

# THE ROTHERMERE FOUNDATION

England & Wales · Charity number 314125

## Details

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**Status** Registered

**Legal form** Other

**Registered** 1964-01-02

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

## Contact

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**Address** Memory House  
Seaton  
Ickham  
Ickham  
Kent  
CT3 1SL

**Phone** 01227 721279

## Activities

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**Objects:** "The Trustees shall stand possessed of the Trust Property upon the trusts following that is to say:-  
(a) Upon trust to apply such of the income thereof as the Trustees' in their absolute discretion determine in perpetuity in establishing and maintaining scholarships to be known as "Rothermere Scholarships" and to be from time to time awarded in manner hereinafter mentioned to graduates of the Memorial University to be held and enjoyed by those graduates when taking post graduate courses at a United Kingdom University in accordance with the subsequent provisions of this Deed;(b) Subject as aforesaid upon trust to apply such of the income thereof as the Trustees in their absolute discretion determine to advance such charitable purposes (according to the law of England and Wales) as the Trustees see fit from time to time."

**Activities:** Supporting Phd students from Memorial University of Newfoundland to continue their education in the UK, supporting Rothermere American Institute, Oxford, other grant making

## Classification

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- **How:** Makes Grants To Organisations
- **What:** General Charitable Purposes, Education/training
- **Who:** Children/young People

## Geography

- Throughout England And Wales

## Finances

| Period end | Income      | Expenditure | Assets      | Employees |
|------------|-------------|-------------|-------------|-----------|
| 2024-09-30 | £1,412,324  | £3,397,452  | £47,454,640 | 0         |
| 2023-09-30 | £1,418,930  | £883,256    | £47,605,331 | 0         |
| 2022-09-30 | £40,405,498 | £1,055,464  | £49,266,105 | 0         |
| 2021-09-30 | £1,181,762  | £824,007    | £57,319,235 | 0         |
| 2020-09-30 | £1,172,149  | £667,191    | £36,345,431 | 0         |

## Trustees

| Name                                    | Role  | Appointed  |
|-----------------------------------------|-------|------------|
| RT HON VISCOUNT JONATHAN ROTHERMERE     | Chair |            |
| THE VISCOUNTESS CLAUDIA ROTHERMERE      |       |            |
| VYVYAN PETER WILFRED HARMSWORTH LVO     |       |            |
| Vere Richard Jonathan Harold Harmsworth |       | 2024-01-10 |

**THE ROTHERMERE FOUNDATION**

England & Wales - Charity number 314125

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# Accounts

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**Charity Registration No. 314125 (England and Wales)**

**THE ROTHERMERE FOUNDATION**  
**REPORT AND FINANCIAL STATEMENTS**  
**YEAR ENDED 30 SEPTEMBER 2024**

# THE ROTHERMERE FOUNDATION

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# THE ROTHERMERE FOUNDATION

## LEGAL AND ADMINISTRATIVE INFORMATION

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|                            |                                                                                                                                                                  |
|----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Trustees</b>            | The Fourth Viscount Rothermere<br>Viscountess Rothermere<br>Mr V P W Harmsworth<br>The Hon. V Harmsworth                                                         |
| <b>Registered office</b>   | Memory House<br>Seaton<br>Ickham<br>Kent<br>CT3 1SL                                                                                                              |
| <b>Charity number</b>      | 314125                                                                                                                                                           |
| <b>Auditor</b>             | Buzzacott Audit LLP<br>130 Wood Street<br>London<br>EC2V 6DL                                                                                                     |
| <b>Bankers</b>             | C. Hoare & Co.<br>37 Fleet Street<br>London<br>EC4P 4DQ                                                                                                          |
| <b>Investment Advisors</b> | Vanguard Investments UK Limited<br>The Walbrook Building<br>25 Walbrook<br>London<br>EC4N 8AF<br><br>Cazenove Capital<br>31 Gresham Street<br>London<br>EC2V 7QA |
| <b>Legal Advisors</b>      | Bates Wells<br>10 Queen Street Place<br>London<br>EC4R 1BE                                                                                                       |

# THE ROTHERMERE FOUNDATION

## TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2024

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The Trustees present their report and the financial statements of The Rothermere Foundation for the year ended 30 September 2024.

This annual report has been prepared in accordance with Part 8 of the Charities Act 2011.

The financial statements have been prepared in accordance with the accounting policies set out on pages 13 to 16 of the attached financial statements and comply with the Charity's Trust Deed, the Charities Act 2011, applicable law and 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 United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

### Structure, Governance and Management

#### *Constitution*

The Foundation was established under a Trust Deed dated 16 April 1956, as amended by the Resolutions passed on 4 November 2021 and 18 July 2024. The Foundation was endowed with investments by The Second Viscount Rothermere.

#### *Risk management*

The Foundation's principal asset and therefore, given the grant-making nature of the charity, its principal risk comprises listed investments and currency balances, the value of which are dependent on movements in UK and international stock markets.

The Trustees have considered this and other major risks to which the charity is exposed, in particular those related to the operational areas of the Foundation, its investments and its finances. The Trustees believe that these risks are mitigated by:

- ◆ A body of Trustees with the necessary experience and competence to supervise all aspects of the Foundation's activities;
- ◆ An established set of procedures to determine the level of Trustee approval required for grants, as well as the extent of monitoring, follow up visits and staging of payments; and
- ◆ Regular Trustee meetings at which all aspects of the Foundation's activities are reviewed.

#### *Trustees*

The Trustees plan to meet twice a year to consider grant applications, review investment performance and discuss matters of a strategic and administrative nature.

The Trustees who served during the year are shown on page 2. The power to appoint new Trustees is vested in the existing Trustees of the Foundation.

The present Trustees have a wide knowledge and include the chairman of a major company, a chief commercial officer of a major company and a retired regular army officer and specialist in public relations.

Further details are given in notes 6 and 12.

#### *Key management personnel*

The key management personnel of the Charity in charge of directing and controlling, running and operating the Foundation on a day to day basis comprise the Trustees. One Trustee receives remuneration for his work as Secretary (2023 – 2 Trustees) as shown in note 12.

# THE ROTHERMERE FOUNDATION

## TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2024

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V P W Harmsworth received fees as Secretary to the Charity and this fee is increased annually using the Retail Prices Index as at 30 September. G J Holbourn was a trustee until 10 January 2024 and had an agreement dated 4 November 2021 with the Charity to provide accountancy advisory services. Further details are given in notes 6 and 12.

### **Objectives, Activities and Achievements**

#### *Objects*

The principal objects of the Foundation are to enable graduates of the Memorial University of Newfoundland to continue their education in the United Kingdom and to advance other charitable purposes.

The charitable objects of the Foundation were revised and updated on 18 July 2024 to include a provision allowing trustees to have unrestricted discretion in determining how much income should be divided between scholarships and other charitable purposes.

#### *Activities*

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and setting grant making policies.

The Rothermere Foundation supports post PhD graduates from Memorial University Newfoundland so that they may pursue their studies to a higher degree and return to Newfoundland to make a significant contribution to the welfare of that province through their social, business or science skills.

Subsidiary activities support the Rothermere American Institute (RAI) at Oxford which fosters relationships between the two countries via academic studies and the Rothermere Foundation also supports the Vyvyan Harmsworth Professor of American History.

#### *Achievements*

The Rothermere Fellows are reported on annually by their teachers and supervisors and all have achieved their aims with very satisfactory or outstanding results.

The RAI grows in stature annually and is now an important part of Oxford University playing a major part in Anglo-American affairs.

#### *Grant making policy*

Decisions on grants are made by the Trustees. All Trustees are involved in the grant making process. Trustees will only approve grants or fund projects which demonstrate public benefit within the criteria of the Charity Commission's guidance.

### **Financial Review**

#### *Reserves policy*

The Trustees aim to maintain free reserves in unrestricted funds of twelve months of unrestricted expenditure. The Trustees consider that this level of reserves will provide sufficient funds to continue delivering the core work of the charity. The level of reserves will be monitored throughout the year and the level of free reserves to be held will be reviewed on an annual basis.

Substantial donations were made in the year ended 30 September 2024 to expend more of the Foundation's reserves, including £2,685,697 to The Rothermere/ Harmsworth Duke Professorship Fund. Details of grants are given in note 5, on pages 17 to 19.

Total funds as at 30 September 2024 amounted to £47,454,640 (2023: £47,605,331), a significant proportion of which is represented by the Expendable Endowment Fund of £26,303,523 (2023: £28,180,588). The Permanent Endowment Fund totalled £14,278,669 (2023: £13,562,446).

**THE ROTHERMERE FOUNDATION**  
**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2024**

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*Financial results*

During the year donations of £3,011,088 (2023: £379,700) and fellowship grants of £95,978 (2023: £51,660) were made or committed. The recipients are detailed in note 3 on page 16 and note 5 on pages 17 to 19.

The charity received £1,412,324 of Unrestricted investment income during the year (2023: £1,418,930).

**Financial Review**

*Financial results (continued)*

The total net result for the year (before unrealised gains and losses) was a loss of £1,985,128 (2023: a gain of £535,674). This comprises net income of £445,145 in the Unrestricted General Fund (2023: net income £421,303), net income of £255,424 in the Rothermere Fellows Fund (2023: net income £114,371), net expenditure of £2,685,697 in the Expendable Endowment Fund (2023: net expenditure £2,382,739).

During the year ended 30 September 2024 the investments held by the Foundation had a realised and an unrealised gain on revaluation of £2,514,002 (2023: unrealised loss on revaluation £876,899) as shown in note 8, on page 20.

The total net movement in funds was a decrease of £150,691 (2023: decrease of £1,660,774). This was the net result of an increase of £567,248 (2023: increase of £511,077) in the Unrestricted General Fund, an increase of £442,903 (2023: increase of £169,625) in the Rothermere Fellows Fund, a decrease of £1,877,065 (2023: decrease of £2,382,739) in the Expendable Endowment Fund, an increase of £716,223 (2023: an increase of £41,263) in the Restricted Permanent Endowment Fund. The movements on the Foundation's funds are shown in detail on page 10.

*Investment policy*

Under the terms of the Trust Deed, the Trustees may, at their absolute discretion, buy or sell investments in any funds in any country worldwide.

# THE ROTHERMERE FOUNDATION

## TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2024

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### Trustees

The Trustees who have held office since 1 October 2023 are as follows: -

The Fourth Viscount Rothermere

Viscountess Rothermere

Mr V P W Harmsworth

The Hon. V Harmsworth (appointed 10 January 2024)

Mr G J Holbourn (resigned 10 January 2024)

### Trustees' responsibilities

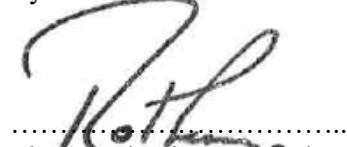
The Trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in 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 United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are also 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 accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Trustees



.....  
The Fourth Viscount Rothermere

..... 14th July 2025

# THE ROTHERMERE FOUNDATION

## INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2024

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### Independent auditor's report to the Trustees of The Rothermere Foundation

#### Opinion

We have audited the accounts of The Rothermere Foundation (the 'charity') for the year ended 30 September 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (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 30 September 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 (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, including the trustees report, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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 accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the accounts. 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 ROTHERMERE FOUNDATION

### INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2024

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#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

- the information given in the trustees' report is inconsistent in any material respect with the accounts; or
- sufficient accounting records have not been kept; or
- the accounts 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.

#### **Respective responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

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

#### **Auditor's responsibilities for the audit of the financial statements**

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

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations; and
- ◆ we obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011), and those that relate to data protection (General Data Protection Regulation).

## THE ROTHERMERE FOUNDATION

### INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2024

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#### Auditor's responsibilities for the audit of the financial statements (continued)

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions; and
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates for the calculation of the annual depreciation charge; and the estimation of future income and expenditure flows for the purpose of assessing going concern were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ reading the minutes of meetings of those charged with governance; and
- ◆ enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

#### Use of our report

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



Buzzacott Audit LLP  
Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

Date: 16 July 2025

Buzzacott Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

# THE ROTHERMERE FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 SEPTEMBER 2024

|                                                                    | Notes | General Fund<br>£ | Unrestricted Rothermere Fellows Fund<br>£ | Expendable Endowment Fund<br>£ | Restricted Permanent Endowment Fund<br>£ | Total 2024<br>£ | Total 2023<br>£ |
|--------------------------------------------------------------------|-------|-------------------|-------------------------------------------|--------------------------------|------------------------------------------|-----------------|-----------------|
| <b>Income and endowments from:</b>                                 |       |                   |                                           |                                |                                          |                 |                 |
| <b>Investments</b>                                                 | 2     | 1,156,900         | 255,424                                   | -                              | -                                        | 1,412,324       | 1,418,930       |
| <b>Total income</b>                                                |       | 1,156,900         | 255,424                                   | -                              | -                                        | 1,412,324       | 1,418,930       |
| <b>Expenditure on:</b>                                             |       |                   |                                           |                                |                                          |                 |                 |
| <b>Charitable activities</b>                                       | 3     | 95,978            | -                                         | -                              | -                                        | 95,978          | 51,660          |
| <b>Expenditure relating to 14 Dunstan Road</b>                     | 4     | 83,857            | -                                         | -                              | -                                        | 83,857          | 40,593          |
|                                                                    |       | 179,835           | -                                         | -                              | -                                        | 179,835         | 92,253          |
| <b>Charitable grant making</b>                                     |       |                   |                                           |                                |                                          |                 |                 |
| <b>Grants payable</b>                                              | 5     | 325,391           | -                                         | 2,685,697                      | -                                        | 3,011,088       | 379,700         |
| <b>Support costs of making grants</b>                              | 6     | 206,529           | -                                         | -                              | -                                        | 206,529         | 411,303         |
|                                                                    |       | 531,920           | -                                         | 2,685,697                      | -                                        | 3,217,617       | 791,003         |
| <b>Total expenditure</b>                                           |       | 711,755           | -                                         | 2,685,697                      | -                                        | 3,397,452       | 883,256         |
| <b>Net income/(expenditure) before investment gains and losses</b> |       | 445,145           | 255,424                                   | (2,685,697)                    | -                                        | (1,985,128)     | 535,674         |
| <b>Other recognised gains and losses</b>                           |       |                   |                                           |                                |                                          |                 |                 |
| Unrealised gains on investments                                    | 8     | 28,109            | 43,160                                    | 342,607                        | 164,886                                  | 578,762         | 257,466         |
| Realised gains/ (losses) on investments                            | 8     | 93,994            | 144,319                                   | 1,145,590                      | 551,337                                  | 1,935,240       | (63,473)        |
| Realised losses on investments                                     | 8     | -                 | -                                         | -                              | -                                        | -               | (1,070,892)     |
| Foreign exchange (losses)                                          |       | -                 | -                                         | (679,565)                      | -                                        | (679,565)       | (1,319,549)     |
| <b>Net income/ (expenditure)</b>                                   |       | 567,248           | 442,903                                   | (1,877,065)                    | 716,223                                  | (150,691)       | (1,660,774)     |
| Balances brought forward at 1 October 2023                         |       | 2,312,176         | 3,550,121                                 | 28,180,588                     | 13,562,446                               | 47,605,331      | 49,266,105      |
| <b>Balances carried forward at 30 September 2024</b>               | 11    | 2,879,424         | 3,993,024                                 | 26,303,523                     | 14,278,669                               | 47,454,640      | 47,605,331      |

The results for the year all relate to continuing operations.

All recognised gains and losses are included in the statement of financial activities.

The accounting policies and notes on pages 13 to 24 form part of these financial statements.

Comparative information in respect of the year ended 30 September 2023 is provided in notes 15 and 16.

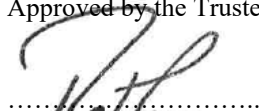
# THE ROTHERMERE FOUNDATION

## BALANCE SHEET AS AT 30 SEPTEMBER 2024

|                                                | Notes | General<br>Funds | Unrestricted<br>Rothermere<br>Fellows<br>Fund | Expendable<br>Endowment<br>Fund | Restricted<br>Permanent<br>Endowment<br>Fund | Total<br>2024     | Total<br>2023     |
|------------------------------------------------|-------|------------------|-----------------------------------------------|---------------------------------|----------------------------------------------|-------------------|-------------------|
|                                                |       | £                | £                                             | £                               | £                                            | £                 | £                 |
| Fixed assets                                   |       |                  |                                               |                                 |                                              |                   |                   |
| Tangible fixed assets                          | 7     | 656,600          | -                                             | -                               | -                                            | 656,600           | 668,440           |
| Investments                                    | 8     | 2,246,831        | 3,993,024                                     | 23,604,398                      | 14,278,669                                   | 44,122,922        | 46,567,241        |
|                                                |       | <u>2,903,431</u> | <u>3,993,024</u>                              | <u>23,604,398</u>               | <u>14,278,669</u>                            | <u>44,779,522</u> | <u>47,235,681</u> |
| Current assets                                 |       |                  |                                               |                                 |                                              |                   |                   |
| Debtors                                        | 9     | 27,840           | -                                             | -                               | -                                            | 27,840            | 30,736            |
| Cash at bank                                   |       | <u>22,934</u>    | <u>-</u>                                      | <u>2,699,125</u>                | <u>-</u>                                     | <u>2,722,059</u>  | <u>402,164</u>    |
|                                                |       | 50,774           | -                                             | 2,699,125                       | -                                            | 2,749,899         | 432,900           |
| Creditors: amounts falling due within one year | 10    | (74,781)         | -                                             | -                               | -                                            | (74,781)          | (63,250)          |
|                                                |       | <u>(24,007)</u>  | <u>-</u>                                      | <u>2,699,125</u>                | <u>-</u>                                     | <u>2,675,118</u>  | <u>369,650</u>    |
| Net current (liabilities)/ assets              |       |                  |                                               |                                 |                                              |                   |                   |
| Net assets                                     |       | <u>2,879,424</u> | <u>3,993,024</u>                              | <u>26,303,523</u>               | <u>14,278,669</u>                            | <u>47,454,640</u> | <u>47,605,331</u> |
| Funds                                          | 11    | <u>2,879,424</u> | <u>3,993,024</u>                              | <u>26,303,523</u>               | <u>14,278,669</u>                            | <u>47,454,640</u> | <u>47,605,331</u> |

The accounting policies and notes on pages 13 to 24 form part of these financial statements.

Approved by the Trustees on ...14.July.2025



.....  
The Fourth Viscount Rothermere

# THE ROTHERMERE FOUNDATION

## STATEMENT OF CASH FLOWS YEAR ENDED 30 SEPTEMBER 2024

|                                                                                               |          | 30<br>September<br>2024<br>£ | 30<br>September<br>2023<br>£ |
|-----------------------------------------------------------------------------------------------|----------|------------------------------|------------------------------|
| <b>Cash flows from operating activities:</b>                                                  |          |                              |                              |
| <i>Net cash (used in)/ provided by operating activities</i>                                   | <b>A</b> | <b>(4,050,750)</b>           | <b>(2,211,580)</b>           |
| <b>Cash flows from investing activities:</b>                                                  |          |                              |                              |
| Investment income and interest receivable                                                     |          | 1,412,324                    | 1,418,930                    |
| Purchase of investments                                                                       |          | (55,399,160)                 | (18,802,834)                 |
| Purchase of short term deposits                                                               |          | -                            | (1,070,516)                  |
| Proceeds from the disposal of investments                                                     |          | 30,704,453                   | 10,888,484                   |
| Cash transferred from sale of investments                                                     |          | 28,921,425                   | -                            |
| <i>Net cash (used in)/ provided by investing activities</i>                                   |          | <b>5,639,042</b>             | <b>(7,565,936)</b>           |
| Change in cash and cash equivalents in the year                                               |          | 1,588,292                    | (9,777,516)                  |
| Change in cash and cash equivalents due to exchange rate movements                            |          | -                            | 1,311,846                    |
| Cash and cash equivalents at 1 October 2023                                                   |          | 1,422,720                    | 9,888,390                    |
| <i>Cash and cash equivalents at 30 September 2024</i>                                         | <b>B</b> | <b>3,011,012</b>             | <b>1,422,720</b>             |
| <b>A Reconciliation of net movement in funds to net cash flows from operating activities:</b> |          |                              |                              |
| <b>Net movement in funds for the year</b>                                                     |          | <b>(150,691)</b>             | <b>(1,660,774)</b>           |
| Adjustments for:                                                                              |          |                              |                              |
| Depreciation charges                                                                          |          | 11,840                       | 11,840                       |
| (Gains)/losses on investments                                                                 |          | (2,514,002)                  | 876,899                      |
| Investment income and interest receivable                                                     |          | (1,412,324)                  | (1,418,930)                  |
| (Increase)/ decrease in debtors                                                               |          | 2,896                        | (374)                        |
| (Decrease)/ increase in creditors                                                             |          | 11,531                       | (20,241)                     |
| <i>Net cash (used in)/ provided by in operating activities</i>                                | <b>A</b> | <b>(4,050,750)</b>           | <b>(2,211,580)</b>           |
| <b>B Analysis of cash and cash equivalents</b>                                                |          |                              |                              |
| Cash at bank and in hand                                                                      |          | 2,722,059                    | 402,164                      |
| Cash held by investment managers (note 8)                                                     |          | 288,953                      | 1,020,556                    |
|                                                                                               | <b>B</b> | <b>3,011,012</b>             | <b>1,422,720</b>             |

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

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### 1. Principal Accounting Policies

#### 1.1. Accounting Convention

The financial statements which have been prepared for the year to 30 September 2024, are presented in sterling and are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

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 United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) and the Charities Act 2011.

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

#### 1.2. Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the Trustees to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

- estimating the useful economic life of tangible fixed assets

With respect to the next reporting period, the most significant areas of uncertainty are the carrying value of investments and currency balances held by the charity, which will depend on the performance of investment markets and the investment income from these assets.

#### 1.3. Going Concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect of a period of one year from the date of approval of these financial statements.

The Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. This is because the value of assets held by the charity is very materially in excess of the liabilities of the charity and the level of commitments in respect of grants approved for projects payable in future years is not material.

#### 1.4. Investment income

Income is recognised in the period in which the Charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises dividends from listed investments and interest on cash deposits. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2024

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### 1.5. Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probably that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure comprises the following:

- a) Educational and other grants payable are included in the Statement of Financial Activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all related conditions. Grants approved but not paid at the end of the financial period are accrued. Grants where the beneficiary has not been informed or has to meet certain conditions before the grant is released are not accrued but are noted as financial commitments in the notes to the financial statements.
- b) Expenditure relating to 14 Dunstan Road comprises the costs associated with the provision of accommodation for the Oxford Professor Fellowship.
- c) Support and governance costs represent indirect charitable expenditure incurred in order to facilitate the grant making activities of the Charity. The costs do not directly relate to the amount of time spent on processing and monitoring grants and so have not been allocated across fellowship and other educational grants respectively. Included within support and governance costs are 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.

### 1.6. Tangible fixed assets

Tangible fixed assets are depreciated over the relevant useful economic life on a straight line basis as follows:

|                                    |   |               |
|------------------------------------|---|---------------|
| Freehold property (excluding land) | - | over 50 years |
|------------------------------------|---|---------------|

Fixed asset items costing over £500 are capitalised.

The Trustees took the opportunity on the transition to FRS 102 for the year ended 30 September 2015 to revalue the Charity's freehold property to fair value and treat this figure as deemed cost. This has resulted in an increase to the depreciation charge of £9,530 for each of the remaining 36 years of the property's useful economic life.

### 1.7. Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and are subsequently measured at their fair value, which is considered equivalent to their open market value, at the balance sheet date. Open market value is determined by reference to the Stock Exchange Daily Official List in respect of quoted investments.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains (or losses) are calculated as the difference between the fair value at the year end and their carrying value at that date. Any movement in unrealised gains or losses is treated as a movement in the Statement of Financial Activities (SOFA).

### 1.8. Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2024

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### 1.9. Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

### 1.10. Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

### 1.11. Financial instruments

The charity holds only basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the charity and their measurement bases are as follows:

*Financial assets* – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

*Cash at bank* – is classified as a basic financial instrument and is measured at face value.

*Financial liabilities* – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

### 1.12. Fund Accounting

The general fund comprises those funds which the Trustees are free to use in accordance with the charitable objects.

Within the general fund is a designated fixed asset fund which represents the net book value of the tangible fixed assets.

A further designated fund has been set aside from unrestricted funds to make grants to the Rothermere Fellows.

The expendable endowment fund represents those assets which the trustees are free to use in respect of both income and capital.

The permanent endowment fund represents those assets which must be held permanently by the charity, being held in investments as detailed in note 8 to the financial statements and referred to in note 1.7. Income arising on the endowment fund can be used in accordance with the objects of the charity and is included within the general fund. Any capital gains or losses arising on the investments form part of the permanent endowment fund.

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2024

### 1.13. Foreign currency translation

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end, foreign currency monetary items are translated using the closing rate. Non-monetary items are measured at historical cost and translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Financial Activities except when deferred in other comprehensive income as qualifying cash flow hedges.

