy Foundation

Opinion

We have audited the financial statements of the Alchemy Foundation for the year ended 5 April 2025, which comprise the Statement of Comprehensive Income, Statement of Financial Position, the Cash Flow Statement and the related notes. 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 Standards 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 affairs as at 5 April 2025 of the charity's incoming resources and application of resources for the year;
- 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 of 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 Financial Reporting Council (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 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 auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 charity's 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.

Independent Auditor's Report to the Trustees of The Alchemy Foundation

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out on page 4, 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 the 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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as 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 charity financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

A further description of our responsibilities is available on the FRC's website

at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

C E McCoy (Senior Statutory Auditor)
McKenzies
Chartered Accountants
Statutory Auditors
2 Station Road West
Oxted
Surrey RH8 9EP

28 November 2025

The Alchemy Foundation
Statement of Comprehensive Income
for the year ended 5 April 2025

	Notes	2025 £	2024 £
<u>Incoming resources</u>			
Incoming resources from generated funds:			
Voluntary income	2	12,213,424	279,117
Investment income	3	133,086	21,388
		<hr/>	<hr/>
Total incoming resources		12,346,510	300,505
		<hr/>	<hr/>
<u>Resources expended</u>			
Charitable activities:			
Grants payable	4	504,044	340,021
Management and administration		568	575
		<hr/>	<hr/>
Governance costs		1,050	1,050
		<hr/>	<hr/>
Total resources expended	5	505,662	341,646
		<hr/>	<hr/>
Net outgoing resources before other recognised gains and losses		11,840,848	(41,141)
		<hr/>	<hr/>
Movement on investment assets	9	(44,845)	74,029
		<hr/>	<hr/>
Net movement in funds		11,796,003	32,888
Reconciliation of funds:			
Total funds brought forward at 6 April 2025		2,029,946	1,997,058
		<hr/>	<hr/>
Total funds carried forward at 5 April 2025		13,825,949	2,029,946
		<hr/>	<hr/>

The Alchemy Foundation
Statement of Financial Position at 5 April 2025

	Notes	2025 £	2024 £
Assets			
Debtors: amounts falling due with one year	8	275,454	4,634
Investments	9	1,150,170	1,217,902
Cash at bank		12,401,375	808,460
		<hr/>	<hr/>
		13,826,999	2,030,996
Creditors: amounts falling due within one year	10	(1,050)	(1,050)
		<hr/>	<hr/>
Total assets less current liabilities		13,825,949	2,029,946
		<hr/>	<hr/>
Income funds			
Unrestricted funds		13,825,949	2,029,946
		<hr/>	<hr/>

The accounts were approved by the Trustees on 28 November 2025.

Sir Richard H Z S Stilgoe OBE
Trustee

Tony Elias
Trustee

THE ALCHEMY FOUNDATION
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 5 APRIL 2025

	<u>2025</u>	<u>2024</u>
<u>Cash Flows from Operational activities</u>		
Net (Deficit)/Income for the financial year	11,840,848	(41,141)
Adjustments for:		
Investment activities	(133,086)	(21,388)
Decrease / (increase) in debtors	(270,820)	458,860
Increase / (decrease) in creditors	-	(126,780)
<u>Cash from operations</u>	<u>11,436,942</u>	<u>269,551</u>
Interest paid	-	-
Income taxes paid	-	-
<u>Net cash generated from operational activities</u>	<u>11,436,942</u>	<u>269,551</u>
 <u>Cash Flows from Investing activities</u>		
Purchase of investments	(942,842)	(411,259)
Proceeds from sale of investments	965,729	150,297
Income from investment	141,301	28,231
Investment management fees	(8,215)	(6,842)
Interest received	-	-
<u>Net cash from investing activities</u>	<u>155,973</u>	<u>(239,573)</u>
 <u>Cash flows from financing activities</u>		
 <u>Net cash used in financing activities</u>	 <u>-</u>	 <u>-</u>
 Net increase / (decrease) in cash and cash equivalents	 11,592,915	 29,978
Cash and cash equivalents at beginning of the year	<u>808,460</u>	<u>778,482</u>
<u>Cash and cash equivalents at the end of the year</u>	<u>12,401,375</u>	<u>808,460</u>

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments, and are in accordance with applicable standards, and the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102).