### 2. Investment income

|                               | 2024             | 2023             |
|-------------------------------|------------------|------------------|
|                               | £                | £                |
| Dividends – fellows portfolio | 255,424          | 114,371          |
| Interest on cash deposits     | 854,592          | 1,304,559        |
| Income from investments       | 302,308          | -                |
|                               | <u>1,412,324</u> | <u>1,418,930</u> |

### 3. Fellowship grants

Grants and expenses of £95,978 (2023: £51,660) were made to support three Rothermere Fellows in the year (2023: four Rothermere Fellows).

|          | 2024          | 2023          |
|----------|---------------|---------------|
|          | £             | £             |
| Grants   | 92,239        | 47,305        |
| Expenses | 3,739         | 4,355         |
|          | <u>95,978</u> | <u>51,660</u> |

### 4. Expenditure relating to 14 Dunstan Road

The following expenses relate to the accommodation provided at the property at 14 Dunstan Road by the Foundation for the Oxford Professor Fellowship:

|                                                 | 2024          | 2023          |
|-------------------------------------------------|---------------|---------------|
|                                                 | £             | £             |
| Overhead costs                                  | 9,197         | 8,171         |
| Repairs and maintenance, including garden costs | 50,269        | 10,654        |
| Motor expenses and insurance and travel costs   | -             | 3,394         |
| Management fees and other costs                 | 12,551        | 6,534         |
| Depreciation                                    | 11,840        | 11,840        |
|                                                 | <u>83,857</u> | <u>40,593</u> |

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2024

### 5. Grants payable

|                             | 2024<br>£        | 2023<br>£      |
|-----------------------------|------------------|----------------|
| Grants paid in the year     | 2,975,696        | 379,700        |
| Grant commitments (note 10) | 35,392           | -              |
|                             | <u>3,011,088</u> | <u>379,700</u> |

### Grants payable for the year

|                                   | £             | £             |
|-----------------------------------|---------------|---------------|
| <b>Medical research</b>           |               |               |
| Cancer Research UK – Major Giving | 5,000         | -             |
| Moorfields Eye Hospital           | 10,000        | -             |
| St Bartholomew’s Hospital         | -             | 15,000        |
|                                   | <u>15,000</u> | <u>15,000</u> |

|                                                    | £                | £             |
|----------------------------------------------------|------------------|---------------|
| <b>Educational/Children’s charities</b>            |                  |               |
| The Rothermere/ Harmsworth Duke Professorship Fund | 2,685,696        | -             |
| Oxford University Development Fund                 | 55,000           | 20,000        |
|                                                    | <u>2,740,696</u> | <u>20,000</u> |

|                                  | £             | £             |
|----------------------------------|---------------|---------------|
| <b>The Arts/Sport</b>            |               |               |
| The Stour Music Festival Limited | 10,000        | 10,000        |
|                                  | <u>10,000</u> | <u>10,000</u> |

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2024

### 5. Grants payable (continued)

|                                                          | 2024<br>£        | 2023<br>£      |
|----------------------------------------------------------|------------------|----------------|
| <b>Other charitable donations</b>                        |                  |                |
| Acts Fast                                                | -                | 5,000          |
| Beehive (Diverse Abilities – Splash Appeal)              | -                | 15,000         |
| Chalke Valley History Festival Limited                   | -                | 4,100          |
| Charlie Waller Trust                                     | 5,000            | -              |
| Countryside Alliance Foundation                          | -                | 5,000          |
| Game and Wildlife Conservation Trust                     | 70,000           | 50,000         |
| Giving to Ukraine (previously Ukrainian Equestrian Fund) | 2,000            | 10,000         |
| Great Dixter Charitable Trust                            | 20,000           | -              |
| Gurkha Welfare Trust                                     | 3,000            | -              |
| Hands Up Foundation                                      | 5,000            | 10,000         |
| Horatios Garden                                          | 10,000           | -              |
| Ionad Chaluim Chille Ile                                 | -                | 800            |
| Kent Community Foundation                                | -                | 1,200          |
| MND Association                                          | -                | 2,000          |
| Medical Detection Dogs                                   | -                | 5,000          |
| NGS Scheme No 2                                          | 5,000            | -              |
| Northcliffe Pioneer Museum                               | -                | 15,000         |
| Now Tech                                                 | 50,000           | -              |
| On Course Foundation                                     | 7,000            | -              |
| Paul H Simmons                                           | -                | 2,000          |
| RNLI Fundraiser                                          | -                | 5,000          |
| Remembering Pandora                                      | 5,000            | -              |
| SBSA                                                     | 20,000           | -              |
| Summer Fields School                                     | -                | 75,000         |
| The Missing Salmon Alliance                              | -                | 100,000        |
| The Wordsworth Trust                                     | -                | 10,000         |
| UCSF Foundation                                          | 10,000           | -              |
| Wickhambreaux Parish Church                              | -                | 4,600          |
| World Horse Welfare                                      | 5,000            | 15,000         |
| Zimbabwe Bore holes                                      | 28,392           | -              |
|                                                          | <u>245,392</u>   | <u>334,700</u> |
| <b>Total Grants Payable</b>                              | <u>3,011,088</u> | <u>379,700</u> |

|                                        | 2024<br>£        | 2023<br>£      |
|----------------------------------------|------------------|----------------|
| <b>Summary of Total Grants Payable</b> |                  |                |
| Medical research                       | 15,000           | 15,000         |
| Educational/Children's charities       | 2,740,696        | 20,000         |
| The Arts/Sport                         | 10,000           | 10,000         |
| Other charitable donations             | 245,392          | 334,700        |
|                                        | <u>3,011,088</u> | <u>379,700</u> |

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2024

| <b>6. Support costs</b>                           | <b>2024</b>    | <b>2023</b>    |
|---------------------------------------------------|----------------|----------------|
|                                                   | <b>£</b>       | <b>£</b>       |
| V P W Harmsworth's fees and expenses as Secretary | <b>57,246</b>  | <b>54,303</b>  |
| Professional fees                                 | <b>45,039</b>  | <b>154,199</b> |
| Investment portfolio fees                         | <b>45,723</b>  | <b>54,455</b>  |
| Other costs                                       | <b>8,256</b>   | <b>3,870</b>   |
| Governance costs                                  | <b>50,265</b>  | <b>144,476</b> |
|                                                   | <b>206,529</b> | <b>411,303</b> |

Statutory audit fee of £16,740 (2023: £16,020) is included within governance costs.

## 7. Tangible fixed assets

| <b>Cost or valuation</b>                   | <b>Freehold Property</b> | <b>Computer Equipment</b> | <b>Total</b>   |
|--------------------------------------------|--------------------------|---------------------------|----------------|
| At 1 October 2023                          | <b>775,000</b>           | <b>772</b>                | <b>775,772</b> |
| Disposal                                   |                          | <b>(772)</b>              | <b>(772)</b>   |
| At 30 September 2024                       | <b>775,000</b>           | <b>-</b>                  | <b>775,000</b> |
| <b>Depreciation</b>                        |                          |                           |                |
| At 1 October 2023                          | <b>106,560</b>           | <b>772</b>                | <b>107,332</b> |
| Charge for the year                        | <b>11,840</b>            | <b>-</b>                  | <b>11,840</b>  |
| On disposal                                |                          | <b>(772)</b>              | <b>(772)</b>   |
| At 30 September 2024                       | <b>118,400</b>           | <b>-</b>                  | <b>118,400</b> |
| <b>Net Book Value at 30 September 2024</b> | <b>656,600</b>           | <b>-</b>                  | <b>656,600</b> |
| Net Book Value at 30 September 2023        | <b>668,440</b>           | <b>-</b>                  | <b>668,440</b> |

The Freehold Property was revalued at market value at 30 September 2015 at £775,000 by Reuben A Diffey MRICS RICS of Property Formula Ltd and the effect of this revaluation upon transition to FRS 102 which is treated as a deemed cost, is shown in the accounting policy 1.6 on page 14.

If the property had not been revalued it would have been included at its historical cost of £16,300. All assets are used for charitable purposes.

The charity will continue to adopt a policy of not revaluing its tangible fixed assets in accordance with Section 17 of Financial Reporting Standard 102.

Included within Freehold Property is land with a carrying value of £348,750 which has not been depreciated.

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2024

| <b>8. Investments</b>                                                                 | <b>2024</b>       | <b>2023</b>       |
|---------------------------------------------------------------------------------------|-------------------|-------------------|
|                                                                                       | <b>£</b>          | <b>£</b>          |
| <b>Fellows Fund</b>                                                                   |                   |                   |
| Market value at 1 October 2023                                                        | 16,625,260        | 9,587,809         |
| Additions at cost                                                                     | 55,399,160        | 18,802,834        |
| Disposals at opening market value (proceeds: £30,704,453, realised gains: £1,935,240) | (28,769,213)      | (10,951,957)      |
| Unrealised gains                                                                      | 578,762           | 257,466           |
| Realised loss on Cazoo Group Ltd shares                                               | -                 | (1,070,892)       |
| Market value at 30 September 2024                                                     | 43,833,969        | 16,625,260        |
| Cash held by investment managers                                                      | 288,953           | 1,020,556         |
| Cash held for long term investment                                                    | -                 | 28,921,425        |
|                                                                                       | <u>44,122,922</u> | <u>46,567,241</u> |
| Represented by:                                                                       |                   |                   |
| Rothermere Fellows general fund                                                       | 2,246,831         | -                 |
| Rothermere Fellows unrestricted fund                                                  | 3,993,024         | 3,319,669         |
| Rothermere Expendable Endowment fund                                                  | 23,604,398        | 29,118,409        |
| Rothermere Permanent Endowment fund                                                   | 14,278,669        | 14,129,163        |
|                                                                                       | <u>44,122,922</u> | <u>46,567,241</u> |
| <b>Total investments at market value at 30 September 2024</b>                         | <u>44,122,922</u> | <u>46,567,241</u> |
| Historic cost at 30 September 2024                                                    | <u>42,970,748</u> | <u>29,176,297</u> |
| <b>Material investments in individual entities held at 30 September 2024:</b>         |                   |                   |
| Vanguard Investments UK Ltd                                                           | <u>43,820,987</u> | <u>-</u>          |

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2024

|                                      |               |               |
|--------------------------------------|---------------|---------------|
| <b>9. Debtors</b>                    | <b>2024</b>   | <b>2023</b>   |
|                                      | <b>£</b>      | <b>£</b>      |
| Prepayments and accrued income       | <b>27,840</b> | <b>30,736</b> |
|                                      |               |               |
| <b>10. Creditors</b>                 | <b>2024</b>   | <b>2023</b>   |
|                                      | <b>£</b>      | <b>£</b>      |
| Amounts falling due within one year: |               |               |
| Grant commitments (note 5)           | <b>35,392</b> | -             |
| Accruals and deferred income         | <b>39,389</b> | <b>63,250</b> |
|                                      | <b>74,781</b> | <b>63,250</b> |

### 11. Funds

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

There is a designated **Fixed asset fund**, within General funds which represents the net book value of the tangible fixed assets. At 30 September 2024 this amounted to £656,600 (2023: £668,440).

Unrestricted funds also include the **Rothermere Fellows Fund** to make grants to the Rothermere Fellows.

The **expendable endowment fund** represents those assets which the trustees are free to use in respect of both income and capital.

The **permanent endowment funds** represent those assets which must be held permanently by the charity,. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included within the General Fund. Any capital gains or losses arising on the investments form part of the permanent endowment funds. During the year, the trustees agreed to merge the Permanent Endowment Fund and the Investment fund into a single Permanent Endowment fund.

|                                                               |                     |                    |
|---------------------------------------------------------------|---------------------|--------------------|
|                                                               | <b>2024</b>         | <b>2023</b>        |
|                                                               | <b>£</b>            | <b>£</b>           |
| Unrealised gains included above:                              |                     |                    |
| On tangible fixed assets                                      | <b>640,300</b>      | <b>652,140</b>     |
| On investments                                                | <b>1,152,174</b>    | <b>17,390,944</b>  |
| Total unrealised gains at 30 September 2024                   | <b>1,792,474</b>    | <b>18,043,084</b>  |
| Reconciliation of movements in unrealised gains               |                     |                    |
| Unrealised gains at 1 October 2023                            | <b>18,043,084</b>   | <b>26,741,401</b>  |
| Add: Net (loss)/ gain arising on revaluations during the year | <b>2,514,002</b>    | <b>(876,899)</b>   |
| Less: depreciation charged to the unrestricted general fund   | <b>(11,840)</b>     | <b>(11,840)</b>    |
| Add: movements in respect of disposals in the year            | <b>(18,752,772)</b> | <b>(7,809,578)</b> |
| Total unrealised gains at 30 September 2024                   | <b>1,792,474</b>    | <b>18,043,084</b>  |

## THE ROTHERMERE FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

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#### 12. Transactions with Trustees and key management personnel

Mr V P W Harmsworth's fees as Secretary for the year ended 30 September 2024 were £54,580 (2023: £49,744). He also received £2,666 (2023: £4,559) in reimbursed travel and other expenses. At the year-end the balance was £Nil (2023: £Nil). The aggregate fees as Secretary disbursed for the year ended 30 September 2024 were £57,246 (2023: £54,303). The payment to Mr V P W Harmsworth as Secretary has been approved by the Charity Commission.

Mr G J Holbourn who was a trustee until 10<sup>th</sup> January 2024 received fees for accountancy advisory services of £16,840 (2023: £13,005). At the year end the balance owed to Mr G J Holbourn was £1,400 (2023: £2,700).

The other Trustees received no remuneration and were not reimbursed for any expenses in the year ended 30 September 2024 (2023: £Nil).

#### 13. Related party transactions

During the year, the charity awarded a grant of £10,000 (2023: £10,000) to The Stour Music Festival Limited. Mr G J Holbourn, who was a trustee of The Rothermere Foundation until 10<sup>th</sup> January 2024 and is also a Trustee of The Stour Music Festival Limited.

Details of other transactions with trustees and key management personnel are given in note 12.

#### 14. Post balance sheet event

A grant payment was made to St Peters College Development for £1,750,000 in November 2024, to be known as Lady Rothermere Fund.

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2024

### 15. Comparative Statement of financial activities - 2023

|                                                      | Notes | General<br>Fund<br>£ | Unrestricted<br>Rothermere<br>Fellows<br>Fund<br>£ | Expendable<br>Endowment<br>Fund<br>£ | Restricted<br>Permanent<br>Endowment<br>Fund<br>£ | Total<br>2023<br>£ | Total<br>2022<br>£ |
|------------------------------------------------------|-------|----------------------|----------------------------------------------------|--------------------------------------|---------------------------------------------------|--------------------|--------------------|
| <b>Income and endowments from:</b>                   |       |                      |                                                    |                                      |                                                   |                    |                    |
| <b>Investments</b>                                   | 2     | 1,304,559            | 114,371                                            | -                                    | -                                                 | 1,418,930          | 40,405,498         |
| <b>Total income</b>                                  |       | 1,304,559            | 114,371                                            | -                                    | -                                                 | 1,418,930          | 40,405,498         |
| <b>Expenditure on:</b>                               |       |                      |                                                    |                                      |                                                   |                    |                    |
| <b>Charitable activities</b>                         | 3     | 51,660               | -                                                  | -                                    | -                                                 | 51,660             | 143,101            |
| <b>Expenditure relating to 14 Dunstan Road</b>       | 4     | 40,593               | -                                                  | -                                    | -                                                 | 40,593             | 40,753             |
|                                                      |       | 92,253               | -                                                  | -                                    | -                                                 | 92,253             | 183,854            |
| <b>Charitable grant making</b>                       |       |                      |                                                    |                                      |                                                   |                    |                    |
| <b>Grants payable</b>                                | 5     | 379,700              | -                                                  | -                                    | -                                                 | 379,700            | 542,104            |
| <b>Support costs of making grants</b>                | 6     | 411,303              | -                                                  | -                                    | -                                                 | 411,303            | 329,506            |
|                                                      |       | 791,003              | -                                                  | -                                    | -                                                 | 791,003            | 871,610            |
| <b>Total expenditure</b>                             |       | 883,256              | -                                                  | -                                    | -                                                 | 883,256            | 1,055,464          |
| <b>Net income before investment gains and losses</b> |       | 421,303              | 114,371                                            | -                                    | -                                                 | 535,674            | 39,350,034         |
| <b>Other recognised gains and losses</b>             |       |                      |                                                    |                                      |                                                   |                    |                    |
| Realised gains/ (losses) on investments              | 8     | 49,163               | 60,643                                             | -                                    | (173,279)                                         | (63,473)           | (37,542,519)       |
| Unrealised gains/ (losses) on investments            | 8     | 40,611               | (5,389)                                            | -                                    | 222,244                                           | 257,466            | (1,001,217)        |
| Unrealised losses on investments                     | 8     | -                    | -                                                  | (1,070,892)                          | -                                                 | (1,070,892)        | (11,694,287)       |
| Foreign exchange (losses)/ gains                     |       | -                    | -                                                  | (1,311,847)                          | (7,702)                                           | (1,319,549)        | 2,834,859          |
| <b>Net income/ (expenditure)</b>                     |       | 511,077              | 169,625                                            | (2,382,739)                          | 41,263                                            | (1,660,774)        | (8,053,130)        |
| Transfer during the year                             | 11    | (30,563,327)         | -                                                  | 30,563,327                           | -                                                 | -                  | -                  |
| Balances brought forward at 1 October 2022           |       | 32,364,426           | 3,380,496                                          | -                                    | 13,521,183                                        | 49,266,105         | 57,319,235         |
| <b>Balances carried forward at 30 September 2023</b> | 11    | 2,312,176            | 3,550,121                                          | 28,180,588                           | 13,562,446                                        | 47,605,331         | 49,266,105         |

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2024

### 16. Comparative balance sheet - 2023

|                                                |       | Unrestricted     |                         |                           | Restricted               | Total             | Total             |
|------------------------------------------------|-------|------------------|-------------------------|---------------------------|--------------------------|-------------------|-------------------|
|                                                | Notes | General Funds    | Rothermere Fellows Fund | Expendable Endowment Fund | Permanent Endowment Fund | 2023              | 2022              |
|                                                |       | £                | £                       | £                         | £                        | £                 | £                 |
| Fixed assets                                   |       |                  |                         |                           |                          |                   |                   |
| Tangible fixed assets                          | 7     | 668,440          | -                       | -                         | -                        | 668,440           | 680,280           |
| Investments                                    | 8     | -                | 3,319,669               | 29,118,409                | 14,129,163               | 46,567,241        | 47,408,553        |
|                                                |       | <u>668,440</u>   | <u>3,319,669</u>        | <u>29,118,409</u>         | <u>14,129,163</u>        | <u>47,235,681</u> | <u>48,088,833</u> |
| Current assets                                 |       |                  |                         |                           |                          |                   |                   |
| Debtors                                        | 9     | 30,736           | -                       | -                         | -                        | 30,736            | 30,362            |
| Cash at bank                                   |       | <u>1,676,250</u> | <u>230,452</u>          | <u>(937,821)</u>          | <u>(566,717)</u>         | <u>402,164</u>    | <u>1,230,401</u>  |
|                                                |       | 1,706,986        | 230,452                 | (937,821)                 | (566,717)                | 432,900           | 1,260,763         |
| Creditors: amounts falling due within one year | 10    | <u>(63,250)</u>  | <u>-</u>                | <u>-</u>                  | <u>-</u>                 | <u>(63,250)</u>   | <u>(83,491)</u>   |
| Net current assets                             |       | <u>1,643,736</u> | <u>230,452</u>          | <u>(937,821)</u>          | <u>(566,717)</u>         | <u>369,650</u>    | <u>1,177,272</u>  |
| Net assets                                     |       | <u>2,312,176</u> | <u>3,550,121</u>        | <u>28,180,588</u>         | <u>13,562,446</u>        | <u>47,605,331</u> | <u>49,266,105</u> |
| Funds                                          | 11    | <u>2,312,176</u> | <u>3,550,121</u>        | <u>28,180,588</u>         | <u>13,562,446</u>        | <u>47,605,331</u> | <u>49,266,105</u> |

**THE ROTHERMERE FOUNDATION**

England & Wales - Charity number 314125

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# Accounts

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**Charity Registration No. 314125 (England and Wales)**

**THE ROTHERMERE FOUNDATION  
REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 30 SEPTEMBER 2023**

## THE ROTHERMERE FOUNDATION

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# THE ROTHERMERE FOUNDATION

## LEGAL AND ADMINISTRATIVE INFORMATION

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|                            |                                                                                                                                                                              |
|----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Trustees</b>            | The Fourth Viscount Rothermere<br>Viscountess Rothermere<br>Mr V P W Harmsworth<br>Mr V Harmsworth (appointed 10 January 2024)<br>Mr G J Holbourn (resigned 10 January 2024) |
| <b>Registered office</b>   | Northcliffe House<br>2 Derry Street<br>London<br>W8 5TT                                                                                                                      |
| <b>Charity number</b>      | 314125                                                                                                                                                                       |
| <b>Auditor</b>             | Buzzacott LLP<br>130 Wood Street<br>London<br>EC2V 6DL                                                                                                                       |
| <b>Bankers</b>             | C. Hoare & Co.<br>37 Fleet Street<br>London<br>EC4P 4DQ                                                                                                                      |
| <b>Investment Advisors</b> | UBS Wealth Management<br>5 Broadgate<br>London<br>EC2M 2QS<br><br>Cazenove Capital<br>31 Gresham Street<br>London<br>EC2V 7QA                                                |
| <b>Legal Advisors</b>      | Bates Wells<br>10 Queen Street Place<br>London<br>EC4R 1BE                                                                                                                   |

# THE ROTHERMERE FOUNDATION

## TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2023

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The Trustees present their report and the financial statements of The Rothermere Foundation for the year ended 30 September 2023.

This annual report has been prepared in accordance with Part 8 of the Charities Act 2011.

The financial statements have been prepared in accordance with the accounting policies set out on pages 13 to 16 of the attached financial statements and comply with the Charity's Trust Deed, the Charities Act 2011, applicable law and 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 United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

### Structure, Governance and Management

#### *Constitution*

The Foundation was established under a Trust Deed dated 16 April 1956, as amended by the Resolution passed on 4<sup>th</sup> November 2021. The Foundation was endowed with investments by The Second Viscount Rothermere.

#### *Risk management*

The Foundation's principal asset and therefore, given the grant-making nature of the charity, its principal risk comprises listed investments and currency balances, the value of which are dependent on movements in UK and international stock markets.

The Trustees have considered this and other major risks to which the charity is exposed, in particular those related to the operational areas of the Foundation, its investments and its finances. The Trustees believe that these risks are mitigated by:

- ◆ A body of Trustees with the necessary experience and competence to supervise all aspects of the Foundation's activities;
- ◆ An established set of procedures to determine the level of Trustee approval required for grants, as well as the extent of monitoring, follow up visits and staging of payments; and
- ◆ Regular Trustee meetings at which all aspects of the Foundation's activities are reviewed.

#### *Trustees*

The Trustees plan to meet twice a year to consider grant applications, review investment performance and discuss matters of a strategic and administrative nature.

The Trustees who served during the year are shown on page 2. The power to appoint new Trustees is vested in the existing Trustees of the Foundation.

The present Trustees have a wide knowledge and include the chairman of a major company and a retired regular army officer and specialist in public relations.

Further details are given in notes 6 and 12.

#### *Key management personnel*

The key management personnel of the Charity in charge of directing and controlling, running and operating the Foundation on a day to day basis comprise the Trustees. No Trustee receives remuneration for their work as a Trustee, however two Trustees (2022 – two) received fees for their work for the Foundation.

V P W Harmsworth received fees as Secretary to the Charity and this fee is increased annually using the Retail Prices Index as at 30 September. G J Holbourn has an agreement with the Charity dated 4 November 2021 to provide accountancy advisory services. Further details are given in note 6 and 12.

## THE ROTHERMERE FOUNDATION

### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

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#### **Objectives, Activities and Achievements**

##### *Objects*

The principal objects of the Foundation are to enable graduates of the Memorial University of Newfoundland to continue their education in the United Kingdom and to advance other charitable purposes.

##### *Activities*

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and setting grant making policies.

The Rothermere Foundation supports post PhD graduates from Memorial University Newfoundland so that they may pursue their studies to a higher degree and return to Newfoundland to make a significant contribution to the welfare of that province through their social, business or science skills.

Subsidiary activities support the Rothermere American Institute (RAI) at Oxford which fosters relationships between the two countries via academic studies and the Rothermere Foundation also supports the Vyvyan Harmsworth Professor of American History.

##### *Achievements*

The Rothermere Fellows are reported on annually by their teachers and supervisors and all have achieved their aims with very satisfactory or outstanding results.

The RAI grows in stature annually and is now an important part of Oxford University playing a major part in Anglo-American affairs.

##### *Grant making policy*

Decisions on grants are made by the Trustees. All Trustees are involved in the grant making process. Trustees will only approve grants or fund projects which demonstrate public benefit within the criteria of the Charity Commission's guidance.

#### **Financial Review**

##### *Reserves policy*

The Trustees' policy is to maintain a level of cash reserves out of current income which will provide a stable base for its continuing activities whilst ensuring excessive funds are not accumulated. The Trustees believe that the reserves are sufficient for its current purposes, and these are reviewed on a regular basis.

Substantial donations were made in the year ended 30 September 2023 to expend more of the Foundation's reserves, including £100,000 to The Missing Salmon Alliance, £75,000 to Summer Fields School and £50,000 to Game and Wildlife Conservation Trust. Details of grants are given in note 5, on pages 17 to 19.

Total funds as at 30 September 2023 amounted to £47,605,331 (2022: £49,266,105), a significant proportion of which is represented by the Expendable Endowment Fund of £28,180,588 (2022: £Nil). The Permanent Endowment Fund totalled £12,656,044 (2022: £12,656,044).

##### *Financial results*

During the year donations of £379,700 (2022: £542,104) and fellowship grants of £51,660 (2022: £143,101) were made or committed. The recipients are detailed in note 3 on page 16 and note 5 on pages 17 to 19.

The charity received £1,418,930 of Unrestricted investment income during the year (2022: £40,405,498).

# THE ROTHERMERE FOUNDATION

## TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

### Financial Review

#### *Financial results (continued)*

The total net result for the year (before unrealised gains and losses) was £535,674 (2022: £39,350,034). This comprises net income of £421,303 in the Unrestricted General Fund (2022: £39,313,493), net income of £114,371 in the Rothermere Fellows Fund (2022: £36,541) and £Nil as Capital in the Permanent Endowment Fund (2022: £Nil).

During the year ended 30 September 2023 the investments held by the Foundation had a realised and an unrealised loss on revaluation of £876,899 (2022: unrealised loss on revaluation £12,695,504) as shown in note 8, on page 20.

The total net movement in funds was a decrease of £1,660,774 (2022: decrease of £8,053,130). This was the net result of an increase of £511,077 (2022: decrease of £115,325) in the Unrestricted General Fund, a decrease of £2,382,739 (2022: increase of £30,563,327) in the Expendable Endowment Fund, an increase of £169,625 (2022: decrease of £243,571) in the Rothermere Fellows Fund, £Nil (2022: decrease of £37,593,141) in the Permanent Endowment Fund, and an increase of £41,263 (2022: decrease of £664,420) in the Permanent Endowment Investment Fund. The movements on the Foundation's funds are shown in detail on page 10.

#### *Investment policy*

Under the terms of the Trust Deed, the Trustees may, at their absolute discretion, buy or sell investments in any funds in any country worldwide.

### Disposal of Daily Mail and General Trust plc shares – previous year

In December 2021 the Trustees accepted an offer to acquire their holding of 4,687,424 shares of 12.5 pence A Ordinary Non-Voting shares in Daily Mail and General Trust plc ("DMGT") from Rothermere Continuation Limited. The offer was made to all shareholders of DMGT in accordance with the rules of the London Stock Exchange and the City Code on Takeovers and Mergers. The Trustees obtained an order from the Charity Commission pursuant to section 105 Charities Act 2011 to authorise the Trustees to accept the offer, notwithstanding the potential conflict of interests of two Trustees in relation to the transaction. In January 2022, the Trustees received £40,091,537 in cash together with a holding of 2,694,800 in Cazoo Group Ltd shares.

|                                                                                        |                   |
|----------------------------------------------------------------------------------------|-------------------|
| The disposal of DMGT shares of 12.5 pence A ordinary Non-Voting shares was as follows: | £                 |
| 568 pence in cash for each DMGT share (income special dividend)                        | 26,624,568        |
| 17.30 pence dividend for each DMGT share (income)                                      | 810,924           |
| 0.5749 Cazoo Group Ltd shares for each DMGT share (income)                             | <u>12,804,250</u> |
| Total as Note 2 on page 16                                                             | 40,239,742        |
| 270 pence in cash for each DMGT share (Capital – Permanent Endowment Fund)             | <u>12,656,045</u> |
|                                                                                        | <u>52,895,787</u> |

Under section 280 of the Charities Act 2011 (the "Act"), the Trustees of the Foundation have the power to modify any provisions of the Foundation's Trust Deed (dated 16 April 1956) which relate to any of the powers exercisable by the Trustees in the administration of the Charity. On 4 November 2021, the Trustees passed a resolution in exercise of the power at section 280 of the Act, to amend the Trust Deed in order to update the provisions around the appointment and removal of Trustees; insert provisions to allow for Trustee meetings to be held virtually and insert provisions around the management of conflicts of interest.

## THE ROTHERMERE FOUNDATION

### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

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#### Expendable Endowment Trust Fund

The Trustees passed a resolution on 15th June 2023 creating an Endowment Fund to take effect from 1 October 2022. A sum of £30,563,327 was transferred from unrestricted funds to the expendable endowment fund on 1 October 2022, representing the special income dividends received in December 2021 arising out of the acquisition of the Foundation's holding in Daily Mail and General Trust plc (DMGT).

The Endowment Fund has been created to set aside the special income dividends received in December 2021 arising out of the acquisition of the Foundation's holding in Daily Mail and General Trust plc (DMGT).

Full details of the DMGT acquisition are given in this Trustees Report and the notes to these accounts.

The balance on the expendable endowment fund at 30 September 2023 is £28,180,588 (2022: £Nil).

#### Trustees

The Trustees who have held office since 1 October 2022 are as follows: -

The Fourth Viscount Rothermere

Viscountess Rothermere

Mr V P W Harmsworth

Mr G J Holbourn (resigned 10 January 2024)

Mr V Harmsworth (appointed 10 January 2024)

#### Trustees' responsibilities

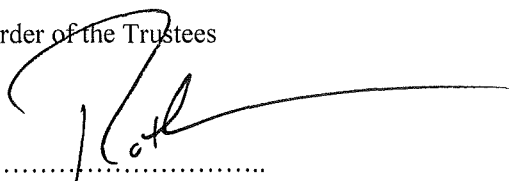
The Trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in 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 United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are also 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 accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Trustees



.....  
The Fourth Viscount Rothermere

.....23 April.....2024

## **THE ROTHERMERE FOUNDATION**

### **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2023**

---

#### **Independent auditor's report to the Trustees of The Rothermere Foundation**

##### **Opinion**

We have audited the accounts of The Rothermere Foundation (the 'charity') for the year ended 30 September 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (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 30 September 2023 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

##### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (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 auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

## THE ROTHERMERE FOUNDATION

### INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

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#### 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 Act 2011 requires 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
- sufficient accounting records have not been kept; 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.

#### Respective responsibilities of trustees

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

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

#### Auditor's responsibilities for the audit of the financial statements

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations; and
- ◆ we obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011), and those that relate to data protection (General Data Protection Regulation).

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

## THE ROTHERMERE FOUNDATION

### INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2023

---

#### Auditor's responsibilities for the audit of the financial statements (continued)

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions; and
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates for the calculation of the annual depreciation charge; and the estimation of future income and expenditure flows for the purpose of assessing going concern were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ reading the minutes of meetings of those charged with governance; and
- ◆ enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

This report is made solely to the charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and with regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

*Buzzacott LLP*

Buzzacott LLP  
Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

Date:.....24 April.....2024

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

# THE ROTHERMERE FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 SEPTEMBER 2023

|                                                      | Notes | General Fund<br>£ | Unrestricted Rothermere Fellows Fund<br>£ | Expendable Endowment Fund<br>£ | Permanent Endowment Permanent Fund<br>£ | Investment Fund<br>£ | Total 2023<br>£ | Total 2022<br>£ |
|------------------------------------------------------|-------|-------------------|-------------------------------------------|--------------------------------|-----------------------------------------|----------------------|-----------------|-----------------|
| <b>Income and endowments from:</b>                   |       |                   |                                           |                                |                                         |                      |                 |                 |
| <b>Investments</b>                                   | 2     | 1,304,559         | 114,371                                   | -                              | -                                       | -                    | 1,418,930       | 40,405,498      |
| <b>Total income</b>                                  |       | 1,304,559         | 114,371                                   | -                              | -                                       | -                    | 1,418,930       | 40,405,498      |
| <b>Expenditure on:</b>                               |       |                   |                                           |                                |                                         |                      |                 |                 |
| <b>Charitable activities</b>                         | 3     | 51,660            | -                                         | -                              | -                                       | -                    | 51,660          | 143,101         |
| <b>Expenditure relating to 14 Dunstan Road</b>       | 4     | 40,593            | -                                         | -                              | -                                       | -                    | 40,593          | 40,753          |
|                                                      |       | 92,253            | -                                         | -                              | -                                       | -                    | 92,253          | 183,854         |
| <b>Charitable grant making</b>                       |       |                   |                                           |                                |                                         |                      |                 |                 |
| <b>Grants payable</b>                                | 5     | 379,700           | -                                         | -                              | -                                       | -                    | 379,700         | 542,104         |
| <b>Support costs of making grants</b>                | 6     | 411,303           | -                                         | -                              | -                                       | -                    | 411,303         | 329,506         |
|                                                      |       | 791,003           | -                                         | -                              | -                                       | -                    | 791,003         | 871,610         |
| <b>Total expenditure</b>                             |       | 883,256           | -                                         | -                              | -                                       | -                    | 883,256         | 1,055,464       |
| <b>Net income before investment gains and losses</b> |       | 421,303           | 114,371                                   | -                              | -                                       | -                    | 535,674         | 39,350,034      |
| <b>Other recognised gains and losses</b>             |       |                   |                                           |                                |                                         |                      |                 |                 |
| Realised gains/ (losses) on investments              | 8     | 49,163            | 60,643                                    | -                              | -                                       | (173,279)            | (63,473)        | (37,542,519)    |
| Unrealised gains/ (losses) on investments            | 8     | 40,611            | (5,389)                                   | -                              | -                                       | 222,244              | 257,466         | (1,001,217)     |
| Unrealised losses on investments                     | 8     | -                 | -                                         | (1,070,892)                    | -                                       | -                    | (1,070,892)     | (11,694,287)    |
| Foreign exchange (losses)/ gains                     |       | -                 | -                                         | (1,311,847)                    | -                                       | (7,702)              | (1,319,549)     | 2,834,859       |
| <b>Net income/ (expenditure)</b>                     |       | 511,077           | 169,625                                   | (2,382,739)                    | -                                       | 41,263               | (1,660,774)     | (8,053,130)     |
| Transfer during the year                             | 11    | (30,563,327)      | -                                         | 30,563,327                     | -                                       | -                    | -               | -               |
| Balances brought forward at 1 October 2022           |       | 32,364,426        | 3,380,496                                 | -                              | 12,656,044                              | 865,139              | 49,266,105      | 57,319,235      |
| <b>Balances carried forward at 30 September 2023</b> | 11    | 2,312,176         | 3,550,121                                 | 28,180,588                     | 12,656,044                              | 906,402              | 47,605,331      | 49,266,105      |

The results for the year all relate to continuing operations.

All recognised gains and losses are included in the statement of financial activities.

The accounting policies and notes on pages 13 to 24 form part of these financial statements.

Comparative information in respect of the year ended 30 September 2022 is provided in notes 15 and 16.

# THE ROTHERMERE FOUNDATION

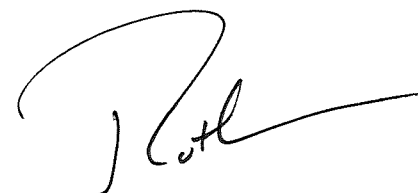
## BALANCE SHEET AS AT 30 SEPTEMBER 2023

|                                                |       | Unrestricted            |                               |                                 | Permanent Endowment            |                       | Total<br>2023            | Total<br>2022            |
|------------------------------------------------|-------|-------------------------|-------------------------------|---------------------------------|--------------------------------|-----------------------|--------------------------|--------------------------|
|                                                | Notes | General<br>Funds        | Rothermere<br>Fellows<br>Fund | Expendable<br>Endowment<br>Fund | Permanent<br>Endowment<br>Fund | Investment<br>Fund    |                          |                          |
|                                                |       | £                       | £                             | £                               | £                              | £                     | £                        | £                        |
| Fixed assets                                   |       |                         |                               |                                 |                                |                       |                          |                          |
| Tangible fixed assets                          | 7     | 668,440                 | -                             | -                               | -                              | -                     | 668,440                  | 680,280                  |
| Investments                                    | 8     | -                       | 3,319,669                     | 29,118,409                      | 12,656,044                     | 1,473,119             | 46,567,241               | 47,408,553               |
|                                                |       | <u>668,440</u>          | <u>3,319,669</u>              | <u>29,118,409</u>               | <u>12,656,044</u>              | <u>1,473,119</u>      | <u>47,235,681</u>        | <u>48,088,833</u>        |
| Current assets                                 |       |                         |                               |                                 |                                |                       |                          |                          |
| Debtors                                        | 9     | 30,736                  | -                             | -                               | -                              | -                     | 30,736                   | 30,362                   |
| Cash at bank                                   |       | <u>1,676,250</u>        | <u>230,452</u>                | <u>(937,821)</u>                | <u>-</u>                       | <u>(566,717)</u>      | <u>402,164</u>           | <u>1,230,401</u>         |
|                                                |       | 1,706,986               | 230,452                       | (937,821)                       | -                              | (566,717)             | 432,900                  | 1,260,763                |
| Creditors: amounts falling due within one year | 10    | <u>(63,250)</u>         | <u>-</u>                      | <u>-</u>                        | <u>-</u>                       | <u>-</u>              | <u>(63,250)</u>          | <u>(83,491)</u>          |
| Net current assets                             |       | <u>1,643,736</u>        | <u>230,452</u>                | <u>(937,821)</u>                | <u>-</u>                       | <u>(566,717)</u>      | <u>369,650</u>           | <u>1,177,272</u>         |
| <b>Net assets</b>                              |       | <u><b>2,312,176</b></u> | <u><b>3,550,121</b></u>       | <u><b>28,180,588</b></u>        | <u><b>12,656,044</b></u>       | <u><b>906,402</b></u> | <u><b>47,605,331</b></u> | <u><b>49,266,105</b></u> |
| <b>Funds</b>                                   | 11    | <u><b>2,312,176</b></u> | <u><b>3,550,121</b></u>       | <u><b>28,180,588</b></u>        | <u><b>12,656,044</b></u>       | <u><b>906,402</b></u> | <u><b>47,605,331</b></u> | <u><b>49,266,105</b></u> |

The accounting policies and notes on pages 13 to 24 form part of these financial statements.

Approved by the Trustees on 23 April 2024

.....  
The Fourth Viscount Rothermere



# THE ROTHERMERE FOUNDATION

## STATEMENT OF CASH FLOWS YEAR ENDED 30 SEPTEMBER 2023

|                                                                                               |   | 30<br>September<br>2023<br>£ | 30<br>September<br>2022<br>£ |
|-----------------------------------------------------------------------------------------------|---|------------------------------|------------------------------|
| <b>Cash flows from operating activities:</b>                                                  |   |                              |                              |
| <i>Net cash (used in)/ provided by operating activities</i>                                   | A | (2,211,580)                  | 1,801,948                    |
| <b>Cash flows from investing activities:</b>                                                  |   |                              |                              |
| Investment income and interest receivable                                                     |   | 1,418,930                    | 40,405,498                   |
| Purchase of investments                                                                       |   | (18,802,834)                 | (18,624,401)                 |
| Purchase of short term deposits                                                               |   | (1,070,516)                  | (26,333,960)                 |
| Proceeds from the disposal of investments                                                     |   | 10,888,484                   | 13,993,491                   |
| <i>Net cash (used in)/ provided by investing activities</i>                                   |   | (7,565,936)                  | 9,440,628                    |
| Change in cash and cash equivalents in the year                                               |   | (9,777,516)                  | 11,242,576                   |
| Change in cash and cash equivalents due to exchange rate movements                            |   | 1,311,846                    | (2,828,795)                  |
| Cash and cash equivalents at 1 October 2022                                                   |   | 9,888,390                    | 1,474,609                    |
| <i>Cash and cash equivalents at 30 September 2023</i>                                         | B | 1,422,720                    | 9,888,390                    |
| <b>A Reconciliation of net movement in funds to net cash flows from operating activities:</b> |   |                              |                              |
| <b>Net movement in funds for the year</b>                                                     |   | (1,660,774)                  | (8,053,130)                  |
| Adjustments for:                                                                              |   |                              |                              |
| Depreciation charges                                                                          |   | 11,840                       | 11,840                       |
| Losses on investments                                                                         |   | 876,899                      | 50,238,022                   |
| Investment income and interest receivable                                                     |   | (1,418,930)                  | (40,405,498)                 |
| (Increase)/ decrease in debtors                                                               |   | (374)                        | 6,089                        |
| (Decrease)/ increase in creditors                                                             |   | (20,241)                     | 4,625                        |
| <i>Net cash (used)/ provided by in operating activities</i>                                   | A | (2,211,580)                  | 1,801,948                    |
| <b>B Analysis of cash and cash equivalents</b>                                                |   |                              |                              |
| Cash at bank and in hand                                                                      |   | 402,164                      | 1,230,401                    |
| Cash held by investment managers (note 8)                                                     |   | 1,020,556                    | 8,657,989                    |
|                                                                                               | B | 1,422,720                    | 9,888,390                    |

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

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### 1. Principal Accounting Policies

#### 1.1. Accounting Convention

The financial statements which have been prepared for the year to 30 September 2023, are presented in sterling and are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

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 United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) and the Charities Act 2011.

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

#### 1.2. Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the Trustees to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

- estimating the useful economic life of tangible fixed assets

With respect to the next reporting period, the most significant areas of uncertainty are the carrying value of investments and currency balances held by the charity, which will depend on the performance of investment markets and the investment income from these assets.

#### 1.3. Going Concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect of a period of one year from the date of approval of these financial statements.

The Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. This is because the value of assets held by the charity is very materially in excess of the liabilities of the charity and the level of commitments in respect of grants approved for projects payable in future years is not material.

#### 1.4. Investment income

Income is recognised in the period in which the Charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises dividends from listed investments and interest on cash deposits. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

## THE ROTHERMERE FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

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#### 1.5. Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probably that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure comprises the following:

- a) Educational and other grants payable are included in the Statement of Financial Activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all related conditions. Grants approved but not paid at the end of the financial period are accrued. Grants where the beneficiary has not been informed or has to meet certain conditions before the grant is released are not accrued but are noted as financial commitments in the notes to the financial statements.
- b) Expenditure relating to 14 Dunstan Road comprises the costs associated with the provision of accommodation for the Oxford Professor Fellowship.
- c) Support and governance costs represent indirect charitable expenditure incurred in order to facilitate the grant making activities of the Charity. The costs do not directly relate to the amount of time spent on processing and monitoring grants and so have not been allocated across fellowship and other educational grants respectively. Included within support and governance costs are 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.

#### 1.6. Tangible fixed assets

Tangible fixed assets are depreciated over the relevant useful economic life on a straight line basis as follows:

|                                    |   |               |
|------------------------------------|---|---------------|
| Freehold property (excluding land) | - | over 50 years |
|------------------------------------|---|---------------|

Fixed asset items costing over £500 are capitalised.

The Trustees took the opportunity on the transition to FRS 102 for the year ended 30 September 2015 to revalue the Charity's freehold property to fair value and treat this figure as deemed cost. This has resulted in an increase to the depreciation charge of £9,530 for each of the remaining 36 years of the property's useful economic life.

#### 1.7. Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and are subsequently measured at their fair value, which is considered equivalent to their open market value, at the balance sheet date. Open market value is determined by reference to the Stock Exchange Daily Official List in respect of quoted investments.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains (or losses) are calculated as the difference between the fair value at the year end and their carrying value at that date. Any movement in unrealised gains or losses is treated as a movement in the Statement of Financial Activities (SOFA).

## THE ROTHERMERE FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

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#### 1.8. Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

#### 1.9. Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

#### 1.10. Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

#### 1.11. Financial instruments

The charity holds only basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the charity and their measurement bases are as follows:

*Financial assets* – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

*Cash at bank* – is classified as a basic financial instrument and is measured at face value.

*Financial liabilities* – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

#### 1.12. Fund Accounting

The general fund comprises those funds which the Trustees are free to use in accordance with the charitable objects.

Within the general fund is a designated fixed asset fund which represents the net book value of the tangible fixed assets.

The permanent endowment funds represent those assets which must be held permanently by the charity, being held in cash as detailed in note 8 to the financial statements and referred to in note 1.7. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included within the general fund. Any capital gains or losses arising on the investments form part of the permanent endowment funds.

Within the permanent endowment funds, there is an investment fund held in UK equities for the Rothermere Fellows.

The expendable endowment fund represents those assets which the trustees are free to use in respect of both income and capital.

## THE ROTHERMERE FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

#### 1.13. Foreign currency translation

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end, foreign currency monetary items are translated using the closing rate. Non-monetary items are measured at historical cost and translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Financial Activities except when deferred in other comprehensive income as qualifying cash flow hedges.

| 2. Investment income                                                                                        | 2023<br>£        | 2022<br>£         |
|-------------------------------------------------------------------------------------------------------------|------------------|-------------------|
| Dividends – Daily Mail and General Trust plc (DMGT) 12.5 pence per A Ordinary Non-Voting shares (see below) | -                | 40,239,742        |
| Dividends – fellows portfolio                                                                               | 114,371          | 36,541            |
| Interest on cash deposits                                                                                   | 1,304,559        | 129,215           |
|                                                                                                             | <u>1,418,930</u> | <u>40,405,498</u> |
| 568 pence in cash for each DMGT share (income special dividend)                                             | -                | 26,624,568        |
| 17.30 pence dividend for each DMGT share (income)                                                           | -                | 810,924           |
| 0.5749 Cazoo Group Ltd shares for each DMGT share (income)                                                  | -                | 12,804,250        |
|                                                                                                             | <u>-</u>         | <u>40,239,742</u> |

Further details are given in note 14.

#### 3. Fellowship grants

Grants and expenses of £51,660 were made to support three Rothermere Fellows in the year (2022: four Fellows).

|          | 2023<br>£     | 2022<br>£      |
|----------|---------------|----------------|
| Grants   | 47,305        | 138,540        |
| Expenses | 4,355         | 4,561          |
|          | <u>51,660</u> | <u>143,101</u> |

#### 4. Expenditure relating to 14 Dunstan Road

The following expenses relate to the accommodation provided by the Foundation for the Oxford Professor Fellowship:

|                                                 | 2023<br>£     | 2022<br>£     |
|-------------------------------------------------|---------------|---------------|
| Overhead costs                                  | 8,171         | 6,104         |
| Repairs and maintenance, including garden costs | 10,654        | 9,476         |
| Motor expenses and insurance and travel costs   | 3,394         | 2,185         |
| Management fees and other costs                 | 6,534         | 11,148        |
| Depreciation                                    | 11,840        | 11,840        |
|                                                 | <u>40,593</u> | <u>40,753</u> |

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 5. Grants payable

|                             | 2023<br>£      | 2022<br>£      |
|-----------------------------|----------------|----------------|
| Grants paid in the year     | 379,700        | 502,104        |
| Grant commitments (note 10) | -              | 40,000         |
|                             | <u>379,700</u> | <u>542,104</u> |

### Grants payable for the year

|                              | £             | £             |
|------------------------------|---------------|---------------|
| <b>Medical research</b>      |               |               |
| British Heart Foundation     | -             | 5,000         |
| Great Ormond Street Hospital | -             | 5,000         |
| Medecins Sans Frontieres     | -             | 5,100         |
| St Bartholomew's Hospital    | 15,000        | -             |
| St John Ambulance            | -             | 10,000        |
|                              | <u>15,000</u> | <u>25,100</u> |

|                                         | £             | £              |
|-----------------------------------------|---------------|----------------|
| <b>Educational/Children's charities</b> |               |                |
| Farley Academy                          | -             | 5,000          |
| Learning Skills                         | -             | 5,000          |
| Leweston School Trust                   | -             | 1,500          |
| Oxford University Development Fund      | 20,000        | 30,000         |
| Sandroyd School                         | -             | 1,470          |
| St Mary's School                        | -             | 10,000         |
| St Peter's College Oxford               | -             | 100,000        |
| Whipperley Academy                      | -             | 5,100          |
|                                         | <u>20,000</u> | <u>158,070</u> |

|                                   | £             | £             |
|-----------------------------------|---------------|---------------|
| <b>The Arts/Sport</b>             |               |               |
| Cherubin Music Trust              | -             | 3,000         |
| Greenhouse Sports                 | -             | 5,000         |
| Royal Academy of Dramatic Arts    | -             | 5,000         |
| The British Olympic Shooting Team | -             | 1,000         |
| The Stour Music Festival Limited  | 10,000        | 10,000        |
|                                   | <u>10,000</u> | <u>24,000</u> |

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

| 5. Grants payable (continued)                            | 2023<br>£      | 2022<br>£      |
|----------------------------------------------------------|----------------|----------------|
| <b>Other charitable donations</b>                        |                |                |
| Acts Fast                                                | 5,000          | -              |
| Beehive (Diverse Abilities – Splash Appeal)              | 15,000         | -              |
| Best for You                                             | -              | 5,000          |
| Chalke Valley History Festival Limited                   | 4,100          | 9,809          |
| Challock Church                                          | -              | 5,000          |
| Charlie Waller Trust                                     | -              | 10,000         |
| Countryside Alliance Foundation                          | 5,000          | -              |
| Cropper Paper Foundation                                 | -              | 10,000         |
| Cranborne Chase and Chalke Valley                        | -              | 5,000          |
| Cranleigh RDA                                            | -              | 2,000          |
| Deer Park Initiative                                     | -              | 1,125          |
| Game and Wildlife Conservation Trust                     | 50,000         | 100,000        |
| Giving to Ukraine (previously Ukrainian Equestrian Fund) | 10,000         | 5,000          |
| Hands Up Foundation                                      | 10,000         | 5,000          |
| Harmsworth Memorial Research                             | -              | 10,000         |
| Ionad Chaluim Chille Ile                                 | 800            | -              |
| Just the Job                                             | -              | 1,000          |
| K&C Jubilee                                              | -              | 5,000          |
| Kent Community Foundation                                | 1,200          | -              |
| MND Association                                          | 2,000          | -              |
| Medical Detection Dogs                                   | 5,000          | -              |
| Northcliffe Centenary                                    | -              | 29,000         |
| Northcliffe Pioneer Museum                               | 15,000         | 5,000          |
| Paul H Simmons                                           | 2,000          | -              |
| Quintessentially Foundation                              | -              | 5,000          |
| RNLI Fundraiser                                          | 5,000          | -              |
| Rare Breeds                                              | -              | 2,000          |
| Royal Marsden                                            | -              | 10,000         |
| Summer Fields School                                     | 75,000         | -              |
| The Missing Salmon Alliance                              | 100,000        | 100,000        |
| The Wordsworth Trust                                     | 10,000         | -              |
| Wickhambreaux Parish Church                              | 4,600          | -              |
| World Horse Welfare                                      | 15,000         | -              |
| Zoological Society of London                             | -              | 10,000         |
|                                                          | <b>334,700</b> | <b>334,934</b> |
| <b>Total Grants Payable</b>                              | <b>379,700</b> | <b>542,104</b> |

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

|                                                   |                |                |
|---------------------------------------------------|----------------|----------------|
| <b>5. Grants payable (continued)</b>              | <b>2023</b>    | <b>2022</b>    |
| <b>Summary of Total Grants Payable</b>            | <b>£</b>       | <b>£</b>       |
| Medical research                                  | 15,000         | 25,100         |
| Educational/Children's charities                  | 20,000         | 158,070        |
| The Arts/Sport                                    | 10,000         | 24,000         |
| Other charitable donations                        | 334,700        | 334,934        |
|                                                   | <u>379,700</u> | <u>542,104</u> |
| <b>6. Support costs</b>                           | <b>2023</b>    | <b>2022</b>    |
|                                                   | <b>£</b>       | <b>£</b>       |
| V P W Harmsworth's fees and expenses as Secretary | 54,303         | 49,415         |
| Professional fees                                 | 154,199        | 33,041         |
| Rothermere Fellows – investment portfolio fees    | 54,455         | 57,412         |
| Other costs                                       | 3,870          | 3,353          |
| Governance costs                                  | 144,476        | 186,285        |
|                                                   | <u>411,303</u> | <u>329,506</u> |

Statutory audit fee of £16,020 (2022: £13,656) is included within governance costs.

|                                            |                          |                           |                |
|--------------------------------------------|--------------------------|---------------------------|----------------|
| <b>7. Tangible fixed assets</b>            | <b>Freehold Property</b> | <b>Computer Equipment</b> | <b>Total</b>   |
| <b>Cost or valuation</b>                   |                          | <b>£</b>                  | <b>£</b>       |
| At 1 October 2022                          | 775,000                  | 772                       | 775,772        |
| At 30 September 2023                       | 775,000                  | 772                       | 775,772        |
| <b>Depreciation</b>                        |                          |                           |                |
| At 1 October 2022                          | 94,720                   | 772                       | 95,492         |
| Charge for the year                        | 11,840                   | -                         | 11,840         |
| At 30 September 2023                       | 106,560                  | 772                       | 107,332        |
| <b>Net Book Value at 30 September 2023</b> | <b>668,440</b>           | <b>-</b>                  | <b>668,440</b> |
| Net Book Value at 30 September 2022        | 680,280                  | -                         | 680,280        |

The Freehold Property was revalued at market value at 30 September 2015 at £775,000 by Reuben A Diffey MRICS RICS of Property Formula Ltd and the effect of this revaluation upon transition to FRS 102 which is treated as a deemed cost, is shown in the accounting policy 1.6 on page 14.

If the property had not been revalued it would have been included at its historical cost of £16,300. All assets are used for charitable purposes.

The charity will continue to adopt a policy of not revaluing its tangible fixed assets in accordance with Section 17 of Financial Reporting Standard 102.

Included within Freehold Property is land with a carrying value of £348,750 which has not been depreciated.

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

| 8. Investments                                                                      | 2023<br>£         | 2022<br>£         |
|-------------------------------------------------------------------------------------|-------------------|-------------------|
| <b>UK Equities</b>                                                                  |                   |                   |
| Market value at 1 October 2022                                                      | -                 | 50,249,185        |
| Disposals during the year                                                           | -                 | (50,249,185)      |
| Market value at 30 September 2023                                                   | -                 | -                 |
| <b>Fellows Fund</b>                                                                 |                   |                   |
| Market value at 1 October 2022                                                      | 9,587,809         | 4,945,736         |
| Additions – Cazoo Group Ltd                                                         | -                 | 12,804,251        |
| Additions at cost                                                                   | 18,802,834        | 5,820,150         |
| Disposals at opening market value (proceeds: £10,888,484, realised losses: £63,473) | (10,951,957)      | (1,286,824)       |
| Unrealised gains/ (losses)                                                          | 257,466           | (1,001,217)       |
| Realised loss on Cazoo Group Ltd shares                                             | (1,070,892)       | (11,694,287)      |
| Cash held by investment managers                                                    | 1,020,556         | 8,657,989         |
| Cash held for long term investment                                                  | 28,921,425        | 29,162,755        |
|                                                                                     | <u>46,567,241</u> | <u>47,408,553</u> |
| Represented by:                                                                     |                   |                   |
| Rothermere Fellows unrestricted fund                                                | 3,319,669         | 3,231,265         |
| Rothermere Expendable Endowment fund                                                | 29,118,409        | 30,099,682        |
| Rothermere Endowment fund                                                           | 12,656,044        | 12,656,044        |
| Rothermere Endowment investment fund                                                | 1,473,119         | 1,421,562         |
|                                                                                     | <u>46,567,241</u> | <u>47,408,553</u> |
| <b>Total investments at market value at 30 September 2023</b>                       | <u>46,567,241</u> | <u>47,408,553</u> |
| Historic cost at 30 September 2023                                                  | <u>29,176,297</u> | <u>21,331,132</u> |
| <b>Material investments in individual entities held at 30 September 2023:</b>       |                   |                   |
| Cazoo Group Ltd shares                                                              | <u>39,072</u>     | <u>1,109,964</u>  |

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

|                                      |               |               |
|--------------------------------------|---------------|---------------|
| <b>9. Debtors</b>                    | <b>2023</b>   | <b>2022</b>   |
|                                      | <b>£</b>      | <b>£</b>      |
| Prepayments and accrued income       | <b>30,736</b> | <b>30,362</b> |
|                                      |               |               |
| <b>10. Creditors</b>                 | <b>2023</b>   | <b>2022</b>   |
|                                      | <b>£</b>      | <b>£</b>      |
| Amounts falling due within one year: |               |               |
| Grant commitments (note 5)           | -             | <b>40,000</b> |
| Accruals and deferred income         | <b>63,250</b> | <b>43,491</b> |
|                                      | <b>63,250</b> | <b>83,491</b> |

### 11. Funds

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

There is a designated **Fixed asset fund**, within General funds which represents the net book value of the tangible fixed assets. At 30 September 2023 this amounted to £668,440 (2022: £680,280).

Unrestricted funds also include the **Rothermere Fellows Fund** details of which are given in note 1.12 to the financial statements.

The **permanent endowment funds** represents those assets which must be held permanently by the charity, as detailed in note 8. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included within the General Fund. Any capital gains or losses arising on the investments form part of the permanent endowment funds.

Within the permanent endowment funds, there is an investment fund held for the Fellows.