Incoming resources

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

Resources expended

Expenditure is included on an accruals basis.

Investments

All investments are stated at market value at the year-end. Income arising from investments is accounted for in the period when it is receivable.

Governance costs

Governance costs are associated with the governance arrangements of the charity and include the cost of external accountancy fees and legal fees.

2 Donations and gifts

	2025 £	2024 £
Donations and gifts	12,213,424	279,117
	<u> </u>	<u> </u>

Donations and gifts consist of royalties historically assigned by Sir Richard Stilgoe and donations from Alchemy Limited which derives its income from royalties historically assigned by Sir Richard Stilgoe.

3 Investment income

	2025 £	2024 £
Income from listed investments (gross)	116,980	14,978
Less: investment management fees	(8,215)	(5,153)
Interest receivable	24,321	11,563
	<u> </u>	<u> </u>
	133,086	21,388
	<u> </u>	<u> </u>

4 Grants payable (229 grants)

2025
£

2024
£

Grants payable can be divided into the following categories:

The Alchemist Scheme	156,531	158,929
Disability- mobility, helplines, access	46,024	51,526
Social welfare – inner city community projects	122,789	92,341
Individuals on behalf of registered charities	11,200	7,700
Respite for carers	13,500	10,500
Penal reform and work with prisoners and their families	11,500	6,000
Other	142,500	13,025
	<hr/>	<hr/>
	504,044	340,021
	<hr/>	<hr/>

5 Total resources expended

2025
£

2024
£

Charitable activities:

Grants payable	504,044	340,021
Management and administration	568	575
	<hr/>	<hr/>
	504,612	340,596

Governance costs:

Accountancy fees	1,050	1,050
	<hr/>	<hr/>
	505,662	341,646
	<hr/>	<hr/>

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year. The charity has not met any individual expenses incurred by trustees for services provided to the charity during the year.

7 Employees

There were no employees during the year.

8 Debtors

	2025	2024
	£	£
Investment income receivable	8,712	1,219
Interest accrued on Deposit Bank Account	1,135	3,415
Vat receivable - one-off due to capitalisation of royalties	265,607	-
	<hr/>	<hr/>
	275,454	4,634
	<hr/>	<hr/>

9 Current Asset Investments:

	Fixed interest securities	Equities and Alternatives	2025	2024
			£	£
Managed Portfolio:				
Market value at 6 April 2024	193,530	1,024,372	1,217,902	882,911
Purchases	65,677	877,165	942,842	411,259
Sales	(116,733)	(848,996)	(965,729)	(150,297)
Accrued interest at 6 April 2024	-	-	-	-
Accrued interest at 5 April 2025	-	-	-	-
Net gains / (losses)	24,781	(69,626)	(44,845)	74,029
	<hr/>	<hr/>	<hr/>	<hr/>
Market value at 5 April 2025	167,255	982,915	1,150,170	1,217,902
	<hr/>	<hr/>	<hr/>	<hr/>
Historical cost at 5 April 2025	168,415	1,073,985	1,242,400	1,153,235
	<hr/>	<hr/>	<hr/>	<hr/>

10 Creditors: amounts falling due within one year

	2025	2024
	£	£
Other creditors	1,050	1,050
	<hr/>	<hr/>
	1,050	1,050
	<hr/>	<hr/>

The Alchemy Foundation
Notes forming part of the financial statements for the year ended 5 April 2025

11 Movement of funds

	2025	2024
	£	£
Unrestricted funds:		
At 6 April 2024	2,029,946	1,997,058
Net movement in funds	11,796,003	32,888
	<hr/>	<hr/>
At 5 April 2025	13,825,949	2,029,946
	<hr/> <hr/>	<hr/> <hr/>

Of the above funds £44,845 represents unrealised loss on investments (2024 – unrealised gain of £74,029).

12 Related parties

During the year grants of £44,281 (2024 - £59,846) were made to The Orpheus Centre Trust and a donation of £150,000 was received from Alchemy Limited (2024 - £200,000).