The expendable endowment fund represents those assets which the trustees are free to use in respect of both for income and capital.

|                                                               |                    |                     |
|---------------------------------------------------------------|--------------------|---------------------|
|                                                               | <b>2023</b>        | <b>2022</b>         |
|                                                               | <b>£</b>           | <b>£</b>            |
| Unrealised gains included above:                              |                    |                     |
| On tangible fixed assets                                      | <b>652,140</b>     | <b>663,980</b>      |
| On investments                                                | <b>17,390,944</b>  | <b>26,077,421</b>   |
| Total unrealised gains at 30 September 2023                   | <b>18,043,084</b>  | <b>26,741,401</b>   |
| Reconciliation of movements in unrealised gains               |                    |                     |
| Unrealised gains at 1 October 2022                            | <b>26,741,401</b>  | <b>51,752,643</b>   |
| Add: Net (loss)/ gain arising on revaluations during the year | <b>(876,899)</b>   | <b>(62,944,689)</b> |
| Less: depreciation charged to the unrestricted general fund   | <b>(11,840)</b>    | <b>(11,840)</b>     |
| Add: movements in respect of disposals in the year            | <b>(7,809,578)</b> | <b>37,945,287</b>   |
| Total unrealised gains at 30 September 2023                   | <b>18,043,084</b>  | <b>26,741,401</b>   |

## THE ROTHERMERE FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

#### 11. Funds (continued)

**Expendable Endowment Fund.** The Trustees passed a resolution on 15th June 2023 creating an Endowment Fund to take effect from 1 October 2022. A sum of £30,563,327 was transferred from unrestricted funds to the expendable endowment fund on 1 October 2022, representing the special income dividends received in December 2021 arising out of the acquisition of the Foundation's holding in Daily Mail and General Trust plc (DMGT).

Full details of the DMGT acquisition are given in the Trustees Report and the notes to these accounts.

The balance on the expendable endowment fund at 30 September 2023 is £28,180,588 (2022: £Nil).

#### 12. Transactions with Trustees and key management personnel

Mr V P W Harmsworth's fees as Secretary for the year ended 30 September 2023 were £49,744 (2022: £44,912). He also received £4,559 (2022: £4,503) in reimbursed travel and other expenses. At the year-end the balance was £Nil (2022: £Nil). The aggregate fees as Secretary disbursed for the year ended 30 September 2023 were £54,303 (2022: £49,415). The payment to Mr V P W Harmsworth as Secretary has been approved by the Charity Commission.

Mr G J Holbourn received fees for accountancy advisory services of £13,005 (2022: £9,585). At the year end the balance was £2,700 (2022: £1,080).

The other Trustees received no remuneration and were not reimbursed for any expenses in the year ended 30 September 2023 (2022: £Nil).

#### 13. Related party transactions

During the previous year, the Trustees accepted an offer to acquire their holding of 4,687,424 shares of 12.5 pence A Ordinary Non-Voting shares in Daily Mail and General Trust plc ("DMGT") from Rothermere Continuation Limited. The Fourth Viscount Rothermere and Lady Rothermere, who are trustees of The Rothermere Foundation are also directors of Rothermere Continuation Limited.

During the year, the charity awarded a grant of £10,000 (2022: £10,000) to The Stour Music Festival Limited. Mr G J Holbourn, a trustee of The Rothermere Foundation is also a Trustee of The Stour Music Festival Limited.

Details of other transactions with trustees and key management personnel are given in note 12.

#### 14. Disposal of Daily Mail and General Trust plc shares – previous year

In December 2021 the Trustees accepted an offer to acquire their holding of 4,687,424 shares of 12.5 pence A Ordinary Non-Voting shares in Daily Mail and General Trust plc ("DMGT") from Rothermere Continuation Limited. The offer was made to all shareholders of DMGT in accordance with the rules of the London Stock Exchange and the City Code on Takeovers and Mergers. The Trustees obtained an order from the Charity Commission pursuant to section 105 Charities Act 2011 to authorise the Trustees to accept the offer, notwithstanding the potential conflict of interests of two Trustees in relation to the transaction. In January 2022, the Trustees received £40,091,537 million in cash together with a holding of 2,694,800 in Cazoo Group Ltd shares.

|                                                                                 | £                 |
|---------------------------------------------------------------------------------|-------------------|
| The disposal of DMGT shares of 12.5 pence A ordinary Non-Voting was as follows: |                   |
| 568 pence in cash for each DMGT share (income special dividend)                 | 26,624,568        |
| 17.30 pence dividend for each DMGT share (income)                               | 810,924           |
| 0.5749 Cazoo Group Ltd shares for each DMGT share (income)                      | 12,804,250        |
| Total as Note 2 on page 16                                                      | 40,239,742        |
| 270 pence in cash for each DMGT share (Capital – Permanent Endowment Fund)      | 12,656,045        |
|                                                                                 | <u>52,895,787</u> |

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 15. Comparative Statement of financial activities - 2022

|                                                      | Notes | Unrestricted<br>General<br>Fund<br>£ | Rothermere<br>Fellows<br>Fund<br>£ | Permanent Endowment<br>Permanent<br>Endowment<br>Fund<br>£ | Investment<br>Fund<br>£ | Total<br>2022<br>£ |
|------------------------------------------------------|-------|--------------------------------------|------------------------------------|------------------------------------------------------------|-------------------------|--------------------|
| <b>Income and endowments from:</b>                   |       |                                      |                                    |                                                            |                         |                    |
| Investments                                          | 2     | 40,368,957                           | 36,541                             | -                                                          | -                       | 40,405,498         |
| <b>Total income</b>                                  |       | <b>40,368,957</b>                    | <b>36,541</b>                      | <b>-</b>                                                   | <b>-</b>                | <b>40,405,498</b>  |
| <b>Expenditure on:</b>                               |       |                                      |                                    |                                                            |                         |                    |
| Charitable activities                                | 3     | 143,101                              | -                                  | -                                                          | -                       | 143,101            |
| Expenditure relating to 14 Dunstan Road              | 4     | 40,753                               | -                                  | -                                                          | -                       | 40,753             |
|                                                      |       | <b>183,854</b>                       | <b>-</b>                           | <b>-</b>                                                   | <b>-</b>                | <b>183,854</b>     |
| Charitable grant making                              |       |                                      |                                    |                                                            |                         |                    |
| Grants payable                                       | 5     | 542,104                              | -                                  | -                                                          | -                       | 542,104            |
| Support costs of making grants                       | 6     | 329,506                              | -                                  | -                                                          | -                       | 329,509            |
|                                                      |       | <b>871,610</b>                       | <b>-</b>                           | <b>-</b>                                                   | <b>-</b>                | <b>871,610</b>     |
| <b>Total expenditure</b>                             |       | <b>1,055,464</b>                     | <b>-</b>                           | <b>-</b>                                                   | <b>-</b>                | <b>1,055,464</b>   |
| <b>Net income before investment gains and losses</b> |       | <b>39,313,493</b>                    | <b>36,541</b>                      | <b>-</b>                                                   | <b>-</b>                | <b>39,350,034</b>  |
| <b>Other recognised gains and losses</b>             |       |                                      |                                    |                                                            |                         |                    |
| Realised gains/ (losses) on investments              | 8     | -                                    | 30,168                             | (37,593,141)                                               | 20,454                  | (37,542,519)       |
| Unrealised gains/ (losses) on investments            | 8     | (11,694,287)                         | (310,280)                          | -                                                          | (690,937)               | (12,695,504)       |
| Foreign exchange gains/ (losses)                     |       | 2,828,796                            | -                                  | -                                                          | 6,063                   | 2,834,859          |
| <b>Net income/ (expenditure)</b>                     |       | <b>30,448,002</b>                    | <b>(243,571)</b>                   | <b>(37,593,141)</b>                                        | <b>(664,420)</b>        | <b>(8,053,130)</b> |
| Balances brought forward at 1 October 2021           |       | <b>1,916,424</b>                     | <b>3,624,067</b>                   | <b>50,249,185</b>                                          | <b>1,529,559</b>        | <b>57,319,235</b>  |
| <b>Balances carried forward at 30 September 2022</b> |       | <b>32,364,426</b>                    | <b>3,380,496</b>                   | <b>12,656,044</b>                                          | <b>865,139</b>          | <b>49,266,105</b>  |

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

### 16. Comparative balance sheet - 2022

|                                                               | Notes | Unrestricted<br>General<br>Fund | Rothermere<br>Fellows Fund | Permanent Endowment<br>Permanent<br>Endowment<br>Fund | Investment<br>Fund    | Total<br>2022            |
|---------------------------------------------------------------|-------|---------------------------------|----------------------------|-------------------------------------------------------|-----------------------|--------------------------|
|                                                               |       | £                               | £                          | £                                                     | £                     | £                        |
| <b>Fixed assets</b>                                           |       |                                 |                            |                                                       |                       |                          |
| Tangible fixed assets                                         | 7     | 680,280                         | -                          | -                                                     | -                     | <b>680,280</b>           |
| Investments                                                   | 8     | 30,099,682                      | 3,231,265                  | 12,656,044                                            | 1,421,562             | <b>47,408,553</b>        |
|                                                               |       | <u>30,779,962</u>               | <u>3,231,265</u>           | <u>12,656,044</u>                                     | <u>1,421,562</u>      | <u><b>48,088,833</b></u> |
| <b>Current assets</b>                                         |       |                                 |                            |                                                       |                       |                          |
| Debtors                                                       | 9     | 30,362                          | -                          | -                                                     | -                     | <b>30,362</b>            |
| Cash at bank                                                  |       | <u>1,637,593</u>                | <u>149,231</u>             | <u>-</u>                                              | <u>(556,423)</u>      | <u><b>1,230,401</b></u>  |
|                                                               |       | 1,667,955                       | 149,231                    | -                                                     | (556,423)             | <b>1,260,763</b>         |
| <b>Creditors: amounts<br/>falling<br/>due within one year</b> | 10    | <u>(83,491)</u>                 | <u>-</u>                   | <u>-</u>                                              | <u>-</u>              | <u><b>(83,491)</b></u>   |
| <b>Net current assets</b>                                     |       | <u>1,584,464</u>                | <u>149,231</u>             | <u>-</u>                                              | <u>(556,423)</u>      | <u><b>1,177,272</b></u>  |
| <b>Net assets</b>                                             |       | <u><b>32,364,426</b></u>        | <u><b>3,380,496</b></u>    | <u><b>12,656,044</b></u>                              | <u><b>865,139</b></u> | <u><b>49,266,105</b></u> |
| <b>Funds</b>                                                  | 11    | <u><b>32,364,426</b></u>        | <u><b>3,380,496</b></u>    | <u><b>12,656,044</b></u>                              | <u><b>865,139</b></u> | <u><b>49,266,105</b></u> |

**THE ROTHERMERE FOUNDATION**

England & Wales - Charity number 314125

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# Accounts

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**Charity Registration No. 314125 (England and Wales)**

**THE ROTHERMERE FOUNDATION  
REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 30 SEPTEMBER 2022**

## THE ROTHERMERE FOUNDATION

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## LEGAL AND ADMINISTRATIVE INFORMATION

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## **THE ROTHERMERE FOUNDATION**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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The Trustees present their report and the financial statements of The Rothermere Foundation for the year ended 30 September 2022.

This annual report has been prepared in accordance with Part 8 of the Charities Act 2011.

The financial statements have been prepared in accordance with the accounting policies set out on pages 13 to 16 of the attached financial statements and comply with the Charity's Trust Deed, the Charities Act 2011, applicable law and 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 United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

#### **Structure, Governance and Management**

##### *Constitution*

The Foundation was established under a Trust Deed dated 16 April 1956 and registered as a charity shortly thereafter. The Foundation was endowed with investments by The Second Viscount Rothermere.

##### *Risk management*

The Foundation's principal asset and therefore, given the grant-making nature of the charity, its principal risk comprises listed investments and currency balances, the value of which are dependent on movements in UK and international stock markets.

The Trustees have considered this and other major risks to which the charity is exposed, in particular those related to the operational areas of the Foundation, its investments and its finances. The Trustees believe that these risks are mitigated by:

- ◆ A body of Trustees with the necessary experience and competence to supervise all aspects of the Foundation's activities;
- ◆ An established set of procedures to determine the level of Trustee approval required for grants, as well as the extent of monitoring, follow up visits and staging of payments; and
- ◆ Regular Trustee meetings at which all aspects of the Foundation's activities are reviewed.

##### *Trustees*

The Trustees plan to meet twice a year to consider grant applications, review investment performance and discuss matters of a strategic and administrative nature.

The Trustees who served during the year are shown on page 2. The power to appoint new Trustees is vested in the existing Trustees of the Foundation.

The present Trustees have a wide knowledge and include the chairman of a major company and a retired regular army officer and specialist in public relations. Mr G J Holbourn, a Chartered Accountant, was appointed as a Trustee on 4 November 2021.

##### *Key management personnel*

The key management personnel of the Charity in charge of directing and controlling, running and operating the Foundation on a day to day basis comprise the Trustees. No Trustee receives remuneration for their work as a Trustee, however two Trustees (2021 – one) received fees for their work for the Foundation.

V P W Harmsworth received fees as Secretary to the Charity and this fee is increased annually using the Retail Prices Index as at 30 September. G J Holbourn has an agreement with the Charity dated 4 November 2021 to provide accountancy advisory services. Further details are given in note 6.

## THE ROTHERMERE FOUNDATION

### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2022

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#### Objectives, Activities and Achievements

##### *Objects*

The principal objects of the Foundation are to enable graduates of the Memorial University of Newfoundland to continue their education in the United Kingdom and to advance other charitable purposes.

##### *Activities*

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and setting grant making policies.

The Rothermere Foundation supports post PhD graduates from Memorial University Newfoundland so that they may pursue their studies to a higher degree and return to Newfoundland to make a significant contribution to the welfare of that province through their social, business or science skills.

Subsidiary activities support the Rothermere American Institute (RAI) at Oxford which fosters relationships between the two countries via academic studies and the Rothermere Foundation also supports the Vyvyan Harmsworth Professor of American History.

##### *Achievements*

The Rothermere Fellows are reported on annually by their teachers and supervisors and all have achieved their aims with very satisfactory or outstanding results.

The RAI grows in stature annually and is now an important part of Oxford University playing a major part in Anglo-American affairs.

##### *Grant making policy*

Decisions on grants are made by the Trustees. All Trustees are involved in the grant making process. Trustees will only approve grants or fund projects which demonstrate public benefit within the criteria of the Charity Commission's guidance.

#### Financial Review

##### *Reserves policy*

The Trustees' policy is to maintain a level of cash reserves out of current income which will provide a stable base for its continuing activities whilst ensuring excessive funds are not accumulated. The Trustees believe that the reserves are sufficient for its current purposes and these are reviewed on a regular basis.

Substantial donations were made in the year ended 30 September 2022 to expend more of the Foundation's reserves, including £100,000 to St Peter's College Oxford, £100,000 to Game and Wildlife Conservation Trust and £100,000 to The Missing Salmon Alliance. Details of grants are given in note 5, on pages 17 to 19.

Total funds as at 30 September 2022 amounted to £49,266,105 (2021: £57,319,235), a significant proportion of which is represented by the Unrestricted General Fund of £32,364,426 (2021: £1,916,424). The Permanent Endowment Fund totalled £12,656,044 (2021: £50,249,185).

##### *Financial results*

During the year donations of £542,104 (2021: £501,025) and fellowship grants of £143,101 (2021: £165,202) were made or committed. The recipients are detailed in note 5, on pages 17 to 19.

The charity received £40,405,498 of Unrestricted investment income during the year (2021: £1,181,762), Permanent Endowment Fund of £Nil (2021: £Nil) and Permanent Endowment Investment fund of £Nil (2021: £Nil).

## THE ROTHERMERE FOUNDATION

### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2022

#### Financial Review

##### *Financial results (continued)*

The total net result for the year (before unrealised gains and losses) was £39,350,034 (2021: £357,755). This comprises net income of £39,313,493 in the Unrestricted General Fund (2021: £323,712), net income of £36,541 in the Rothermere Fellows Fund (2021: £34,043) and £Nil as Capital in the Permanent Endowment Fund (2021: £Nil).

During the year ended 30 September 2022 the investments held by the Foundation (other than the disposal of the holding in DMGT) had an unrealised loss on revaluation of £12,695,504 (2021: unrealised gain on revaluation £20,207,107) as shown in note 8.

The total net movement in funds was a decrease of £8,053,130 (2021: increase £20,973,804). This was the net result of an increase of £30,448,002 (2021: increase of £323,712) in the Unrestricted General Fund, a decrease of £243,571 (2021: increase of £531,458) in the Rothermere Fellows Fund, a decrease of £37,593,141 (2021: increase of £19,921,552) in the Permanent Endowment Fund, and a decrease of £664,420 (2021: increase of £197,082) in the Permanent Endowment Investment Fund. The movements on the Foundation's funds are shown in detail on page 10.

##### *Investment policy*

Under the terms of the Trust Deed, the Trustees may, at their absolute discretion, buy or sell investments in any funds in any country worldwide.

Prior to the year end, the holding in Daily Mail and General Trust plc shares were acquired by Rothermere Continuation Limited, details of which are disclosed below.

#### Disposal of Daily Mail and General Trust plc shares

In December 2021 the Trustees accepted an offer to acquire their holding of 4,687,424 shares of 12.5 pence A Ordinary Non-Voting shares in Daily Mail and General Trust plc ("DMGT") from Rothermere Continuation Limited. The offer was made to all shareholders of DMGT in accordance with the rules of the London Stock Exchange and the City Code on Takeovers and Mergers. The Trustees obtained an order from the Charity Commission pursuant to section 105 Charities Act 2011 to authorise the Trustees to accept the offer, notwithstanding the potential conflict of interests of two Trustees in relation to the transaction. In January 2022, the Trustees received £40,091,537 in cash together with a holding of 2,694,800 in Cazoo Group Ltd shares. The Trustees are seeking professional advice as to the reinvestment of these funds in accordance with their investment duties.

|                                                                                        |                   |
|----------------------------------------------------------------------------------------|-------------------|
| The disposal of DMGT shares of 12.5 pence A ordinary Non-Voting shares was as follows: | £                 |
| 568 pence in cash for each DMGT share (income special dividend)                        | 26,624,568        |
| 17.30 pence dividend for each DMGT share (income)                                      | 810,924           |
| 0.5749 Cazoo Group Ltd shares for each DMGT share (income)                             | <u>12,804,250</u> |
|                                                                                        | 40,239,742        |
| 270 pence in cash for each DMGT share (Capital – Permanent Endowment Fund)             | <u>12,656,045</u> |
|                                                                                        | <u>52,895,787</u> |

Under section 280 of the Charities Act 2011 (the "Act"), the Trustees of the Foundation have the power to modify any provisions of the Foundation's Trust Deed (dated 16 April 1956) which relate to any of the powers exercisable by the Trustees in the administration of the Charity. On 4 November 2021, the Trustees passed a resolution in exercise of the power at section 280 of the Act, to amend the Trust Deed in order to update the provisions around the appointment and removal of Trustees; insert provisions to allow for Trustee meetings to be held virtually and insert provisions around the management of conflicts of interest.

## THE ROTHERMERE FOUNDATION

### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2022

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#### Trustees

The Trustees who have held office since 1 October 2021 are as follows: -

The Fourth Viscount Rothermere

Viscountess Rothermere

Mr V P W Harmsworth

Mr G J Holbourn (appointed 4 November 2021)

#### Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the accounts 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 accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the Foundation for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in 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 United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are also 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 accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Trustees



.....  
The Fourth Viscount Rothermere

Date: 10 May 2023

## **THE ROTHERMERE FOUNDATION**

### **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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#### **Independent auditor's report to the Trustees of The Rothermere Foundation**

##### **Opinion**

We have audited the accounts of The Rothermere Foundation (the 'charity') for the year ended 30 September 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (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 30 September 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

##### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (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 auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

## THE ROTHERMERE FOUNDATION

### INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2022

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#### 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 Act 2011 requires 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
- sufficient accounting records have not been kept; 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.

#### Respective responsibilities of trustees

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

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

#### Auditor's responsibilities for the audit of the financial statements

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations; and
- ◆ we obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011), and those that relate to data protection (General Data Protection Regulation).

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

## THE ROTHERMERE FOUNDATION

### INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2022

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#### Auditor's responsibilities for the audit of the financial statements (continued)

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions; and
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates for the calculation of the annual depreciation charge; and the estimation of future income and expenditure flows for the purpose of assessing going concern were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ reading the minutes of meetings of those charged with governance; and
- ◆ enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

This report is made solely to the charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and with regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Buzzacott LLP  
Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

Date: 19 May 2023

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

# THE ROTHERMERE FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 SEPTEMBER 2022

|                                                         |       | Unrestricted |                         | Permanent Endowment      |                 |              |            |
|---------------------------------------------------------|-------|--------------|-------------------------|--------------------------|-----------------|--------------|------------|
|                                                         | Notes | General Fund | Rothermere Fellows Fund | Permanent Endowment Fund | Investment Fund | Total 2022   | Total 2021 |
|                                                         |       | £            | £                       | £                        | £               | £            | £          |
| Income and endowments from:                             |       |              |                         |                          |                 |              |            |
| Investments                                             | 2     | 40,368,957   | 36,541                  | -                        | -               | 40,405,498   | 1,181,762  |
| Total income                                            |       | 40,368,957   | 36,541                  | -                        | -               | 40,405,498   | 1,181,762  |
| Expenditure on:                                         |       |              |                         |                          |                 |              |            |
| Charitable activities                                   | 3     | 143,101      | -                       | -                        | -               | 143,101      | 165,202    |
| Expenditure relating to 14 Dunstan Road                 | 4     | 40,753       | -                       | -                        | -               | 40,753       | 37,171     |
|                                                         |       | 183,854      | -                       | -                        | -               | 183,854      | 202,373    |
| Charitable grant making                                 |       |              |                         |                          |                 |              |            |
| Grants payable                                          | 5     | 542,104      | -                       | -                        | -               | 542,104      | 501,025    |
| Support costs of making grants                          | 6     | 329,506      | -                       | -                        | -               | 329,506      | 120,609    |
|                                                         |       | 871,610      | -                       | -                        | -               | 871,610      | 621,634    |
| Total expenditure                                       |       | 1,055,464    | -                       | -                        | -               | 1,055,464    | 824,007    |
| Net income before investment gains and losses           |       | 39,313,493   | 36,541                  | -                        | -               | 39,350,034   | 357,755    |
| Other recognised gains and losses                       |       |              |                         |                          |                 |              |            |
| Realised gains (losses) on investments                  | 8     | -            | 30,168                  | (37,593,141)             | 20,454          | (37,542,519) | 416,237    |
| Unrealised (losses)/ gains on investments               | 8     | (11,694,287) | (310,280)               | -                        | (690,937)       | (12,695,504) | 285,555    |
| Unrealised gain on investments                          | 8     | -            | -                       | -                        | -               | -            | 19,921,552 |
| Foreign exchange gains/ (losses)                        |       | 2,828,796    | -                       | -                        | 6,063           | 2,834,859    | (7,295)    |
| Net income/ (expenditure)                               |       | 30,448,002   | (243,571)               | (37,593,141)             | (664,420)       | (8,053,130)  | 20,973,804 |
| Balances brought forward at 1 October 2021              |       | 1,916,424    | 3,624,067               | 50,249,185               | 1,529,559       | 57,319,235   | 36,345,431 |
| Balances carried forward at 30 September 2022 (Note 11) |       | 32,364,426   | 3,380,496               | 12,656,044               | 865,139         | 49,266,105   | 57,319,235 |

The results for the year all relate to continuing operations.

All recognised gains and losses are included in the statement of financial activities.

The accounting policies and notes on pages 13 to 24 form part of these financial statements.

Comparative information in respect of the year ended 30 September 2021 is provided in notes 15 and 16.

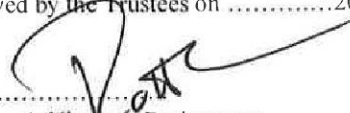
# THE ROTHERMERE FOUNDATION

## BALANCE SHEET AS AT 30 SEPTEMBER 2022

|                                                |           | <u>Unrestricted</u>      |                          | <u>Permanent Endowment</u> |                       |                          |                          |
|------------------------------------------------|-----------|--------------------------|--------------------------|----------------------------|-----------------------|--------------------------|--------------------------|
|                                                | Notes     | General Funds            | Rothermere Fellows Funds | Permanent Endowment Fund   | Investment Fund       | Total 2022               | Total 2021               |
|                                                |           | £                        | £                        | £                          | £                     | £                        | £                        |
| Fixed assets                                   |           |                          |                          |                            |                       |                          |                          |
| Tangible fixed assets                          | 7         | 680,280                  | -                        | -                          | -                     | 680,280                  | 692,120                  |
| Investments                                    | 8         | 30,099,682               | 3,231,265                | 12,656,044                 | 1,421,562             | 47,408,553               | 55,272,342               |
|                                                |           | <u>30,779,962</u>        | <u>3,231,265</u>         | <u>12,656,044</u>          | <u>1,421,562</u>      | <u>48,088,833</u>        | <u>55,964,462</u>        |
| Current assets                                 |           |                          |                          |                            |                       |                          |                          |
| Debtors                                        | 9         | 30,362                   | -                        | -                          | -                     | 30,362                   | 36,451                   |
| Cash at bank                                   |           | <u>1,637,593</u>         | <u>149,231</u>           | <u>-</u>                   | <u>(556,423)</u>      | <u>1,230,401</u>         | <u>1,397,188</u>         |
|                                                |           | 1,667,955                | 149,231                  | -                          | (556,423)             | 1,260,763                | 1,433,639                |
| Creditors: amounts falling due within one year | 10        | (83,491)                 | -                        | -                          | -                     | (83,491)                 | (78,866)                 |
| Net current assets                             |           | <u>1,584,464</u>         | <u>149,231</u>           | <u>-</u>                   | <u>(556,423)</u>      | <u>1,177,272</u>         | <u>1,354,773</u>         |
| <b>Net assets</b>                              |           | <b><u>32,364,426</u></b> | <b><u>3,380,496</u></b>  | <b><u>12,656,044</u></b>   | <b><u>865,139</u></b> | <b><u>49,266,105</u></b> | <b><u>57,319,235</u></b> |
| <b>Funds</b>                                   | <b>11</b> | <b><u>32,364,426</u></b> | <b><u>3,380,496</u></b>  | <b><u>12,656,044</u></b>   | <b><u>865,139</u></b> | <b><u>49,266,105</u></b> | <b><u>57,319,235</u></b> |

The accounting policies and notes on pages 13 to 24 form part of these financial statements.

10 May  
Approved by the Trustees on .....2023

  
.....  
The Fourth Viscount Rothermere

# THE ROTHERMERE FOUNDATION

## STATEMENT OF CASH FLOWS YEAR ENDED 30 SEPTEMBER 2022

|                                                                                               |          | 30<br>September<br>2022<br>£ | 30<br>September<br>2021<br>£ |
|-----------------------------------------------------------------------------------------------|----------|------------------------------|------------------------------|
| <b>Cash flows from operating activities:</b>                                                  |          |                              |                              |
| <i>Net cash used in operating activities</i>                                                  | <b>A</b> | <b>1,801,948</b>             | <b>(790,323)</b>             |
| <b>Cash flows from investing activities:</b>                                                  |          |                              |                              |
| Investment income and interest receivable                                                     |          | 40,405,498                   | 1,181,762                    |
| Purchase of investments                                                                       |          | (18,624,401)                 | (1,996,962)                  |
| Proceeds from the disposal of investments                                                     |          | 13,993,491                   | 1,737,862                    |
| <i>Net cash provided by investing activities</i>                                              |          | <b>35,774,588</b>            | <b>922,662</b>               |
| Change in cash and cash equivalents in the year                                               |          | 37,576,536                   | 132,339                      |
| Cash and cash equivalents at 1 October                                                        |          | 1,474,609                    | 1,342,270                    |
| <i>Cash and cash equivalents at 30 September</i>                                              | <b>B</b> | <b>39,051,145</b>            | <b>1,474,609</b>             |
| <b>A Reconciliation of net movement in funds to net cash flows from operating activities:</b> |          |                              |                              |
| <i>Net movement in funds for the year</i>                                                     |          | <b>(8,053,130)</b>           | <b>20,973,804</b>            |
| Adjustments for:                                                                              |          |                              |                              |
| Depreciation charges                                                                          |          | 11,840                       | 11,840                       |
| Losses/ (gains) on investments                                                                |          | 50,238,022                   | (20,623,344)                 |
| Investment income and interest receivable                                                     |          | (40,405,498)                 | (1,181,762)                  |
| Decrease/ (increase) in debtors                                                               |          | 6,089                        | (8,124)                      |
| Increase in creditors                                                                         |          | 4,625                        | 37,263                       |
| <i>Net cash used in operating activities</i>                                                  | <b>A</b> | <b>1,801,948</b>             | <b>(790,323)</b>             |
| <b>B Analysis of cash and cash equivalents</b>                                                |          |                              |                              |
| Cash at bank and in hand                                                                      |          | 1,230,401                    | 1,397,188                    |
| Cash held by investment managers                                                              |          | 37,820,744                   | 77,421                       |
|                                                                                               | <b>B</b> | <b>39,051,145</b>            | <b>1,474,609</b>             |

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

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### 1. Principal Accounting Policies

#### 1.1. Accounting Convention

The financial statements which have been prepared for the year to 30 September 2022, are presented in sterling and are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

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 United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) and the Charities Act 2011.

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

#### 1.2. Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the Trustees to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

- estimating the liability for multi-year grant commitments; and
- estimating the useful economic life of tangible fixed assets

With respect to the next reporting period, the most significant areas of uncertainty are the carrying value of investments and currency balances held by the charity, which will depend on the performance of investment markets and the investment income from these assets.

#### 1.3. Going Concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect of a period of one year from the date of approval of these financial statements.

The Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. This is because the value of assets held by the charity is very materially in excess of the liabilities of the charity and the level of commitments in respect of grants approved for projects payable in future years is not material.

#### 1.4. Investment income

Income is recognised in the period in which the Charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises dividends from listed investments and interest on cash deposits. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

## THE ROTHERMERE FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

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#### 1.5. Resources expended

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

Expenditure comprises the following:

- a) Educational and other grants payable are included in the Statement of Financial Activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all related conditions. Grants approved but not paid at the end of the financial period are accrued. Grants where the beneficiary has not been informed or has to meet certain conditions before the grant is released are not accrued but are noted as financial commitments in the notes to the financial statements.
- b) Expenditure relating to 14 Dunstan Road comprises the costs associated with the provision of accommodation for the Oxford Professor Fellowship.
- c) Support and governance costs represent indirect charitable expenditure incurred in order to facilitate the grant making activities of the Charity. The costs do not directly relate to the amount of time spent on processing and monitoring grants and so have not been allocated across fellowship and other educational grants respectively. Included within support and governance costs are 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.

#### 1.6. Tangible fixed assets

Tangible fixed assets are depreciated over the relevant useful economic life on a straight line basis as follows:

|                                    |   |               |
|------------------------------------|---|---------------|
| Freehold property (excluding land) | - | over 50 years |
|------------------------------------|---|---------------|

Fixed asset items costing over £500 are capitalised.

The Trustees took the opportunity on the transition to FRS 102 for the year ended 30 September 2015 to revalue the Charity's freehold property to fair value and treat this figure as deemed cost. This has resulted in an increase to the depreciation charge of £9,530 for each of the remaining 36 years of the property's useful economic life.

#### 1.7. Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and are subsequently measured at their fair value, which is considered equivalent to their open market value, at the balance sheet date. Open market value is determined by reference to the Stock Exchange Daily Official List in respect of quoted investments.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains (or losses) are calculated as the difference between the fair value at the year end and their carrying value at that date. Any movement in unrealised gains or losses is treated as a movement in the Statement of Financial Activities (SOFA).

## THE ROTHERMERE FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

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#### 1.8. Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

#### 1.9. Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

#### 1.10. Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

#### 1.11. Financial instruments

The charity holds only basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the charity and their measurement bases are as follows:

*Financial assets* – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

*Cash at bank* – is classified as a basic financial instrument and is measured at face value.

*Financial liabilities* – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

#### 1.12. Fund Accounting

The general fund comprises those funds which the Trustees are free to use in accordance with the charitable objects.

Within the general fund is a designated fixed asset fund which represents the net book value of the tangible fixed assets.

The permanent endowment funds represent those assets which must be held permanently by the charity, being held in cash as detailed in note 8 to the financial statements and referred to in note 1.7. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included within the general fund. Any capital gains or losses arising on the investments form part of the permanent endowment funds.

Within the permanent endowment funds, there is an investment fund held in UK equities for the Rothermere Fellows.

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

### 1.13. Foreign currency translation

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end, foreign currency monetary items are translated using the closing rate. Non-monetary items are measured at historical cost and translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Financial Activities except when deferred in other comprehensive income as qualifying cash flow hedges.

| 2. Investment income                                                                                        | 2022<br>£         | 2021<br>£        |
|-------------------------------------------------------------------------------------------------------------|-------------------|------------------|
| Dividends – Daily Mail and General Trust plc (DMGT) 12.5 pence per A Ordinary Non-Voting shares (see below) | 40,239,742        | 1,147,406        |
| Dividends – fellows portfolio                                                                               | 36,541            | 34,043           |
| Interest on cash deposits                                                                                   | 129,215           | 313              |
|                                                                                                             | <u>40,405,498</u> | <u>1,181,762</u> |
| 568 pence in cash for each DMGT share (income special dividend)                                             | 26,624,568        |                  |
| 17.30 pence dividend for each DMGT share (income)                                                           | 810,924           |                  |
| 0.5749 Cazoo Group Ltd shares for each DMGT share (income)                                                  | 12,804,250        |                  |
|                                                                                                             | <u>40,239,742</u> |                  |

Further details are given in note 14.

### 3. Fellowship grants

Grants and expenses of £143,101 were made to support three Rothermere Fellows in the year (2021: four Fellows).

|          | 2022<br>£      | 2021<br>£      |
|----------|----------------|----------------|
| Grants   | 138,540        | 161,066        |
| Expenses | 4,561          | 4,136          |
|          | <u>143,101</u> | <u>165,202</u> |

### 4. Expenditure relating to 14 Dunstan Road

The following expenses relate to the accommodation provided by the Foundation for the Oxford Professor Fellowship:

|                                                 | 2022<br>£     | 2021<br>£     |
|-------------------------------------------------|---------------|---------------|
| Overhead costs                                  | 6,104         | 5,422         |
| Repairs and maintenance, including garden costs | 9,476         | 10,431        |
| Motor expenses and insurance and travel costs   | 2,185         | 1,921         |
| Management fees and other costs                 | 11,148        | 7,557         |
| Depreciation                                    | 11,840        | 11,840        |
|                                                 | <u>40,753</u> | <u>37,171</u> |

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

### 5. Grants payable

|                             | 2022<br>£      | 2021<br>£      |
|-----------------------------|----------------|----------------|
| Grants paid in the year     | 502,104        | 453,715        |
| Grant commitments (note 10) | 40,000         | 47,310         |
|                             | <u>542,104</u> | <u>501,025</u> |

### Grants payable for the year

|                                   | £             | £             |
|-----------------------------------|---------------|---------------|
| <b>Medical research</b>           |               |               |
| Alzheimer's Research              | -             | 10,000        |
| British Heart Foundation          | 5,000         | -             |
| Dorset and Somerset Air Ambulance | -             | 5,000         |
| Great Ormond Street Hospital      | 5,000         | -             |
| Medecins Sans Frontieres          | 5,100         | -             |
| St Bartholomew's Hospital         | -             | 15,000        |
| St John Ambulance                 | 10,000        | -             |
|                                   | <u>25,100</u> | <u>30,000</u> |

|                                         | £              | £              |
|-----------------------------------------|----------------|----------------|
| <b>Educational/Children's charities</b> |                |                |
| Farley Academy                          | 5,000          | -              |
| Learning Skills                         | 5,000          | -              |
| Leweston School Trust                   | 1,500          | -              |
| Royal Society for Blind Children        | -              | 100,000        |
| Oxford University Development Fund      | 30,000         | 30,000         |
| Sandroyd School                         | 1,470          | 26,310         |
| St Mary's School                        | 10,000         | 10,000         |
| St Peter's College Oxford               | 100,000        | -              |
| The Magpie Project                      | -              | 3,000          |
| University of Oxford Charitable Trust   | -              | 15,609         |
| Whipperley Academy                      | 5,100          | -              |
|                                         | <u>158,070</u> | <u>184,919</u> |

|                                   | £             | £            |
|-----------------------------------|---------------|--------------|
| <b>The Arts/Sport</b>             |               |              |
| Cherubin Music Trust              | 3,000         | -            |
| Greenhouse Sports                 | 5,000         | -            |
| Royal Academy of Dramatic Arts    | 5,000         | -            |
| The British Olympic Shooting Team | 1,000         | -            |
| The Stour Music Festival Limited  | 10,000        | 5,000        |
|                                   | <u>24,000</u> | <u>5,000</u> |

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

| 5. Grants payable (continued)        | 2022<br>£      | 2021<br>£      |
|--------------------------------------|----------------|----------------|
| <b>Other charitable donations</b>    |                |                |
| Best for You                         | 5,000          | -              |
| Blandford Forum PCC                  | -              | 5,000          |
| Chalke Valley History Festival       | 9,809          | 10,206         |
| Challock Church                      | 5,000          | 5,000          |
| Charlie Waller Trust                 | 10,000         | -              |
| Cropper Paper Foundation             | 10,000         | -              |
| Cranborne Chase and Chalke Valley    | 5,000          | -              |
| Cranleigh RDA                        | 2,000          | -              |
| Deepest Books                        | -              | 41,500         |
| Deer Park Initiative                 | 1,125          | -              |
| Duke UK Trust                        | -              | 14,700         |
| Fairy Water Trust Living Uplands     | -              | 2,700          |
| Fitzroy Lodge                        | -              | 5,000          |
| Game and Wildlife Conservation Trust | 100,000        | 100,000        |
| Hands Up Foundation                  | 5,000          | 5,000          |
| Harmsworth Memorial Research         | 10,000         | -              |
| Journalists Charity                  | -              | 1,000          |
| Just the Job                         | 1,000          | -              |
| K&C Jubilee                          | 5,000          | -              |
| Northcliffe Centenary                | 29,000         | 1,000          |
| Northcliffe Pioneer Museum           | 5,000          | -              |
| Police Arboretum                     | -              | 5,000          |
| Quintessentially Foundation          | 5,000          | -              |
| Rare Breeds                          | 2,000          | -              |
| Royal Marsden                        | 10,000         | -              |
| Summerfields                         | -              | 10,000         |
| The Caring Family                    | -              | 2,000          |
| The Dominican Count                  | -              | 2,000          |
| The Hill 112 MF                      | -              | 4,000          |
| The Missing Salmon Alliance          | 100,000        | -              |
| The Platinum Jubilee Pageant Ltd.    | -              | 50,000         |
| Urban Synergy                        | -              | 15,000         |
| Wild Waves                           | -              | 1,000          |
| World Horse Welfare                  | -              | 1,000          |
| Zoological Society of London         | 10,000         | -              |
| Ukraine Equestrian Relief            | 5,000          | -              |
|                                      | <b>334,934</b> | <b>281,106</b> |
| <b>Total Grants Payable</b>          | <b>542,104</b> | <b>501,025</b> |

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

| 5. | Grants payable (continued)<br>Summary of Total Grants Payable | 2022<br>£      | 2021<br>£      |
|----|---------------------------------------------------------------|----------------|----------------|
|    | Medical research                                              | 25,100         | 30,000         |
|    | Educational/Children's charities                              | 158,070        | 184,919        |
|    | The Arts/Sport                                                | 24,000         | 5,000          |
|    | Other charitable donations                                    | 334,934        | 281,106        |
|    |                                                               | <u>542,104</u> | <u>501,025</u> |
| 6. | Support costs                                                 | 2022<br>£      | 2021<br>£      |
|    | V P W Harmsworth's fees and expenses as Secretary             | 49,415         | 43,558         |
|    | Professional fees                                             | 33,041         | 19,789         |
|    | Rothermere Fellows – investment portfolio fees                | 57,412         | 43,547         |
|    | Other costs                                                   | 3,353          | 515            |
|    | Governance costs                                              | 186,285        | 13,200         |
|    |                                                               | <u>329,506</u> | <u>120,609</u> |

Statutory audit fee of £13,656 (2021: £13,200) is included within governance costs.

| 7. | Tangible fixed assets               | Freehold<br>Property | Computer<br>Equipment<br>£ | Total<br>£     |
|----|-------------------------------------|----------------------|----------------------------|----------------|
|    | Cost or valuation                   |                      |                            |                |
|    | At 1 October 2021                   | <u>775,000</u>       | <u>772</u>                 | <u>775,772</u> |
|    | At 30 September 2022                | <u>775,000</u>       | <u>772</u>                 | <u>775,772</u> |
|    | Depreciation                        |                      |                            |                |
|    | At 1 October 2021                   | 82,880               | 772                        | 83,652         |
|    | Charge for the year                 | 11,840               | -                          | 11,840         |
|    | At 30 September 2022                | <u>94,720</u>        | <u>772</u>                 | <u>95,492</u>  |
|    | Net Book Value at 30 September 2022 | <u>680,280</u>       | <u>772</u>                 | <u>680,280</u> |
|    | Net Book Value at 30 September 2021 | <u>692,120</u>       | <u>772</u>                 | <u>692,120</u> |

The Freehold Property was revalued at market value at 30 September 2015 at £775,000 by Reuben A Diffey MRICS RICS of Property Formula Ltd and the effect of this revaluation upon transition to FRS 102 which is treated as a deemed cost, is shown in the accounting policy 1.6 on page 14.

If the property had not been revalued it would have been included at its historical cost of £16,300. All assets are used for charitable purposes.

The charity will continue to adopt a policy of not revaluing its tangible fixed assets in accordance with Section 17 of Financial Reporting Standard 102.

Included within Freehold Property is land with a carrying value of £348,750 which has not been depreciated.

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

| 8. Investments                                                                                     | 2022<br>£         | 2021<br>£         |
|----------------------------------------------------------------------------------------------------|-------------------|-------------------|
| <b>UK Equities</b>                                                                                 |                   |                   |
| Market value at 1 October 2021                                                                     | 50,249,185        | 30,327,633        |
| Disposals during the year                                                                          | (50,249,185)      | -                 |
| Unrealised gain on revaluation on DMGT shares at 30 September 2022                                 | -                 | 19,921,552        |
| Market value at 30 September 2022                                                                  | -                 | 50,249,185        |
| Historic cost at 16 April 1956                                                                     | -                 | 50,000            |
| <b>Fellows Fund</b>                                                                                |                   |                   |
| Market value at 1 October 2021                                                                     | 4,945,736         | 3,984,845         |
| Additions – Cazoo Group Ltd                                                                        | 12,804,251        | -                 |
| Additions at cost                                                                                  | 5,820,150         | 1,996,962         |
| Disposals at opening market value (proceeds: £1,337,446, realised gains: £50,622)                  | (1,286,824)       | (1,321,626)       |
| Unrealised (losses)/ gains                                                                         | (1,001,217)       | 285,555           |
| Loss on Cazoo Group Ltd shares                                                                     | (11,694,287)      | -                 |
| Market value at 30 September 2022                                                                  | 9,587,809         | 4,945,736         |
| Cash held by investment manager                                                                    | 37,820,744        | 77,421            |
|                                                                                                    | 47,408,553        | 5,023,157         |
| Represented by:                                                                                    |                   |                   |
| Rothermere unrestricted general funds                                                              | 30,099,682        | -                 |
| Rothermere Fellows unrestricted fund                                                               | 3,231,265         | 3,492,805         |
| Rothermere Endowment                                                                               | 12,656,044        | -                 |
| Rothermere Endowment investment fund                                                               | 1,421,562         | 1,530,352         |
|                                                                                                    | 47,408,553        | 5,023,157         |
| Historic cost at 30 September 2022                                                                 | 21,331,132        | 4,145,519         |
| <b>Total investments at market value at 30 September 2022</b>                                      | <b>47,408,553</b> | <b>55,272,342</b> |
| <b>Material investments in individual entities held at 30 September 2022:</b>                      |                   |                   |
| Nil (2021: 4,687,424) Daily Mail and General Trust plc 12.5 pence per A Ordinary Non-Voting shares | -                 | 50,249,185        |
| Cazoo Group Ltd shares                                                                             | 1,109,964         | -                 |

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

|                                      |               |               |
|--------------------------------------|---------------|---------------|
| <b>9. Debtors</b>                    | <b>2022</b>   | <b>2021</b>   |
|                                      | <b>£</b>      | <b>£</b>      |
| Prepayments and accrued income       | <b>30,362</b> | <b>36,451</b> |
|                                      |               |               |
| <b>10. Creditors</b>                 | <b>2022</b>   | <b>2021</b>   |
|                                      | <b>£</b>      | <b>£</b>      |
| Amounts falling due within one year: |               |               |
| Grant commitments (note 5)           | <b>40,000</b> | <b>47,310</b> |
| Accruals and deferred income         | <b>43,491</b> | <b>31,556</b> |
|                                      | <b>83,491</b> | <b>78,866</b> |

## 11. Funds

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

There is a designated **Fixed asset fund**, within General funds which represents the net book value of the tangible fixed assets. At 30 September 2022 this amounted to £680,280 (2021: £692,120).

Unrestricted funds also include the **Rothermere Fellows Fund** details of which are given in note 1.12 to the financial statements.

The **permanent endowment funds** represents those assets which must be held permanently by the charity, as detailed in note 8. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included within the General Fund. Any capital gains or losses arising on the investments form part of the permanent endowment funds.

Within the permanent endowment funds, there is an investment fund held for the Fellows.

|                                                               |                     |                   |
|---------------------------------------------------------------|---------------------|-------------------|
|                                                               | <b>2022</b>         | <b>2021</b>       |
|                                                               | <b>£</b>            | <b>£</b>          |
| Unrealised gains included above:                              |                     |                   |
| On tangible fixed assets                                      | <b>663,980</b>      | <b>675,820</b>    |
| On investments                                                | <b>26,077,421</b>   | <b>51,076,823</b> |
|                                                               | <b>26,741,401</b>   | <b>51,752,643</b> |
|                                                               |                     |                   |
| Reconciliation of movements in unrealised gains               |                     |                   |
| Unrealised gains at 1 October 2021                            | <b>51,752,643</b>   | <b>31,817,070</b> |
| Add: Net (loss)/ gain arising on revaluations during the year | <b>(62,944,689)</b> | <b>20,207,107</b> |
| Less: depreciation charged to the unrestricted general fund   | <b>(11,840)</b>     | <b>(11,840)</b>   |
| Add: movements in respect of disposals in the year            | <b>37,945,287</b>   | <b>(259,694)</b>  |
|                                                               | <b>26,741,401</b>   | <b>51,752,643</b> |

## THE ROTHERMERE FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

#### 12. Transactions with Trustees and key management personnel

Mr V P W Harmsworth's fees as Secretary for the year ended 30 September 2022 were £44,912 (2021: £43,211). He also received £4,503 (2021: £347) in reimbursed travel and other expenses. At the year-end the balance was £Nil (2021: £Nil). The aggregate fees as Secretary disbursed for the year ended 30 September 2022 were £49,415 (2021: £43,558). The payment to Mr V P W Harmsworth as Secretary has been approved by the Charity Commission.

Mr G J Holbourn received fees for accountancy advisory services of £9,585 (2021: £6,445 prior to becoming a Trustee). At the year end the balance was £1,080 (2021: £Nil).

The other Trustees received no remuneration and were not reimbursed for any expenses in the year ended 30 September 2022 (2021: £Nil).

#### 13. Related party transactions

During the year, the Trustees accepted an offer to acquire their holding of 4,687,424 shares of 12.5 pence A Ordinary Non-Voting shares in Daily Mail and General Trust plc ("DMGT") from Rothermere Continuation Limited. The Fourth Viscount Rothermere and Lady Rothermere, who are trustees of The Rothermere Foundation are also directors of Rothermere Continuation Limited.

At 30 September 2021, the Foundation was due £1,000 from V P Harmsworth. This was received during the year ended 30 September 2022, and no outstanding balances were due at 30 September 2022.

During the year, the charity awarded a grant of £10,000 (2021: £5,000) to The Stour Music Festival Limited. Mr G J Holbourn, a trustee of The Rothermere Foundation is also a Trustee of The Stour Music Festival Limited.

Details of other transactions with trustees and key management personnel are given in note 12.

#### 14. Disposal of Daily Mail and General Trust plc shares

In December 2021 the Trustees accepted an offer to acquire their holding of 4,687,424 shares of 12.5 pence A Ordinary Non-Voting shares in Daily Mail and General Trust plc ("DMGT") from Rothermere Continuation Limited. The offer was made to all shareholders of DMGT in accordance with the rules of the London Stock Exchange and the City Code on Takeovers and Mergers. The Trustees obtained an order from the Charity Commission pursuant to section 105 Charities Act 2011 to authorise the Trustees to accept the offer, notwithstanding the potential conflict of interests of two Trustees in relation to the transaction. In January 2022, the Trustees received £40,091,537 million in cash together with a holding of 2,694,800 in Cazoo Group Ltd shares. The Trustees are seeking professional advice as to the reinvestment of these funds in accordance with their investment duties.

|                                                                                 |                   |
|---------------------------------------------------------------------------------|-------------------|
| The disposal of DMGT shares of 12.5 pence A ordinary Non-Voting was as follows: | £                 |
| 568 pence in cash for each DMGT share (income special dividend)                 | 26,624,568        |
| 17.30 pence dividend for each DMGT share (income)                               | 810,924           |
| 0.5749 Cazoo Group Ltd shares for each DMGT share (income)                      | 12,804,250        |
|                                                                                 | <u>40,239,742</u> |
| 270 pence in cash for each DMGT share (Capital – Permanent Endowment Fund)      | 12,656,045        |
|                                                                                 | <u>52,895,787</u> |

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

### 15 Comparative Statement of financial activities - 2021

|                                                      |       | <u>Unrestricted</u> |                         | <u>Permanent Endowment</u> |                  |                   |
|------------------------------------------------------|-------|---------------------|-------------------------|----------------------------|------------------|-------------------|
|                                                      | Notes | General Fund        | Rothermere Fellows Fund | Permanent Endowment Fund   | Investment Fund  | Total 2021        |
|                                                      |       | £                   | £                       | £                          | £                | £                 |
| <b>Income and endowments from:</b>                   |       |                     |                         |                            |                  |                   |
| Investments                                          | 2     | 1,147,719           | 34,043                  | -                          | -                | 1,181,762         |
| <b>Total income</b>                                  |       | <u>1,147,719</u>    | <u>34,043</u>           | <u>-</u>                   | <u>-</u>         | <u>1,181,762</u>  |
| <b>Expenditure on:</b>                               |       |                     |                         |                            |                  |                   |
| Charitable activities                                | 3     | 165,202             | -                       | -                          | -                | 165,202           |
| Expenditure relating to 14 Dunstan Road              | 4     | 37,171              | -                       | -                          | -                | 37,171            |
|                                                      |       | <u>202,373</u>      | <u>-</u>                | <u>-</u>                   | <u>-</u>         | <u>202,373</u>    |
| Charitable grant making                              |       |                     |                         |                            |                  |                   |
| Grants payable                                       | 5     | 501,025             | -                       | -                          | -                | 501,025           |
| Support costs of making grants                       | 6     | 120,609             | -                       | -                          | -                | 120,609           |
|                                                      |       | <u>621,634</u>      | <u>-</u>                | <u>-</u>                   | <u>-</u>         | <u>621,634</u>    |
| <b>Total expenditure</b>                             |       | <u>824,007</u>      | <u>-</u>                | <u>-</u>                   | <u>-</u>         | <u>824,007</u>    |
| <b>Net income before investment gains and losses</b> |       | 323,712             | 34,043                  | -                          | -                | 357,755           |
| <b>Other recognised gains and losses</b>             |       |                     |                         |                            |                  |                   |
| Unrealised gains/ (losses) on investments            | 8     | -                   | 171,664                 | 19,921,552                 | 113,891          | 20,207,107        |
| Realised gains on investments                        | 8     | -                   | 325,751                 | -                          | 90,486           | 416,237           |
| Foreign exchange losses                              |       | -                   | -                       | -                          | (7,295)          | (7,295)           |
|                                                      |       | <u>-</u>            | <u>171,664</u>          | <u>19,921,552</u>          | <u>106,591</u>   | <u>20,385,607</u> |
| <b>Net income/ (expenditure)</b>                     |       | 323,712             | 531,458                 | 19,921,552                 | 197,082          | 20,973,804        |
| Balances brought forward at 1 October 2020           |       | <u>1,592,712</u>    | <u>3,092,609</u>        | <u>30,327,633</u>          | <u>1,332,477</u> | <u>36,345,431</u> |
| <b>Balances carried forward at 30 September 2021</b> |       | <u>1,916,424</u>    | <u>3,624,067</u>        | <u>50,249,185</u>          | <u>1,529,559</u> | <u>57,319,235</u> |

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

### 16 Comparative balance sheet - 2021

|                                                       | Notes | <u>Unrestricted</u><br>General Fund | Rothermere<br>Fellows Fund | <u>Permanent Endowment</u><br>Permanent<br>Endowment Fund | Investment Fund  | Total<br>2021     |
|-------------------------------------------------------|-------|-------------------------------------|----------------------------|-----------------------------------------------------------|------------------|-------------------|
|                                                       |       | £                                   | £                          | £                                                         | £                | £                 |
| <b>Fixed assets</b>                                   |       |                                     |                            |                                                           |                  |                   |
| Tangible fixed assets                                 | 7     | 692,120                             | -                          | -                                                         | -                | 692,120           |
| Investments                                           | 8     | -                                   | 3,492,805                  | 50,249,185                                                | 1,530,352        | 55,272,342        |
|                                                       |       | <u>692,120</u>                      | <u>3,492,805</u>           | <u>50,249,185</u>                                         | <u>1,530,352</u> | <u>55,964,462</u> |
| <b>Current assets</b>                                 |       |                                     |                            |                                                           |                  |                   |
| Debtors                                               | 9     | 36,451                              | -                          | -                                                         | -                | 36,451            |
| Cash at bank                                          |       | <u>1,266,719</u>                    | <u>131,262</u>             | <u>-</u>                                                  | <u>(793)</u>     | <u>1,397,188</u>  |
|                                                       |       | 1,303,170                           | 131,262                    | -                                                         | (793)            | 1,433,639         |
| <b>Creditors: amounts falling due within one year</b> | 10    | (78,866)                            | -                          | -                                                         | -                | (78,866)          |
| <b>Net current assets</b>                             |       | <u>1,224,304</u>                    | <u>131,262</u>             | <u>-</u>                                                  | <u>(793)</u>     | <u>1,354,773</u>  |
| <b>Net assets</b>                                     |       | <u>1,916,424</u>                    | <u>3,624,067</u>           | <u>50,249,185</u>                                         | <u>1,529,559</u> | <u>57,319,235</u> |
| <b>Funds</b>                                          | 11    | <u>1,916,424</u>                    | <u>3,624,067</u>           | <u>50,249,185</u>                                         | <u>1,529,559</u> | <u>57,319,235</u> |

**THE ROTHERMERE FOUNDATION**

England & Wales - Charity number 314125

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# Accounts

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**Charity Registration No. 314125 (England and Wales)**

**THE ROTHERMERE FOUNDATION  
REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 30 SEPTEMBER 2021**

# THE ROTHERMERE FOUNDATION

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## LEGAL AND ADMINISTRATIVE INFORMATION

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# THE ROTHERMERE FOUNDATION

## TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2021

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The Trustees present their report and the financial statements of The Rothermere Foundation for the year ended 30 September 2021.

This annual report has been prepared in accordance with Part 8 of the Charities Act 2011.

The financial statements have been prepared in accordance with the accounting policies set out on pages 13 to 16 of the attached financial statements and comply with the Charity's Trust Deed, the Charities Act 2011, applicable law and 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 United Kingdom and Republic of Ireland (FRS 102).

### Structure, Governance and Management

#### *Constitution*

The Foundation was established under a Trust Deed dated 16 April 1956 and registered as a charity shortly thereafter. The Foundation was endowed with investments by The Second Viscount Rothermere.

#### *Risk management*

The Foundation's principal asset and therefore, given the grant-making nature of the charity, its principal risk, comprises listed investments, the value of which is dependent on movements in UK and international stock markets.

The Trustees have considered this and other major risks to which the charity is exposed, in particular those related to the operational areas of the Foundation, its investments and its finances. The Trustees believe that these risks are mitigated by:

- ◆ A body of Trustees with the necessary experience and competence to supervise all aspects of the Foundation's activities;
- ◆ An established set of procedures to determine the level of Trustee approval required for grants, as well as the extent of monitoring, follow up visits and staging of payments; and
- ◆ Regular Trustee meetings at which all aspects of the Foundation's activities are reviewed.

#### *Trustees*

The Trustees plan to meet twice a year to consider grant applications, review investment performance and discuss matters of a strategic and administrative nature.

The Trustees who served during the year are shown on page 2. The power to appoint new Trustees is vested in the existing Trustees of the Foundation.

The present Trustees have a wide knowledge and include the chairman of a quoted company and a retired regular army officer and specialist in public relations. Mr G J Holbourn, a Chartered Accountant, was appointed as a Trustee on 4<sup>th</sup> November 2021.

#### *Key management personnel*

The key management personnel of the Charity in charge of directing and controlling, running and operating the Foundation on a day to day basis comprise the Trustees. No Trustee receives remuneration for their work as a Trustee, however one Trustee (2020 – one) received fees for his work as Secretary to the Charity and this fee is increased annually using the Retail Prices Index as at 30 September. Further details are given in note 6.

# THE ROTHERMERE FOUNDATION

## TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2021

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### Objectives, Activities and Achievements

#### *Objects*

The principal objects of the Foundation are to enable graduates of the Memorial University of Newfoundland to continue their education in the United Kingdom and to advance other charitable purposes.

#### *Activities*

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and setting grant making policies.

The Rothermere Foundation supports post PhD graduates from Memorial University Newfoundland so that they may pursue their studies to a higher degree and return to Newfoundland to make a significant contribution to the welfare of that province through their social, business or science skills.

Subsidiary activities support the Rothermere American Institute (RAI) at Oxford which fosters relationships between the two countries via academic studies and the Rothermere Foundation also supports the Vyvyan Harmsworth Professor of American History.

#### *Achievements*

The Rothermere Fellows are reported on annually by their teachers and supervisors and all have achieved their aims with very satisfactory or outstanding results.

The RAI grows in stature annually and is now an important part of Oxford University playing a major part in Anglo-American affairs.

#### *Grant making policy*

Decisions on grants are made by the Trustees. All Trustees are involved in the grant making process. Trustees will only approve grants or fund projects which demonstrate public benefit within the criteria of the Charity Commission's guidance.

### Financial Review

#### *Reserves policy*

The Trustees' policy is to maintain a level of cash reserves out of current income which will provide a stable base for its continuing activities whilst ensuring excessive funds are not accumulated. The Trustees believe that the reserves are sufficient for its current purposes and these are reviewed on a regular basis.

Substantial donations were made in the year ended 30 September 2021 to expend more of the Foundation's reserves, including £100,000 to The Royal Society for Blind Children and £100,000 to the Wildlife Conservation Trust and £50,000 to The Platinum Jubilee Pageant Ltd. Details of grants are given in note 5, on pages 18 and 19.

Total funds as at 30 September 2021 amounted to £57,319,235 (2020: £36,345,431), a significant proportion of which is represented by the permanent endowment of £50,249,185 (2020: £30,327,633). The permanent endowment investment fund totalled £1,529,559 (2020: £1,332,477). Funds totalling £3,624,067 (2020: £3,092,609) have been set aside to make grants to the Rothermere fellows. The general funds of the Charity as at 30 September 2021 totalled £1,916,424 (2020: £1,592,712).

# THE ROTHERMERE FOUNDATION

## TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2021

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### Financial Review

#### *Financial results*

During the year donations of £501,025 (2020: £393,410) and fellowship grants of £165,202 (2020: £129,688) were made or committed. The recipients are detailed in note 5, pages 18 and 19.

The charity received £1,181,762 of Unrestricted investment income during the year (2020: £1,172,149). Permanent Endowment Investment Income of £Nil (2020: £Nil) and Permanent Investment fund of £Nil (2020: £Nil).

The total net income for the year (before unrealised gains and losses) was £357,755 (2020: £504,958). This was the net result of net income of £323,712 in the Unrestricted General Fund (2020: £465,106), a net income of £34,043 in the Rothermere Fellows Fund (2020: £39,852).

During the year ended 30 September 2021 the investments held by the Foundation had an unrealised gain on revaluation of £20,207,107 (2020: unrealised loss £9,473,601) as shown in note 8.

The total net movement in the funds for the year was an increase of £20,973,804 (2020: decrease £8,982,466). This was the net result of an increase of £323,712 (2020: £465,106) in the Unrestricted General Fund, an increase of £531,458 (2020: £141,734) in the Rothermere Fellows Fund, an increase of £19,921,552 (2020: net decrease of £9,656,100) in the Permanent Endowment Fund and an increase of £197,082 (2020: £66,794) in the Permanent Endowment Investment Fund. The movements on the Foundation's funds are shown in detail on page 10.

#### *Investment policy*

Under the terms of the Trust Deed, the Trustees may, at their absolute discretion, buy or sell investments in any funds in any country worldwide. The Trustees had adopted the position where they would retain the Daily Mail and General Trust plc 12.5 pence A Ordinary Non-Voting Shares, as originally settled by the settlor.

Subsequent to the year end, the holding in Daily Mail and General Trust plc shares were acquired by Rothermere Continuation Limited, details of which are disclosed under post balance sheet events.

### Post balance sheet events

In December 2021 the Trustees accepted an offer to acquire their holding of 4,687,424 shares of 12.5 pence A ordinary Non-Voting shares in Daily Mail and General Trust plc ("DGMT") from Rothermere Continuation Limited. The offer was made to all shareholders of DGMT in accordance with the rules of the London Stock Exchange and the City Code on Takeovers and Mergers. The Trustees obtained an order from the Charity Commission pursuant to section 105 Charities Act 2011 to authorise the Trustees to accept the offer, notwithstanding the potential conflict of interests of some of the Trustees in relation to the transaction. In January 2022, the Trustees received £39.281 million in cash together with a holding of 2,694,800 in Cazoo Group shares which at the time of this report are valued at £8.381 million. The Trustees are now seeking professional advice as to the reinvestment of these funds in accordance with their investment duties.

Under section 280 of the Charities Act 2011 (the "Act"), the Trustees of the Foundation have the power to modify any provisions of the Foundation's Trust Deed (dated 16 April 1956) which relate to any of the powers exercisable by the Trustees in the administration of the Charity. On 4 November 2021, the Trustees passed a resolution in exercise of the power at section 280 of the Act, to amend the Trust Deed in order to update the provisions around the appointment and removal of Trustees; insert provisions to allow for Trustee meetings to be held virtually and insert provisions around the management of conflicts of interest.

# THE ROTHERMERE FOUNDATION

## TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2021

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### Trustees

The Trustees who have held office since 1 October 2020 are as follows: -

The Fourth Viscount Rothermere

Viscountess Rothermere

Mr V P W Harmsworth

Mr G J Holbourn (appointed on 4<sup>th</sup> November 2021)

### Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the accounts 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 accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the Foundation for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in Accounting and Reporting by charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102)
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are also 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 accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Trustees



.....  
The Fourth Viscount Rothermere

18 Mar

2022

# THE ROTHERMERE FOUNDATION

## INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2021

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### Independent auditor's report to the Trustees of The Rothermere Foundation

#### Opinion

We have audited the accounts of The Rothermere Foundation (the 'charity') for the year ended 30 September 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (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 30 September 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (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 auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

# THE ROTHERMERE FOUNDATION

## INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2021

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### 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 Act 2011 requires 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
- sufficient accounting records have not been kept; 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.

### Respective responsibilities of trustees

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

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

### Auditor's responsibilities for the audit of the financial statements

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations; and
- ◆ we obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011), and those that relate to data protection (General Data Protection Regulation).

We assessed the susceptibility of the charity's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

## THE ROTHERMERE FOUNDATION

### Auditor's responsibilities for the audit of the financial statements (continued)

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions; and
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates for the calculation of the annual depreciation charge; and the estimation of future income and expenditure flows for the purpose of assessing going concern were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ reading the minutes of meetings of those charged with governance; and
- ◆ enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

This report is made solely to the charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and with regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Buzzacott LLP  
Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

Date: 31 May 2022

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

# THE ROTHERMERE FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 SEPTEMBER 2021

|                                                                |       | <u>Unrestricted</u> |                          | <u>Permanent Endowment</u> |                  |                   |                    |
|----------------------------------------------------------------|-------|---------------------|--------------------------|----------------------------|------------------|-------------------|--------------------|
|                                                                | Notes | General Funds       | Rothermere Fellows Funds | Permanent Endowment Fund   | Investment Fund  | Total 2021        | Total 2020         |
|                                                                |       | £                   | £                        | £                          | £                | £                 | £                  |
| <b>Income and endowments from:</b>                             |       |                     |                          |                            |                  |                   |                    |
| <b>Investments</b>                                             | 2     | 1,147,719           | 34,043                   | -                          | -                | 1,181,762         | 1,172,141          |
| <b>Total income</b>                                            |       | <u>1,147,719</u>    | <u>34,043</u>            | <u>-</u>                   | <u>-</u>         | <u>1,181,762</u>  | <u>1,172,141</u>   |
| <b>Expenditure on:</b>                                         |       |                     |                          |                            |                  |                   |                    |
| <b>Charitable activities</b>                                   | 3     | 165,202             | -                        | -                          | -                | 165,202           | 129,681            |
| <b>Expenditure relating to 14 Dunstan Road</b>                 | 4     | 37,171              | -                        | -                          | -                | 37,171            | 39,841             |
|                                                                |       | <u>202,373</u>      | <u>-</u>                 | <u>-</u>                   | <u>-</u>         | <u>202,373</u>    | <u>169,522</u>     |
| <b>Charitable grant making</b>                                 |       |                     |                          |                            |                  |                   |                    |
| <b>Grants payable</b>                                          | 5     | 501,025             | -                        | -                          | -                | 501,025           | 393,410            |
| <b>Support costs of making grants</b>                          | 6     | 120,609             | -                        | -                          | -                | 120,609           | 104,251            |
|                                                                |       | <u>621,634</u>      | <u>-</u>                 | <u>-</u>                   | <u>-</u>         | <u>621,634</u>    | <u>497,661</u>     |
| <b>Total expenditure</b>                                       |       | <u>824,007</u>      | <u>-</u>                 | <u>-</u>                   | <u>-</u>         | <u>824,007</u>    | <u>667,191</u>     |
| <b>Net income before investment gains and losses</b>           |       | 323,712             | 34,043                   | -                          | -                | 357,755           | 504,951            |
| <b>Other recognised gains and losses</b>                       |       |                     |                          |                            |                  |                   |                    |
| Unrealised gains/ (losses) on investments                      | 8     | -                   | 171,664                  | 19,921,552                 | 113,891          | 20,207,107        | (9,473,601)        |
| Realised gains on investments                                  | 8     | -                   | 325,751                  | -                          | 90,486           | 416,237           | 22,701             |
| Foreign exchange (losses)                                      |       | -                   | -                        | -                          | (7,295)          | (7,295)           | (36,527)           |
| <b>Net income/ (expenditure)</b>                               |       | <u>323,712</u>      | <u>531,458</u>           | <u>19,921,552</u>          | <u>197,082</u>   | <u>20,973,804</u> | <u>(8,982,466)</u> |
| Balances brought forward at 1 October 2020                     |       | <u>1,592,712</u>    | <u>3,092,609</u>         | <u>30,327,633</u>          | <u>1,332,477</u> | <u>36,345,431</u> | <u>45,327,891</u>  |
| <b>Balances carried forward at 30 September 2021 (Note 11)</b> |       | <u>1,916,424</u>    | <u>3,624,067</u>         | <u>50,249,185</u>          | <u>1,529,559</u> | <u>57,319,235</u> | <u>36,345,431</u>  |

The results for the year all relate to continuing operations.

All recognised gains and losses are included in the statement of financial activities.

The accounting policies and notes on pages 13 to 25 form part of these financial statements.

Comparative information in respect of the year ended 30 September 2020 is provided in notes 15 and 16.

# THE ROTHERMERE FOUNDATION

## BALANCE SHEET AS AT 30 SEPTEMBER 2021

|                                                |       | <u>Unrestricted</u> |                          | <u>Permanent Endowment</u> |                  |                   |                   |
|------------------------------------------------|-------|---------------------|--------------------------|----------------------------|------------------|-------------------|-------------------|
|                                                | Notes | General Funds       | Rothermere Fellows Funds | Permanent Endowment Fund   | Investment Fund  | Total 2021        | Total 2020        |
|                                                |       | £                   | £                        | £                          | £                | £                 | £                 |
| Fixed assets                                   |       |                     |                          |                            |                  |                   |                   |
| Tangible fixed assets                          | 7     | 692,120             | -                        | -                          | -                | 692,120           | 703,960           |
| Investments                                    | 8     | -                   | 3,492,805                | 50,249,185                 | 1,530,352        | 55,272,342        | 34,648,488        |
|                                                |       | 692,120             | 3,492,805                | 50,249,185                 | 1,530,352        | 55,964,462        | 35,352,448        |
| Current assets                                 |       |                     |                          |                            |                  |                   |                   |
| Debtors                                        | 9     | 36,451              | -                        | -                          | -                | 36,451            | 28,328            |
| Cash at bank                                   |       | 1,266,719           | 131,262                  | -                          | (793)            | 1,397,188         | 1,006,258         |
|                                                |       | 1,303,170           | 131,262                  | -                          | (793)            | 1,433,639         | 1,034,586         |
| Creditors: amounts falling due within one year | 10    | (78,866)            | -                        | -                          | -                | (78,866)          | (41,603)          |
| Net current assets                             |       | 1,224,304           | 131,262                  | -                          | (793)            | 1,354,773         | 992,983           |
| Net assets                                     |       | <u>1,916,424</u>    | <u>3,624,067</u>         | <u>50,249,185</u>          | <u>1,529,559</u> | <u>57,319,235</u> | <u>36,345,431</u> |
| Funds                                          | 11    | <u>1,916,424</u>    | <u>3,624,067</u>         | <u>50,249,185</u>          | <u>1,529,559</u> | <u>57,319,235</u> | <u>36,345,431</u> |

The accounting policies and notes on pages 13 to 25 form part of these financial statements.

Approved by the Trustees on 18 MAY 2022

.....  
The Fourth Viscount Rothermere



# THE ROTHERMERE FOUNDATION

## STATEMENT OF CASH FLOWS YEAR ENDED 30 SEPTEMBER 2021

|                                                                                               |          | 30<br>September<br>2021<br>£ | 30<br>September<br>2020<br>£ |
|-----------------------------------------------------------------------------------------------|----------|------------------------------|------------------------------|
| <b>Cash flows from operating activities:</b>                                                  |          |                              |                              |
| <i>Net cash used in operating activities</i>                                                  | <b>A</b> | <b>(790,323)</b>             | <b>(662,583)</b>             |
| <b>Cash flows from investing activities:</b>                                                  |          |                              |                              |
| Investment income and interest receivable                                                     |          | 1,181,762                    | 1,172,149                    |
| Purchase of investments                                                                       |          | (1,996,962)                  | (1,872,731)                  |
| Proceeds from the disposal of investments                                                     |          | 1,737,862                    | 919,574                      |
| <i>Net cash provided by investing activities</i>                                              |          | <b>922,662</b>               | <b>218,992</b>               |
| Change in cash and cash equivalents in the year                                               |          | 132,339                      | (443,591)                    |
| Cash and cash equivalents at 1 October                                                        |          | 1,342,270                    | 1,785,861                    |
| <i>Cash and cash equivalents at 30 September</i>                                              | <b>B</b> | <b>1,474,609</b>             | <b>1,342,270</b>             |
| <b>A Reconciliation of net movement in funds to net cash flows from operating activities:</b> |          |                              |                              |
| <b>Net movement in funds for the year</b>                                                     |          | <b>20,973,804</b>            | <b>(8,982,466)</b>           |
| Adjustments for:                                                                              |          |                              |                              |
| Depreciation charges                                                                          |          | 11,840                       | 11,840                       |
| (Gains)/ losses on investments                                                                |          | (20,623,344)                 | 9,450,897                    |
| Investment income and interest receivable                                                     |          | (1,181,762)                  | (1,172,149)                  |
| (Increase)/ decrease in debtors                                                               |          | (8,124)                      | 26,089                       |
| Increase in creditors                                                                         |          | 37,263                       | 3,206                        |
| <i>Net cash used in operating activities</i>                                                  | <b>A</b> | <b>(790,323)</b>             | <b>(662,583)</b>             |
| <b>B Analysis of cash and cash equivalents</b>                                                |          |                              |                              |
| Cash at bank and in hand                                                                      |          | 1,397,188                    | 1,006,258                    |
| Cash held by investment managers                                                              |          | 77,421                       | 336,012                      |
|                                                                                               | <b>B</b> | <b>1,474,609</b>             | <b>1,342,270</b>             |

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

---

### 1. Principal Accounting Policies

#### 1.1. Accounting Convention

The financial statements which have been prepared for the year to 30 September 2021, are presented in sterling and are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

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 United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

#### 1.2. Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the Trustees to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

- estimating the liability for multi-year grant commitments; and
- estimating the useful economic life of tangible fixed assets

With respect to the next reporting period, the most significant areas of uncertainty are the carrying value of investment assets held by the charity, which will depend on the performance of investment markets and the investment income from these assets.

#### 1.3. Going Concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect of a period of one year from the date of approval of these financial statements.

The Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. This is because the value of assets held by the charity is very materially in excess of the liabilities of the charity and the level of commitments in respect of grants approved for projects payable in future years.

#### 1.4. Investment income

Income is recognised in the period in which the Charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises dividends from listed investments and interest on cash deposits. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

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### 1.5. Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probably that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure comprises the following:

- a) Educational and other grants payable are included in the Statement of Financial Activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all related conditions. Grants approved but not paid at the end of the financial period are accrued. Grants where the beneficiary has not been informed or has to meet certain conditions before the grant is released are not accrued but are noted as financial commitments in the notes to the financial statements.
- b) Expenditure relating to 14 Dunstan Road comprises the costs associated with the provision of accommodation for the Oxford Professor Fellowship.
- c) Support and governance costs represent indirect charitable expenditure incurred in order to facilitate the grant making activities of the Charity. The costs do not directly relate to the amount of time spent on processing and monitoring grants and so have not been allocated across fellowship and other educational grants respectively. Included within support and governance costs are 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.

### 1.6. Tangible fixed assets

Tangible fixed assets are depreciated over the relevant useful economic life on a straight line basis as follows:

|                                    |   |               |
|------------------------------------|---|---------------|
| Freehold property (excluding land) | - | over 50 years |
| Computer equipment                 | - | over 3 years  |

Fixed asset items costing over £500 are capitalised.

The Trustees took the opportunity on the transition to FRS 102 for the year ended 30 September 2015 to revalue the Charity's freehold property to fair value and treat this figure as deemed cost. This has resulted in an increase to the depreciation charge of £9,530 for each of the remaining 36 years of the property's useful economic life.

### 1.7. Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and are subsequently measured at their fair value, which is considered equivalent to their open market value, at the balance sheet date. Open market value is determined by reference to the Stock Exchange Daily Official List in respect of quoted investments.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains (or losses) are calculated as the difference between the fair value at the year end and their carrying value at that date. Any movement in unrealised gains or losses is treated as a movement in the Statement of Financial Activities (SOFA).

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

---

### 1.8. Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

### 1.9. Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

### 1.10. Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

### 1.11. Financial instruments

The charity holds only basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the charity and their measurement bases are as follows:

*Financial assets* – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

*Cash at bank* – is classified as a basic financial instrument and is measured at face value.

*Financial liabilities* – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

### 1.12. Fund Accounting

The general fund comprises those funds which the Trustees are free to use in accordance with the charitable objects.

Within the general fund is a designated fixed asset fund which represents the net book value of the tangible fixed assets.

The permanent endowment funds represent those assets which must be held permanently by the charity, being the investments in UK equities as detailed in note 8 to the financial statements referred to in note 1.7. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included within the General Fund. Any capital gains or losses arising on the investments form part of the permanent endowment fund.

Within the permanent endowment funds, there is an investment fund held for the Fellows.

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

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### 1.13. Foreign currency translation

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end, foreign currency monetary items are translated using the closing rate. Non-monetary items are measured at historical cost and translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Financial Activities except when deferred in other comprehensive income as qualifying cash flow hedges.

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

| 2. Investment income          | 2021<br>£        | 2020<br>£        |
|-------------------------------|------------------|------------------|
| Dividends – quoted and listed | 1,147,406        | 1,132,211        |
| Dividends – fellows portfolio | 34,043           | 39,852           |
| Interest on cash deposits     | 313              | 86               |
|                               | <u>1,181,762</u> | <u>1,172,149</u> |

### 3. Fellowship grants

Grants and expenses of £165,202 were made to support four Rothermere Fellows in the year (2020: three Fellows).

|          | 2021<br>£      | 2020<br>£      |
|----------|----------------|----------------|
| Grants   | 161,066        | 123,366        |
| Expenses | 4,136          | 6,322          |
|          | <u>165,202</u> | <u>129,688</u> |

### 4. Expenditure relating to 14 Dunstan Road

The following expenses relate to the accommodation provided by the Foundation for the Oxford Professor Fellowship:

|                                                 | 2021<br>£     | 2020<br>£     |
|-------------------------------------------------|---------------|---------------|
| Overhead costs                                  | 5,422         | 6,785         |
| Repairs and maintenance, including garden costs | 10,431        | 10,461        |
| Motor expenses and insurance and travel costs   | 1,921         | 3,864         |
| Management fees and other costs                 | 7,557         | 6,891         |
| Depreciation                                    | 11,840        | 11,840        |
|                                                 | <u>37,171</u> | <u>39,841</u> |

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

### 5. Grants payable

|                             | 2021<br>£      | 2020<br>£      |
|-----------------------------|----------------|----------------|
| Grants paid in the year     | 453,715        | 378,410        |
| Grant commitments (note 10) | 47,310         | 15,000         |
|                             | <u>501,025</u> | <u>393,410</u> |

### Grants payable for the year

|                                   | £             | £            |
|-----------------------------------|---------------|--------------|
| <b>Medical research</b>           |               |              |
| Alzheimer's Research              | 10,000        | -            |
| Dorset and Somerset Air Ambulance | 5,000         | -            |
| Julia's House Hospice             | -             | 1,000        |
| St Bartholomews                   | 15,000        | -            |
| Wellbeing of Women                | -             | 5,000        |
|                                   | <u>30,000</u> | <u>6,000</u> |

|                                         | £              | £              |
|-----------------------------------------|----------------|----------------|
| <b>Educational/Children's charities</b> |                |                |
| Royal Society for Blind Children        | 100,000        | -              |
| Oxford University Development Fund      | 30,000         | -              |
| Sandroyd School                         | 26,310         | 26,310         |
| St Mary's School                        | 10,000         | -              |
| St Peter's College Oxford               | -              | 100,000        |
| The Magpie Project                      | 3,000          | -              |
| University of Oxford Charitable Trust   | 15,609         | 30,000         |
|                                         | <u>184,919</u> | <u>156,310</u> |

|                                  | £            | £            |
|----------------------------------|--------------|--------------|
| <b>The Arts/Sport</b>            |              |              |
| Cherubin Music Trust             | -            | 1,000        |
| The Stour Music Festival Limited | 5,000        | 5,000        |
|                                  | <u>5,000</u> | <u>6,000</u> |

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

| 5. Grants payable (continued)     | 2021<br>£      | 2020<br>£      |
|-----------------------------------|----------------|----------------|
| <b>Other charitable donations</b> |                |                |
| Blandford Forum PCC               | 5,000          | -              |
| Chalke Valley History Festival    | 10,206         | (5,000)        |
| Challock Church                   | 5,000          | -              |
| Deepest Books                     | 41,500         | -              |
| Duke UK Trust                     | 14,700         | -              |
| Fairy Water Trust Living Uplands  | 2,700          | -              |
| Fitzroy Lodge                     | 5,000          | -              |
| Game Alliance Limited             | -              | 10,000         |
| Great Dixter                      | -              | 5,000          |
| Hands Up Foundation               | 5,000          | -              |
| Horatio's Garden                  | -              | 5,000          |
| Imperial War Museum Foundation    | -              | 15,000         |
| Journalists Charity               | 1,000          | -              |
| Mail Force Charity CIO            | -              | 150,000        |
| Northcliffe Centenary             | 1,000          | -              |
| Police Arboretum                  | 5,000          | -              |
| Royal British Legion              | -              | 10,000         |
| Stars Appeal                      | -              | 100            |
| Summer Fields                     | 10,000         | -              |
| The Caring Family                 | 2,000          | -              |
| The Dominican Count               | 2,000          | -              |
| The Hill 112 MF                   | 4,000          | -              |
| The Platinum Jubilee Pageant Ltd. | 50,000         | -              |
| Urban Synergy                     | 15,000         | 10,000         |
| War Memorial Trust                | -              | 10,000         |
| Wild Waves                        | 1,000          | -              |
| Wildlife Conservation Trust       | 100,000        | -              |
| World Horse Welfare               | 1,000          | 5,000          |
| Zoological Society of London      | -              | 10,000         |
|                                   | <b>281,106</b> | <b>225,100</b> |
| <b>Total Grants Payable</b>       | <b>501,025</b> | <b>393,410</b> |

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

|    |                                                   |                          |                           |
|----|---------------------------------------------------|--------------------------|---------------------------|
| 5. | <b>Grants payable (continued)</b>                 | <b>2021</b>              | 2020                      |
|    | <b>Summary of Total Grants Payable</b>            | <b>£</b>                 | <b>£</b>                  |
|    | Medical research                                  | <b>30,000</b>            | <b>6,000</b>              |
|    | Educational/Children’s charities                  | <b>184,919</b>           | <b>156,310</b>            |
|    | The Arts/Sport                                    | <b>5,000</b>             | <b>6,000</b>              |
|    | Other charitable donations                        | <b>281,106</b>           | <b>225,100</b>            |
|    |                                                   | <b>501,025</b>           | <b>393,410</b>            |
| 6. | <b>Support costs</b>                              | <b>2021</b>              | 2020                      |
|    |                                                   | <b>£</b>                 | <b>£</b>                  |
|    | V P W Harmsworth’s fees and expenses as Secretary | <b>43,558</b>            | <b>44,811</b>             |
|    | Professional fees                                 | <b>19,789</b>            | <b>20,952</b>             |
|    | Rothermere Fellows – investment portfolio fees    | <b>43,547</b>            | <b>26,621</b>             |
|    | Other costs                                       | <b>515</b>               | <b>(555)</b>              |
|    | Governance – Audit fee                            | <b>13,200</b>            | <b>12,423</b>             |
|    |                                                   | <b>120,609</b>           | <b>104,252</b>            |
| 7. | <b>Tangible fixed assets</b>                      | <b>Freehold Property</b> | <b>Computer Equipment</b> |
|    | <b>Cost or valuation</b>                          | <b>£</b>                 | <b>Total £</b>            |
|    | At 1 October 2020                                 | 775,000                  | 772                       |
|    | At 30 September 2021                              | 775,000                  | 772                       |
|    | <b>Depreciation</b>                               |                          |                           |
|    | At 1 October 2020                                 | 71,040                   | 772                       |
|    | Charge for the year                               | 11,840                   | -                         |
|    | At 30 September 2021                              | 82,880                   | 772                       |
|    | <b>Net Book Value at 30 September 2021</b>        | 692,120                  | -                         |
|    | Net Book Value at 30 September 2020               | 703,960                  | -                         |

The Freehold Property was revalued at market value at 30 September 2015 at £775,000 by Reuben A Diffey MRICS RICS of Property Formula Ltd and the effect of this revaluation upon transition to FRS 102 which is treated as a deemed cost, is shown in the accounting policy 1.6 on page 14.

If the property had not been revalued it would have been included at its historical cost of £16,300. All assets are used for charitable purposes.

The charity will continue to adopt a policy of not revaluing its tangible fixed assets in accordance with Section 17 of Financial Reporting Standard 102.

Included within Freehold Property is land with a carrying value of £348,750 which has not been depreciated.

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

| 8. Investments                                                                                           | 2021<br>£         | 2020<br>£         |
|----------------------------------------------------------------------------------------------------------|-------------------|-------------------|
| <b>UK Equities</b>                                                                                       |                   |                   |
| Market value at 1 October 2020                                                                           | 30,327,633        | 39,983,733        |
| Unrealised gain/(loss) on revaluation at 30 September 2021                                               | 19,921,552        | (9,656,100)       |
| Market value at 30 September 2021                                                                        | 50,249,185        | 30,327,633        |
| Historic cost at 16 April 1956                                                                           | 50,000            | 50,000            |
| <b>Fellows Fund</b>                                                                                      |                   |                   |
| Market value at 1 October 2020                                                                           | 3,984,845         | 2,826,485         |
| Additions at cost                                                                                        | 1,996,962         | 1,872,731         |
| Disposals at opening market value (proceeds: £1,737,863, realised gains: £416,237)                       | (1,321,626)       | (896,870)         |
| Unrealised gains                                                                                         | 285,555           | 182,499           |
| Market value at 30 September 2021                                                                        | 4,945,736         | 3,984,845         |
| Cash held by investment manager                                                                          | 77,421            | 336,010           |
|                                                                                                          | 5,023,157         | 4,320,855         |
| Represented by:                                                                                          |                   |                   |
| Rothermere Fellows unrestricted fund                                                                     | 3,492,805         | 2,988,172         |
| Rothermere Endowment investment fund                                                                     | 1,530,352         | 1,332,683         |
|                                                                                                          | 5,023,157         | 4,320,855         |
| Historic cost                                                                                            | 4,145,519         | 3,469,078         |
| <b>Total investments at market value at 30 September 2021</b>                                            | <b>55,272,342</b> | <b>34,648,488</b> |
| Material investments in individual entities held at 30 September 2021:                                   |                   |                   |
| 4,687,424 (2020: 4,687,424) Daily Mail and General Trust plc 12.5 pence per A Ordinary Non-Voting shares | 50,249,185        | 30,327,633        |

The Fellows fund is held in a number of multi-asset funds holding assets in the UK and overseas. No fund is material to the charities investments in total.

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

|                                      |               |               |
|--------------------------------------|---------------|---------------|
| <b>9. Debtors</b>                    | <b>2021</b>   | <b>2020</b>   |
|                                      | <b>£</b>      | <b>£</b>      |
| Prepayments and accrued income       | <b>36,451</b> | <b>28,328</b> |
|                                      |               |               |
| <b>10. Creditors</b>                 | <b>2021</b>   | <b>2020</b>   |
|                                      | <b>£</b>      | <b>£</b>      |
| Amounts falling due within one year: |               |               |
| Grant commitments                    | <b>47,310</b> | <b>15,000</b> |
| Accruals and deferred income         | <b>31,556</b> | <b>26,603</b> |
|                                      | <b>78,866</b> | <b>41,603</b> |

### 11. Funds

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

There is a designated **Fixed asset fund**, within General funds which represents the net book value of the tangible fixed assets. At 30 September 2021 this amounted to £692,120 (2020: £703,960).

Unrestricted funds also include the **Rothermere Fellows Fund** details of which are given in note 1.12 to the financial statements.

The **permanent endowment funds** represents those assets which must be held permanently by the charity, being the investments in UK equities as detailed in note 8 and the cash held at bank. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included within the General Fund. Any capital gains or losses arising on the investments form part of the permanent endowment funds.

Within the permanent endowment funds, there is an investment fund held for the Fellows.

|                                                               |                   |                    |
|---------------------------------------------------------------|-------------------|--------------------|
|                                                               | <b>2021</b>       | <b>2020</b>        |
|                                                               | <b>£</b>          | <b>£</b>           |
| Unrealised gains included above:                              |                   |                    |
| On tangible fixed assets                                      | <b>675,820</b>    | <b>687,660</b>     |
| On investments                                                | <b>51,076,823</b> | <b>31,129,410</b>  |
|                                                               |                   |                    |
| Total unrealised gains at 30 September 2021                   | <b>51,752,643</b> | <b>31,817,070</b>  |
|                                                               |                   |                    |
| Reconciliation of movements in unrealised gains               |                   |                    |
| Unrealised gains at 1 October 2020                            | <b>31,817,070</b> | <b>41,012,505</b>  |
| Add: Net gain/ (loss) arising on revaluations during the year | <b>20,207,107</b> | <b>(9,473,601)</b> |
| Less: depreciation charged to the unrestricted general fund   | <b>(11,840)</b>   | <b>(11,840)</b>    |
| Add: movements in respect of disposals in the year            | <b>(259,694)</b>  | <b>290,006</b>     |
|                                                               |                   |                    |
| Total unrealised gains at 30 September 2021                   | <b>51,752,643</b> | <b>31,817,070</b>  |

## THE ROTHERMERE FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

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#### 12. Transactions with Trustees and key management personnel

Mr V P W Harmsworth's fees as Secretary for the year ended 30 September 2021 were £43,211 (2020: £42,593). He also received £347 (2020: £2,218) in reimbursed travel and other expenses. At the year-end a balance of £Nil (2020: £ Nil) was due. The other Trustees received no remuneration and were not reimbursed for any expenses in the year ended 30 September 2021 (2020: £nil). The aggregate fees as Secretary disbursed for the year ended 30 September 2021 were £43,558 (2020: £44,811). The payment of Mr V P W Harmsworth as Secretary has been approved by the Charity Commission.

#### 13. Related party transactions

During the year ended 30 September 2020, the charity awarded a grant of £15,000 to The Imperial War Museum Foundation. £15,000 was payable to The Imperial War Museum Foundation at 30 September 2020, which has been paid in the year ended 30 September 2021. The Fourth Viscount Rothermere, a trustee of The Rothermere Foundation is also a Trustee of The Imperial War Museum Foundation. Mr V P W Harmsworth, a Trustee of The Rothermere Foundation, is Secretary for The Imperial War Museum Foundation.

The above grant was made in line with the charity's usual grant making policies and procedures.

There were no such transactions with The Imperial War Museum Foundation during the year ended 30 September 2021.

At 30 September 2020, the Foundation was due £1,000 from V P Harmsworth. This was received during the year ended 30 September 2021, and no outstanding balances were due at 30 September 2021.

Details of other transactions with trustees and key management personnel are given in note 12.

#### 14. Post balance sheet events

In December 2021 the Trustees accepted an offer to acquire their holding of 4,687,424 shares of 12.5 pence A ordinary Non-Voting shares in Daily Mail and General Trust plc ("DGMT") from Rothermere Continuation Limited. The offer was made to all shareholders of DGMT in accordance with the rules of the London Stock Exchange and the City Code on Takeovers and Mergers. The Trustees obtained an order from the Charity Commission pursuant to section 105 Charities Act 2011 to authorise the Trustees to accept the offer, notwithstanding the potential conflict of interests of some of the Trustees in relation to the transaction. In January 2022, the Trustees received £39.281 million in cash together with a holding of 2,694,800 in Cazoo Group shares which at the time of this report are valued at £2.991 million. The Trustees are now seeking professional advice as to the reinvestment of these funds in accordance with their investment duties.

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

### 15 Comparative Statement of financial activities

|                                                      |       | <u>Unrestricted</u>     |                          | <u>Permanent Endowment</u> |                         |                          |
|------------------------------------------------------|-------|-------------------------|--------------------------|----------------------------|-------------------------|--------------------------|
|                                                      | Notes | General Funds           | Rothermere Fellows Funds | Permanent Endowment Fund   | Investment Fund         | Total 2020               |
|                                                      |       | £                       | £                        | £                          | £                       | £                        |
| <b>Income and endowments from:</b>                   |       |                         |                          |                            |                         |                          |
| Investments                                          | 2     | 1,132,297               | 39,852                   | -                          | -                       | 1,172,149                |
| <b>Total income</b>                                  |       | <u>1,132,297</u>        | <u>39,852</u>            | <u>-</u>                   | <u>-</u>                | <u>1,172,149</u>         |
| <b>Expenditure on:</b>                               |       |                         |                          |                            |                         |                          |
| Charitable activities                                | 3     | 129,688                 | -                        | -                          | -                       | 129,688                  |
| Expenditure relating to 14 Dunstan Road              | 4     | 39,841                  | -                        | -                          | -                       | 39,841                   |
|                                                      |       | <u>169,529</u>          | <u>-</u>                 | <u>-</u>                   | <u>-</u>                | <u>169,529</u>           |
| <b>Charitable grant making</b>                       |       |                         |                          |                            |                         |                          |
| Grants payable                                       | 5     | 393,410                 | -                        | -                          | -                       | 393,410                  |
| Support costs of making grants                       | 6     | 104,252                 | -                        | -                          | -                       | 104,252                  |
|                                                      |       | <u>497,662</u>          | <u>-</u>                 | <u>-</u>                   | <u>-</u>                | <u>497,662</u>           |
| <b>Total expenditure</b>                             |       | <u>667,191</u>          | <u>-</u>                 | <u>-</u>                   | <u>-</u>                | <u>667,191</u>           |
| <b>Net income before investment gains and losses</b> |       | 465,106                 | 39,852                   | -                          | -                       | 504,958                  |
| <b>Other recognised gains and losses</b>             |       |                         |                          |                            |                         |                          |
| Unrealised gains/ (losses) on investments            | 8     | -                       | 79,938                   | (9,656,100)                | 102,561                 | (9,473,601)              |
| Realised gains on investments                        | 8     | -                       | 21,944                   | -                          | 760                     | 22,704                   |
| Foreign exchange losses                              |       | -                       | -                        | -                          | (36,527)                | (36,527)                 |
|                                                      |       | <u>-</u>                | <u>101,882</u>           | <u>(9,656,100)</u>         | <u>103,321</u>          | <u>(9,450,917)</u>       |
| <b>Net income/ (expenditure)</b>                     |       | <b>465,106</b>          | <b>141,734</b>           | <b>(9,656,100)</b>         | <b>66,794</b>           | <b>(8,982,466)</b>       |
| Balances brought forward at 1 October 2019           |       | <u>1,127,606</u>        | <u>2,950,875</u>         | <u>39,983,733</u>          | <u>1,265,683</u>        | <u>45,327,897</u>        |
| <b>Balances carried forward at 30 September 2020</b> |       | <u><u>1,592,712</u></u> | <u><u>3,092,609</u></u>  | <u><u>30,327,633</u></u>   | <u><u>1,332,477</u></u> | <u><u>36,345,431</u></u> |

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

### 16 Comparative balance sheet

|                                                   | Notes | <u>Unrestricted</u><br>General<br>Funds | <u>Rothermere<br/>Fellows Funds</u> | <u>Permanent Endowment</u><br>Permanent<br>Endowment<br>Fund | Investment<br>Fund | Total<br>2020     |
|---------------------------------------------------|-------|-----------------------------------------|-------------------------------------|--------------------------------------------------------------|--------------------|-------------------|
|                                                   |       | £                                       | £                                   | £                                                            | £                  | £                 |
| Fixed assets                                      |       |                                         |                                     |                                                              |                    |                   |
| Tangible fixed assets                             | 7     | 703,960                                 | -                                   | -                                                            | -                  | 703,960           |
| Investments                                       | 8     | -                                       | 2,988,172                           | 30,327,633                                                   | 1,332,683          | 34,648,488        |
|                                                   |       | <u>703,960</u>                          | <u>2,988,172</u>                    | <u>30,327,633</u>                                            | <u>1,332,683</u>   | <u>35,352,448</u> |
| Current assets                                    |       |                                         |                                     |                                                              |                    |                   |
| Debtors                                           | 9     | 28,323                                  | 5                                   | -                                                            | -                  | 28,328            |
| Cash at bank                                      |       | <u>902,032</u>                          | <u>104,432</u>                      | <u>-</u>                                                     | <u>(206)</u>       | <u>1,006,258</u>  |
|                                                   |       | 930,355                                 | 104,437                             | -                                                            | (206)              | 1,034,586         |
| Creditors: amounts falling<br>due within one year | 10    | (41,603)                                | -                                   | -                                                            | -                  | (41,603)          |
| Net current assets                                |       | <u>888,752</u>                          | <u>104,437</u>                      | <u>-</u>                                                     | <u>(206)</u>       | <u>992,983</u>    |
| Net assets                                        |       | <u>1,592,712</u>                        | <u>3,092,609</u>                    | <u>30,327,633</u>                                            | <u>1,332,477</u>   | <u>36,345,431</u> |
| Funds                                             | 11    | <u>1,592,712</u>                        | <u>3,092,609</u>                    | <u>30,327,633</u>                                            | <u>1,332,477</u>   | <u>36,345,431</u> |

**THE ROTHERMERE FOUNDATION**

England & Wales - Charity number 314125

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# Accounts

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**Charity Registration No. 314125 (England and Wales)**

**THE ROTHERMERE FOUNDATION  
REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 30 SEPTEMBER 2020**

# THE ROTHERMERE FOUNDATION

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# THE ROTHERMERE FOUNDATION

## LEGAL AND ADMINISTRATIVE INFORMATION

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|                              |                                                                                                                                 |
|------------------------------|---------------------------------------------------------------------------------------------------------------------------------|
| <b>Trustees</b>              | The Fourth Viscount Rothermere<br>Viscountess Rothermere<br>Mr V P W Harmsworth                                                 |
| <b>Administrative office</b> | Northcliffe House<br>2 Derry Street<br>London<br>W8 5TT                                                                         |
| <b>Charity number</b>        | 314125                                                                                                                          |
| <b>Auditor</b>               | Buzzacott LLP<br>130 Wood Street<br>London<br>EC2V 6DL                                                                          |
| <b>Bankers</b>               | Messrs C. Hoare & Co.<br>37 Fleet Street<br>London<br>EC4P 4DQ                                                                  |
| <b>Investment Advisors</b>   | UBS Wealth Management<br>5 Broadgate<br>London<br>EC2M 2QS<br><br>Cazenove Capital<br>1 London Wall Place<br>London<br>EC2Y 5AU |
| <b>Legal Advisors</b>        | Farrer & Co LLP<br>66 Lincoln's Inn Fields<br>London<br>WC2A 3LH                                                                |

# THE ROTHERMERE FOUNDATION

## TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2020

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The Trustees present their report and the financial statements of The Rothermere Foundation for the year ended 30 September 2020.

This annual report has been prepared in accordance with Part 8 of the Charities Act 2011.

The financial statements have been prepared in accordance with the accounting policies set out on pages 12 to 15 of the attached financial statements and comply with the Charity's Trust Deed, the Charities Act 2011, applicable law and 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 United Kingdom and Republic of Ireland (FRS 102).

### Structure, Governance and Management

#### *Constitution*

The Foundation was established under a Trust Deed dated 16 April 1956 and registered as a charity shortly thereafter. The Foundation was endowed with investments by The Second Viscount Rothermere.

#### *Risk management*

The Foundation's principal asset and therefore, given the grant-making nature of the charity, its principal risk, comprises listed investments, the value of which is dependent on movements in UK and international stock markets.

The Trustees have considered this and other major risks to which the charity is exposed, in particular those related to the operational areas of the Foundation, its investments and its finances. The Trustees believe that these risks are mitigated by:

- ◆ A body of Trustees with the necessary experience and competence to supervise all aspects of the Foundation's activities;
- ◆ An established set of procedures to determine the level of Trustee approval required for grants, as well as the extent of monitoring, follow up visits and staging of payments; and
- ◆ Regular Trustee meetings at which all aspects of the Foundation's activities are reviewed.

#### *Trustees*

The Trustees plan to meet twice a year to consider grant applications, review investment performance and discuss matters of a strategic and administrative nature.

The Trustees who served during the year are shown on page 2. The power to appoint new Trustees is vested in the existing Trustees of the Foundation.

The present Trustees have a wide knowledge and include the chairman of a quoted company and a retired regular army officer and specialist in public relations.

#### *Key management personnel*

The key management personnel of the Charity in charge of directing and controlling, running and operating the Foundation on a day to day basis comprise the Trustees. No Trustee receives remuneration for their work as a Trustee, however one Trustee (2019 – one) received fees for his work as Secretary to the Charity and this fee is increased annually using the Retail Prices Index as at 30 September. Further details are given in note 12 to the financial statements.

# THE ROTHERMERE FOUNDATION

## TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2020

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### Objectives, Activities and Achievements

#### *Objects*

The principal objects of the Foundation are to enable graduates of the Memorial University of Newfoundland to continue their education in the United Kingdom and to advance other charitable purposes.

#### *Activities*

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and setting grant making policies.

The Rothermere Foundation supports post PhD graduates from Memorial University Newfoundland so that they may pursue their studies at a higher level and return to Newfoundland to make a significant contribution to the welfare of that province through their social, business or science skills.

Subsidiary activities support the Rothermere American Institute (RAI) at Oxford which fosters relationships between the two countries via academic studies and the Rothermere Foundation also supports the Vyvyan Harmsworth Professor of American History.

#### *Achievements*

The Rothermere Fellows are reported on annually by their teachers and supervisors and all have achieved their aims with very satisfactory or outstanding results.

The RAI grows in stature annually and is now an important part of Oxford University playing a major part in Anglo-American affairs.

#### *Grant making policy*

Decisions on grants are made by the Trustees. All Trustees are involved in the grant making process. Trustees will only approve grants or fund projects which demonstrate public benefit within the criteria of the Charity Commission's guidance.

### Financial Review

#### *Reserves policy*

The Trustees' policy is to maintain a level of cash reserves out of current income which will provide a stable base for its continuing activities whilst ensuring excessive funds are not accumulated. The Trustees believe that the reserves are sufficient for its current purposes and these are reviewed on a regular basis.

Several larger donations were made in the year ended 30 September 2020 to expend more of the Foundation's reserves, including £150,000 to Mail Force Charity CIO and £100,000 to St. Peter's College, Oxford. Details of grants made can be seen in note 5.

Owing to the Covid-19 pandemic, amongst other factors, the Foundation's listed investments have shown significant unrealised losses during 2019/20. The Trustees regularly review the performance of the listed investments, particularly the performance of Daily Mail and General Trust Plc., and are of the opinion these reviews will be sufficient to ensure that the business of the Foundation in supporting beneficiaries is able to continue. As such, the trustees have continued to adopt the going concern basis of preparation for these financial statements.

# THE ROTHERMERE FOUNDATION

## TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2020

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### Financial Review

Total funds as at 30 September amounted to £36,345,431 (2019: £45,327,897), a significant proportion of which is represented by the permanent endowment funds of £30,327,633 and £1,332,477 (2019: £39,983,733 and £1,265,683). Funds totalling £3,092,609 (2019: £2,950,875) have been set aside to make grants to the Rothermere fellows. The general funds of the Charity as at 30 September 2020 totalled £1,592,712 (2019: £1,127,606).

### *Financial results*

During the year donations of £393,410 (2019: £1,313,744) and fellowship grants of £129,688 (2019: £121,596) were made or committed. The recipients are detailed in note 5 to the financial statements.

The charity received £1,172,149 of Unrestricted investment income during the year (2019: £1,185,998) and Permanent Endowment Investment Income of £Nil (2019: £1,245,000). The sum of £1,245,000 in 2019 represents a cash dividend arising out of a Share reorganisation in Daily Mail and General Trust plc and was used to form a new Permanent Endowment.

The total net income for the year (before unrealised gains and losses) was £504,958 (2019: £813,774). This was the net result of net income of £465,106 in the Unrestricted General Fund (2019: net expenditure of £483,499), a net income of £39,852 in the Rothermere Fellows Fund (2019: £52,273) and net income of £Nil in the Permanent Endowment Investment Fund (2019: £1,245,000).

During the year ended 30 September 2020 the investments held by the Foundation had an unrealised loss on revaluation of £9,473,601 (2019: unrealised gain £5,776,616) as shown in note 8 to the financial statements. This reflects, amongst other factors, the shock to stock markets arising as a result of the Coronavirus pandemic, from which the markets had not fully recovered at the year end. As noted above, the Trustees regularly review the performance of the listed investments, particularly the performance of Daily Mail and General Trust Plc., and are of the opinion these reviews will be sufficient to ensure that the business of the Foundation in supporting beneficiaries is able to continue. Beyond the effect on the charity's listed investments, the coronavirus pandemic has had a limited impact on the charity's operations as the charity's assets are very materially in excess of its liabilities, which has allowed it to continue funding grants to beneficiaries. A substantial grant of £1m was made to the Imperial War Museum Foundation in 2019 and grant making in 2020 has returned to normal levels.

The total net movement in the funds for the year was a decrease of £8,982,466 (2019: increase £6,627,476). This was the net result of an increase of £465,106 (2019: net decrease of £483,499) in the Unrestricted General Fund, an increase of £141,734 (2019: £119,159) in the Rothermere Fellows Fund, a decrease of £9,656,100 (2019: net increase of £5,726,133) in the Permanent Endowment Fund and an increase of £66,794 (2019: £1,265,683) in the Permanent Endowment Investment Fund. The movements on the Foundation's funds are shown in detail in the Statement of Financial Activity on page 9 and in note 11.

### *Investment policy*

Under the terms of the Trust Deed, the Trustees may, at their absolute discretion, buy or sell investments in any funds in any country worldwide. The Trustees have adopted the position that they will retain the Daily Mail and General Trust plc 12.5 pence A Ordinary Non-Voting Shares, as originally settled by the settlor, for so long as this does not prejudice the position of the Foundation. This position is reviewed at least once a year.

### *Fundraising*

During the previous year the Charity employed a professional fundraiser incurring fees of £45,751 (2020: £Nil) which are disclosed in note 14 to these accounts. During 2019/20, the charity undertook no fundraising activity and received no complaints in respect of fundraising during the previous year.

# THE ROTHERMERE FOUNDATION

## TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2020

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### Trustees

The Trustees who have held office since 1 October 2019 are as follows: -

The Fourth Viscount Rothermere

Viscountess Rothermere

Mr V P W Harmsworth

### Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the accounts 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 accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the Foundation for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in Accounting and Reporting by charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102)
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are also 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 accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Trustees

.....  
The Fourth Viscount Rothermere

12/02/2021

# **THE ROTHERMERE FOUNDATION**

## **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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### **Independent auditor's report to the Trustees of The Rothermere Foundation**

#### **Opinion**

We have audited the accounts of The Rothermere Foundation (the 'charity') for the year ended 30 September 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (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 30 September 2020 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### **Basis for opinion**

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

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **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 we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

## THE ROTHERMERE FOUNDATION

### INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2020

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#### 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 Act 2011 requires 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
- sufficient accounting records have not been kept; 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.

#### Respective responsibilities of trustees

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

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

#### Auditor's responsibilities for the audit of the financial statements

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

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

This report is made solely to the charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and with regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP  
Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

Date: 19/02/2021

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

# THE ROTHERMERE FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 SEPTEMBER 2020

|                                                                     |       | <u>Unrestricted</u>     |                          | <u>Permanent Endowment</u> |                         |                    |            |
|---------------------------------------------------------------------|-------|-------------------------|--------------------------|----------------------------|-------------------------|--------------------|------------|
|                                                                     | Notes | General Funds           | Rothermere Fellows Funds | Permanent Endowment Fund   | Investment Fund         | Total 2020         | Total 2019 |
|                                                                     |       | £                       | £                        | £                          | £                       | £                  | £          |
| <b>Income and endowments from:</b>                                  |       |                         |                          |                            |                         |                    |            |
| <b>Investments</b>                                                  | 2     | 1,132,297               | 39,852                   | -                          | -                       | <b>1,172,149</b>   | 1,185,998  |
| <b>Capital repayment</b>                                            | 2     | -                       | -                        | -                          | -                       | -                  | 1,245,000  |
| <b>Total income</b>                                                 |       | <u>1,132,297</u>        | <u>39,852</u>            | <u>-</u>                   | <u>-</u>                | <b>1,172,149</b>   | 2,430,998  |
| <b>Expenditure on:</b>                                              |       |                         |                          |                            |                         |                    |            |
| <b>Raising funds</b>                                                | 14    | -                       | -                        | -                          | -                       | -                  | 45,751     |
| <b>Charitable activities</b>                                        | 3     | 129,688                 | -                        | -                          | -                       | <b>129,688</b>     | 121,596    |
| <b>Expenditure relating to 14 Dunstan Road</b>                      | 4     | 39,841                  | -                        | -                          | -                       | <b>39,841</b>      | 25,028     |
|                                                                     |       | <u>169,529</u>          | <u>-</u>                 | <u>-</u>                   | <u>-</u>                | <b>169,529</b>     | 192,375    |
| <b>Charitable grant making</b>                                      |       |                         |                          |                            |                         |                    |            |
| <b>Grants payable</b>                                               | 5     | 393,410                 | -                        | -                          | -                       | <b>393,410</b>     | 1,313,744  |
| <b>Support costs of making grants</b>                               | 6     | 104,252                 | -                        | -                          | -                       | <b>104,252</b>     | 111,105    |
|                                                                     |       | <u>497,662</u>          | <u>-</u>                 | <u>-</u>                   | <u>-</u>                | <b>497,662</b>     | 1,424,849  |
| <b>Total expenditure</b>                                            |       | <u>667,191</u>          | <u>-</u>                 | <u>-</u>                   | <u>-</u>                | <b>667,191</b>     | 1,617,224  |
| <b>Net income/ (expenditure) before investment gains and losses</b> |       | 465,106                 | 39,852                   | -                          | -                       | <b>504,958</b>     | 813,774    |
| <b>Other recognised gains and losses</b>                            |       |                         |                          |                            |                         |                    |            |
| Unrealised gains/ (losses) on investments                           | 8     | -                       | 79,938                   | (9,656,100)                | 102,561                 | <b>(9,473,601)</b> | 5,776,616  |
| Realised gains on investments                                       | 8     | -                       | 21,944                   | -                          | 760                     | <b>22,704</b>      | 16,403     |
| Foreign exchange (losses)/ gains                                    |       | -                       | -                        | -                          | (36,527)                | <b>(36,527)</b>    | 20,683     |
| Net income/ (expenditure)                                           |       | <u>465,106</u>          | <u>141,734</u>           | <u>(9,656,100)</u>         | <u>66,794</u>           | <b>(8,982,466)</b> | 6,627,476  |
| Balances brought forward at 1 October 2019                          |       | <u>1,127,606</u>        | <u>2,950,875</u>         | <u>39,983,733</u>          | <u>1,265,683</u>        | <b>45,327,897</b>  | 38,700,421 |
| <b>Balances carried forward at 30 September 2020</b>                |       | <u><b>1,592,712</b></u> | <u><b>3,092,609</b></u>  | <u><b>30,327,633</b></u>   | <u><b>1,332,477</b></u> | <b>36,345,431</b>  | 45,327,897 |

The results for the year all relate to continuing operations.

All recognised gains and losses are included in the statement of financial activities.

The accounting policies and notes on pages 12 to 24 form part of these financial statements.

Comparative information in respect of the year ended 30 September 2019 is provided in notes 15 and 16.

# THE ROTHERMERE FOUNDATION

## BALANCE SHEET AS AT 30 SEPTEMBER 2020

|                                                   | Notes | Unrestricted     |                                | Permanent Endowment            |                    | Total<br>2020     | Total<br>2019     |
|---------------------------------------------------|-------|------------------|--------------------------------|--------------------------------|--------------------|-------------------|-------------------|
|                                                   |       | General<br>Funds | Rothermere<br>Fellows<br>Funds | Permanent<br>Endowment<br>Fund | Investment<br>Fund |                   |                   |
|                                                   |       | £                | £                              | £                              | £                  | £                 | £                 |
| Fixed assets                                      |       |                  |                                |                                |                    |                   |                   |
| Tangible fixed assets                             | 7     | 703,960          | -                              | -                              | -                  | 703,960           | 715,800           |
| Investments                                       | 8     | -                | 2,988,172                      | 30,327,633                     | 1,332,683          | 34,648,488        | 42,854,918        |
|                                                   |       | <u>703,960</u>   | <u>2,988,172</u>               | <u>30,327,633</u>              | <u>1,332,683</u>   | <u>35,352,448</u> | <u>43,570,718</u> |
| Current assets                                    |       |                  |                                |                                |                    |                   |                   |
| Debtors                                           | 9     | 28,323           | 5                              | -                              | -                  | 28,328            | 54,417            |
| Cash at bank                                      |       | <u>902,032</u>   | <u>104,432</u>                 | <u>-</u>                       | <u>(206)</u>       | <u>1,006,258</u>  | <u>1,741,159</u>  |
|                                                   |       | 930,355          | 104,437                        | -                              | (206)              | 1,034,586         | 1,795,576         |
| Creditors: amounts falling<br>due within one year | 10    | (41,603)         | -                              | -                              | -                  | (41,603)          | (38,397)          |
| Net current assets                                |       | <u>888,752</u>   | <u>104,437</u>                 | <u>-</u>                       | <u>(206)</u>       | <u>992,983</u>    | <u>1,757,179</u>  |
| <b>Net assets</b>                                 |       | <u>1,592,712</u> | <u>3,092,609</u>               | <u>30,327,633</u>              | <u>1,332,477</u>   | <u>36,345,431</u> | <u>45,327,897</u> |
| <b>Funds</b>                                      | 11    | <u>1,592,712</u> | <u>3,092,609</u>               | <u>30,327,633</u>              | <u>1,332,477</u>   | <u>36,345,431</u> | <u>45,327,897</u> |

The accounting policies and notes on pages 12 to 24 form part of these financial statements.

Approved by the Trustees on: 12/02/2021

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The Fourth Viscount Rothermere

# THE ROTHERMERE FOUNDATION

## STATEMENT OF CASH FLOWS YEAR ENDED 30 SEPTEMBER 2020

|                                                                                               |                              | 30<br>September<br>2020<br>£ | 30<br>September<br>2019<br>£ |
|-----------------------------------------------------------------------------------------------|------------------------------|------------------------------|------------------------------|
| <b>Cash flows from operating activities:</b>                                                  |                              |                              |                              |
| <i>Net cash used in operating activities</i>                                                  | <b>A</b>                     | <b>(662,583)</b>             | <b>(1,624,746)</b>           |
| <b>Cash flows from investing activities:</b>                                                  |                              |                              |                              |
| Investment income and interest receivable                                                     |                              | 1,172,149                    | 1,185,998                    |
| Proceeds from sale of assets                                                                  |                              | -                            | 6,600                        |
| Purchase of investments                                                                       |                              | (1,872,731)                  | (530,538)                    |
| Capital distribution                                                                          |                              | -                            | 1,245,000                    |
| Proceeds from the disposal of investments                                                     |                              | 919,574                      | 525,217                      |
| <i>Net cash provided by investing activities</i>                                              |                              | <b>218,992</b>               | <b>2,432,277</b>             |
| Change in cash and cash equivalents in the year                                               |                              | (443,591)                    | 807,531                      |
| Cash and cash equivalents at 1 October                                                        |                              | 1,785,861                    | 978,330                      |
| <i>Cash and cash equivalents at 30 September</i>                                              | <b>B</b>                     | <b>1,342,270</b>             | <b>1,785,861</b>             |
| <b>A Reconciliation of net movement in funds to net cash flows from operating activities:</b> |                              |                              |                              |
| <i>Net movement in funds for the year</i>                                                     |                              | <b>(8,982,466)</b>           | <b>6,627,476</b>             |
| Adjustments for:                                                                              |                              |                              |                              |
| Depreciation charges                                                                          |                              | 11,840                       | 11,840                       |
| Losses/ (gains) on investments                                                                |                              | 9,450,897                    | (5,793,019)                  |
| Investment income and interest receivable                                                     |                              | (1,172,149)                  | (1,185,998)                  |
| Capital distribution                                                                          |                              | -                            | (1,245,000)                  |
| Profit on sale of fixed assets                                                                |                              | -                            | (6,600)                      |
| Decrease/ (increase) in debtors                                                               |                              | 26,089                       | (26,534)                     |
| Increase/ (decrease) in creditors                                                             |                              | 3,206                        | (6,911)                      |
| <i>Net cash used in operating activities</i>                                                  |                              | <b>(662,583)</b>             | <b>(1,624,746)</b>           |
| <b>B Analysis of changes in net debt</b>                                                      |                              |                              |                              |
|                                                                                               | 30<br>September<br>2019<br>£ | Cash flows<br>£              | 30<br>September<br>2020<br>£ |
| Cash at bank and in hand                                                                      | 1,741,159                    | (734,901)                    | 1,006,258                    |
| Cash held by investment managers                                                              | 44,702                       | 291,310                      | 336,012                      |
|                                                                                               | <b>1,785,861</b>             | <b>(443,591)</b>             | <b>1,342,270</b>             |

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

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### 1. Principal Accounting Policies

#### 1.1. Accounting Convention

The financial statements which have been prepared for the year to 30 September 2020, are presented in sterling and are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

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

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

#### 1.2. Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the Trustees to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

- estimating the liability for multi-year grant commitments; and
- estimating the useful economic life of tangible fixed assets

With respect to the next reporting period, the most significant areas of uncertainty are the carrying value of investment assets held by the charity, which will depend on the performance of investment markets and the investment income from these assets.

The full impact following the recent emergence of the global coronavirus pandemic is still unknown. It is therefore not currently possible to evaluate all the potential implications for the charity's activities, beneficiaries and the wider economy. Estimates used in the accounts, particularly with respect to the value of listed investments are subject to a greater degree of uncertainty and volatility.

As set out in these accounting policies under "going concern", below, the trustees have considered the impact of the pandemic on the charity and have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

#### 1.3. Going Concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

Owing to the Covid-19 pandemic, amongst other factors, the Foundation's listed investments have shown significant unrealised losses during 2019/20. The Trustees regularly review the performance of the listed investments, particularly the performance of Daily Mail and General Trust Plc., and are of the opinion these reviews will be sufficient to ensure that the business of the Foundation in supporting beneficiaries is able to continue. As such, the trustees have continued to adopt the going concern basis of preparation for these financial statements.

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

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### 1.3. **Going Concern (continued)**

The Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. This is because the value of assets held by the charity is very materially in excess of the liabilities of the charity and the level of commitments in respect of grants approved for projects payable in future years.

### 1.4. **Investment income**

Income is recognised in the period in which the Charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises dividends from listed investments and interest on cash deposits. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

### 1.5. **Resources expended**

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

Expenditure comprises the following:

- a) Expenditure on raising funds comprises the costs associated with the employment of a professional fundraiser.
- b) Educational and other grants payable are included in the Statement of Financial Activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all related conditions. Grants approved but not paid at the end of the financial period are accrued. Grants where the beneficiary has not been informed or has to meet certain conditions before the grant is released are not accrued but are noted as financial commitments in the notes to the financial statements.
- c) Expenditure relating to 14 Dunstan Road comprises the costs associated with the provision of accommodation for the Oxford Professor Fellowship.
- d) Support and governance costs represent indirect charitable expenditure incurred in order to facilitate the grant making activities of the Charity. The costs do not directly relate to the amount of time spent on processing and monitoring grants and so have not been allocated across fellowship and other educational grants respectively. Included within support and governance costs are 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.

### 1.6. **Tangible fixed assets**

Tangible fixed assets are depreciated over the relevant useful economic life on a straight line basis as follows:

|                                    |   |               |
|------------------------------------|---|---------------|
| Freehold property (excluding land) | - | over 50 years |
| Computer equipment                 | - | over 3 years  |

Fixed asset items costing over £500 are capitalised.

The Trustees took the opportunity on the transition to FRS 102 for the year ended 30 September 2015 to revalue the Charity's freehold property to fair value and treat this figure as deemed cost. This has resulted in an increase to the depreciation charge of £9,530 for each of the remaining 36 years of the property's useful economic life.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2020

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1.7. **Investments**

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and are subsequently measured at their fair value, which is considered equivalent to their open market value, at the balance sheet date. Open market value is determined by reference to the Stock Exchange Daily Official List in respect of quoted investments.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains (or losses) are calculated as the difference between the fair value at the year end and their carrying value at that date. Any movement in unrealised gains or losses is treated as a movement on the Statement of Financial Activities (SOFA).

1.8. **Debtors**

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

1.9. **Cash at bank and in hand**

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Included in cash at bank is an amount held in US Dollars equivalent to UK £Nil (2019: UK£1,265,683).

1.10. **Creditors and provisions**

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

1.11. **Financial instruments**

The charity holds only basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the charity and their measurement bases are as follows:

*Financial assets* – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

*Cash at bank* – is classified as a basic financial instrument and is measured at face value.

*Financial liabilities* – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

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### 1.12. Fund Accounting

The general fund comprises those funds which the Trustees are free to use in accordance with the charitable objects.

Within the general fund is a designated fixed asset fund which represents the net book value of the tangible fixed assets.

A further designated fund has been set aside from unrestricted funds to make grants to the Rothermere fellows.

The permanent endowment funds represent those assets which must be held permanently by the charity, being the investments in UK equities as detailed in note 8 to the financial statements referred to in note 1.7. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included within the General Fund. Any capital gains or losses arising on the investments form part of the permanent endowment fund.

### 1.13. Foreign currency translation

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end, foreign currency monetary items are translated using the closing rate. Non-monetary items are measured at historical cost and translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Financial Activities except when deferred in other comprehensive income as qualifying cash flow hedges.

## THE ROTHERMERE FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

| <b>2. Investment income</b>   | <b>2020</b>      | <b>2019</b>      |
|-------------------------------|------------------|------------------|
|                               | <b>£</b>         | <b>£</b>         |
| Dividends – UK equities       | 1,132,211        | 1,133,630        |
| Dividends – Fellows Portfolio | 39,852           | 52,273           |
| Interest on cash deposits     | 86               | 95               |
|                               | <u>1,172,149</u> | <u>1,185,998</u> |
| Capital repayment             | -                | 1,245,000        |
|                               | <u>1,172,149</u> | <u>2,430,998</u> |

### 3. Fellowship grants

Grants and expenses of £129,688 were made to support three Rothermere Fellows in the year (2019: three Fellows).

|          | <b>2020</b>    | <b>2019</b>    |
|----------|----------------|----------------|
|          | <b>£</b>       | <b>£</b>       |
| Grants   | 123,366        | 118,978        |
| Expenses | 6,322          | 2,618          |
|          | <u>129,688</u> | <u>121,596</u> |

### 4. Expenditure relating to 14 Dunstan Road

The following expenses relate to the accommodation provided by the Foundation for the Oxford Professor Fellowship:

|                                                 | <b>2020</b>   | <b>2019</b>   |
|-------------------------------------------------|---------------|---------------|
|                                                 | <b>£</b>      | <b>£</b>      |
| Overhead costs                                  | 6,785         | 8,129         |
| Repairs and maintenance, including garden costs | 10,461        | 4,426         |
| Motor expenses and insurance and travel costs   | 3,864         | 2,445         |
| Management fees and other costs                 | 6,891         | 4,788         |
| Profit on sale of fixed asset                   | -             | (6,600)       |
| Depreciation                                    | 11,840        | 11,840        |
|                                                 | <u>39,841</u> | <u>25,028</u> |

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 5. Grants payable

|                             | 2020<br>£      | 2019<br>£        |
|-----------------------------|----------------|------------------|
| Grants paid in the year     | 378,410        | 1,303,744        |
| Grant commitments (note 10) | 15,000         | 10,000           |
|                             | <u>393,410</u> | <u>1,313,744</u> |

### Grants payable for the year

|                                      | £            | £             |
|--------------------------------------|--------------|---------------|
| <b>Medical research</b>              |              |               |
| British Heart Foundation             | -            | 500           |
| Dorset and Somerset Air Ambulance    | -            | 4,000         |
| Julia's House Hospice                | 1,000        | -             |
| Marie Curie (Hotspur Geothermal Ltd) | -            | 1,000         |
| Robert Colville                      | -            | 5,000         |
| Wellbeing of Women                   | 5,000        | 1,000         |
|                                      | <u>6,000</u> | <u>11,500</u> |

|                                                  | £              | £              |
|--------------------------------------------------|----------------|----------------|
| <b>Educational/Children's charities</b>          |                |                |
| Learning Skills Research                         | -              | 5,000          |
| RAI – First World War Project                    | -              | 45,000         |
| Royal National Children's Springboard Foundation | -              | 10,000         |
| Sandroyd School                                  | 26,310         | 26,310         |
| St Peter's College Oxford                        | 100,000        | 100,000        |
| University of Oxford Charitable Trust            | 30,000         | -              |
|                                                  | <u>156,310</u> | <u>186,310</u> |

|                                | £        | £          |
|--------------------------------|----------|------------|
| <b>Religious organisations</b> |          |            |
| St Bride's Church              | -        | 250        |
|                                | <u>-</u> | <u>250</u> |

|                                  | £            | £             |
|----------------------------------|--------------|---------------|
| <b>The Arts/Sport</b>            |              |               |
| Cherubim Music Trust             | 1,000        | -             |
| The Chicken Shed Theatre Trust   | -            | 5,000         |
| The Fording Point Arts Centre    | -            | 10,000        |
| The Stour Music Festival Limited | 5,000        | 5,000         |
|                                  | <u>6,000</u> | <u>20,000</u> |

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

| <b>5. Grants payable for the year (continued)</b> | <b>2020</b>    | <b>2019</b>      |
|---------------------------------------------------|----------------|------------------|
|                                                   | <b>£</b>       | <b>£</b>         |
| <b>Other charitable donations</b>                 |                |                  |
| Apex 2100 Foundation Ltd                          | -              | 5,000            |
| Atlantic Salmon Trust                             | -              | 20,000           |
| Chalke Valley Festival                            | -              | 1,354            |
| Chalke Valley History Festival                    | (5,000)        | 4,850            |
| Countryside Alliance Foundation                   | -              | 5,000            |
| David Nott Foundation                             | -              | 2,000            |
| Diverse Abilities                                 | -              | 5,000            |
| Game Alliance Limited                             | 10,000         | 10,000           |
| Great Dexter                                      | 5,000          | -                |
| Hands Up Foundation                               | -              | 5,000            |
| Horatio's Garden                                  | 5,000          | -                |
| Imperial War Museum Foundation                    | 15,000         | 1,000,000        |
| Mail Force Charity CIO                            | 150,000        | -                |
| Make a Wish Foundation UK                         | -              | 830              |
| Plantlife                                         | -              | 1,500            |
| Plant Heritage                                    | -              | 5,000            |
| Project Trust                                     | -              | 1,000            |
| Rare Breeds Survival Trust                        | -              | 4,000            |
| Rothermere American Institute                     | -              | 150              |
| Royal British Legion                              | 10,000         | -                |
| Stars Appeal                                      | 100            | -                |
| The Normandy Memorial Trust                       | -              | 5,000            |
| The Royal Marsden                                 | -              | 10,000           |
| Urban Synergy                                     | 10,000         | -                |
| Water Harvest                                     | -              | 5,000            |
| War Memorial Trust                                | 10,000         | -                |
| World Horse Welfare                               | 5,000          | -                |
| Young Minds                                       | -              | 5,000            |
| Zoological Society of London                      | 10,000         | -                |
|                                                   | <b>225,100</b> | <b>1,095,684</b> |
| <b>Total Grants Payable</b>                       | <b>393,410</b> | <b>1,313,744</b> |

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

|    |                                                   |                          |                           |
|----|---------------------------------------------------|--------------------------|---------------------------|
| 5. | <b>Grants payable (continued)</b>                 | <b>2020</b>              | <b>2019</b>               |
|    | <b>Summary of Total Grants Payable</b>            | <b>£</b>                 | <b>£</b>                  |
|    | Medical research                                  | <b>6,000</b>             | <b>11,500</b>             |
|    | Educational/Children’s charities                  | <b>156,310</b>           | <b>186,310</b>            |
|    | Religious organisations                           | <b>-</b>                 | <b>250</b>                |
|    | The Arts/Sport                                    | <b>6,000</b>             | <b>20,000</b>             |
|    | Other charitable donations                        | <b>225,100</b>           | <b>1,095,684</b>          |
|    |                                                   | <b>393,410</b>           | <b>1,313,744</b>          |
| 6. | <b>Support costs</b>                              | <b>2020</b>              | <b>2019</b>               |
|    |                                                   | <b>£</b>                 | <b>£</b>                  |
|    | V P W Harmsworth’s fees and expenses as Secretary | <b>44,811</b>            | <b>46,274</b>             |
|    | Professional fees                                 | <b>20,952</b>            | <b>23,210</b>             |
|    | Rothermere Fellows – investment portfolio fees    | <b>26,621</b>            | <b>28,856</b>             |
|    | Other costs                                       | <b>(555)</b>             | <b>241</b>                |
|    | Governance – Audit fee                            | <b>12,423</b>            | <b>12,524</b>             |
|    |                                                   | <b>104,252</b>           | <b>111,105</b>            |
| 7. | <b>Tangible fixed assets</b>                      | <b>Freehold Property</b> | <b>Computer Equipment</b> |
|    | <b>Cost or valuation</b>                          | <b>£</b>                 | <b>Total £</b>            |
|    | At 1 October 2019                                 | <b>775,000</b>           | <b>772</b>                |
|    | At 30 September 2020                              | <b>775,000</b>           | <b>772</b>                |
|    | <b>Depreciation</b>                               |                          |                           |
|    | At 1 October 2019                                 | <b>59,200</b>            | <b>772</b>                |
|    | Charge for the year                               | <b>11,840</b>            | <b>-</b>                  |
|    | At 30 September 2020                              | <b>71,040</b>            | <b>772</b>                |
|    | <b>Net Book Value at 30 September 2020</b>        | <b>703,960</b>           | <b>-</b>                  |
|    | Net Book Value at 30 September 2019               | <b>715,800</b>           | <b>-</b>                  |

The Freehold Property was revalued at market value at 30 September 2015 at £775,000 by Reuben A Diffey MRICS RICS of Property Formula Ltd and the effect of this revaluation upon transition to FRS 102 which is treated as a deemed cost, is shown in the accounting policy 1.6 on page 13.

If the property had not been revalued it would have been included at its historical cost of £16,300. All assets are used for charitable purposes.

The charity will continue to adopt a policy of not revaluing its tangible fixed assets in accordance with Section 17 of Financial Reporting Standard 102.

Included within Freehold Property is land with a carrying value of £348,750 which has not been depreciated.

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

| <b>8. Investments</b>                                                                                                                                                                 | <b>2020</b>        | <b>2019</b>       |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-------------------|
|                                                                                                                                                                                       | <b>£</b>           | <b>£</b>          |
| UK Equities                                                                                                                                                                           |                    |                   |
| Market value at 1 October 2019                                                                                                                                                        | <b>39,983,733</b>  | <b>34,257,600</b> |
| Unrealised (loss)/ gain on revaluation at 30 September 2020                                                                                                                           | <b>(9,656,100)</b> | <b>5,726,133</b>  |
| Market value at 30 September 2020                                                                                                                                                     | <b>30,327,633</b>  | <b>39,983,733</b> |
| Historic cost at 16 April 1956                                                                                                                                                        | <b>50,000</b>      | <b>50,000</b>     |
| Fellows Fund                                                                                                                                                                          |                    |                   |
| Market value at 1 October 2019                                                                                                                                                        | <b>2,826,483</b>   | <b>2,754,276</b>  |
| Additions at cost                                                                                                                                                                     | <b>1,872,731</b>   | <b>530,538</b>    |
| Disposals at opening market value (proceeds: £919,574, realised gains: £22,704)                                                                                                       | <b>(896,870)</b>   | <b>(508,814)</b>  |
| Unrealised gains                                                                                                                                                                      | <b>182,499</b>     | <b>50,483</b>     |
| Market value at 30 September 2020                                                                                                                                                     | <b>3,984,843</b>   | <b>2,826,483</b>  |
| Cash held by investment manager                                                                                                                                                       | <b>336,012</b>     | <b>44,702</b>     |
|                                                                                                                                                                                       | <b>4,320,855</b>   | <b>2,871,185</b>  |
| Historic cost                                                                                                                                                                         | <b>3,469,078</b>   | <b>2,491,912</b>  |
| <b>Total investments at market value at 30 September 2020</b>                                                                                                                         | <b>34,648,488</b>  | <b>42,854,918</b> |
| Material investments in individual entities held at 30 September 2020:<br>4,687,424 (2019: 4,687,424) Daily Mail and General Trust plc 12.5<br>pence per A Ordinary Non-Voting shares | <b>30,327,633</b>  | <b>39,983,733</b> |

The Fellows fund is held in a number of multi-asset funds holding assets in the UK and overseas. No holding within this fund is material to the charities investments in total.

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

|                                      |               |               |
|--------------------------------------|---------------|---------------|
| <b>9. Debtors</b>                    | <b>2020</b>   | <b>2019</b>   |
|                                      | <b>£</b>      | <b>£</b>      |
| Prepayments and accrued income       | <b>28,328</b> | <b>54,417</b> |
|                                      |               |               |
| <b>10. Creditors</b>                 | <b>2020</b>   | <b>2019</b>   |
|                                      | <b>£</b>      | <b>£</b>      |
| Amounts falling due within one year: |               |               |
| Grant commitments                    | <b>15,000</b> | <b>10,000</b> |
| Accruals and deferred income         | <b>26,603</b> | <b>28,397</b> |
|                                      | <b>41,603</b> | <b>38,397</b> |

### 11. Funds

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

There is a designated **Fixed asset fund**, within General funds which represents the net book value of the tangible fixed assets. At 30 September 2020 this amounted to £703,960 (2019: £715,800).

Unrestricted funds also include the **Rothermere Fellows Fund** details of which are given in note 1.12 to the financial statements.

The **permanent endowment funds** represents those assets which must be held permanently by the charity, being the investments in UK equities as detailed in note 8 and the cash held at bank. Income arising on the endowment funds can be used in accordance with the objects of the charity and is included within the General Fund. Any capital gains or losses arising on the investments form part of the permanent endowment funds.

|                                                               |                    |                   |
|---------------------------------------------------------------|--------------------|-------------------|
|                                                               | <b>2020</b>        | <b>2019</b>       |
|                                                               | <b>£</b>           | <b>£</b>          |
| Unrealised gains included above:                              |                    |                   |
| On tangible fixed assets                                      | <b>687,660</b>     | <b>699,500</b>    |
| On investments                                                | <b>31,129,410</b>  | <b>40,313,005</b> |
| Total unrealised gains at 30 September 2020                   | <b>31,817,070</b>  | <b>41,012,505</b> |
| Reconciliation of movements in unrealised gains               |                    |                   |
| Unrealised gains at 1 October 2019                            | <b>41,012,505</b>  | <b>35,235,302</b> |
| Add: Net (loss)/ gain arising on revaluations during the year | <b>(9,473,601)</b> | <b>5,776,616</b>  |
| Less: depreciation charged to the unrestricted general fund   | <b>(11,840)</b>    | <b>(11,840)</b>   |
| Add: movements in respect of disposals in the year            | <b>290,006</b>     | <b>12,427</b>     |
| Total unrealised gains at 30 September 2020                   | <b>31,817,070</b>  | <b>41,012,505</b> |

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

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### 12. Transactions with Trustees and key management personnel

Mr V P W Harmsworth's amounts disbursed as Secretary for the year ended 30 September 2020 were £42,593 (2019: £41,500). He also received £2,218 (2019: £4,774) in reimbursed travel and other expenses. The other Trustees received no remuneration and were not reimbursed for any expenses in the year ended 30 September 2020 (2019: £nil). The aggregate fees as Secretary disbursed for the year ended 30 September 2020 were £44,811 (2018: £46,274).

### 13. Related party transactions

During the year ended 30 September 2020, the charity awarded a grant of £15,000 (2019: £1,000,000) to The Imperial War Museum Foundation. At the year end, no amounts were payable to The Imperial War Museum Foundation (2019: £nil). The Fourth Viscount Rothermere, a trustee of The Rothermere Foundation, is also a Trustee of The Imperial War Museum Foundation. Mr V P W Harmsworth, a trustee of The Rothermere Foundation, is the Secretary for The Imperial War Museum Foundation. At 30 September 2020.

The above grant was made in line with the charity's usual grant making policies and procedures.

The Foundation was due £1,000 from V P W Harmsworth at the year end which has now been received. Details of other transactions with trustees and key management personnel are given in note 12.

### 14. Fundraising

During the previous year, the Charity employed a professional fundraiser incurring fees of £45,751 (2020: £Nil).

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 15 Comparative Statement of financial activities

|                                                                     |       | <u>Unrestricted</u> |                          | <u>Permanent Endowment</u> |                  |                   |
|---------------------------------------------------------------------|-------|---------------------|--------------------------|----------------------------|------------------|-------------------|
|                                                                     | Notes | General Funds       | Rothermere Fellows Funds | Permanent Endowment Fund   | Investment Fund  | Total 2019        |
|                                                                     |       | £                   | £                        | £                          | £                | £                 |
| <b>Income and endowments from:</b>                                  |       |                     |                          |                            |                  |                   |
| Investments                                                         | 2     | 1,133,725           | 52,273                   | -                          | -                | 1,185,998         |
| Capital repayment                                                   |       | -                   | -                        | -                          | 1,245,000        | 1,245,000         |
| <b>Total income</b>                                                 |       | <u>1,133,725</u>    | <u>52,273</u>            | <u>-</u>                   | <u>1,245,000</u> | <u>2,430,998</u>  |
| <b>Expenditure on:</b>                                              |       |                     |                          |                            |                  |                   |
| Raising funds                                                       | 14    | 45,751              | -                        | -                          | -                | 45,751            |
| Charitable activities                                               | 3     | 121,596             | -                        | -                          | -                | 121,596           |
| Expenditure relating to 14 Dunstan Road                             | 4     | 25,028              | -                        | -                          | -                | 25,028            |
|                                                                     |       | <u>192,375</u>      | <u>-</u>                 | <u>-</u>                   | <u>-</u>         | <u>192,375</u>    |
| <b>Charitable grant making</b>                                      |       |                     |                          |                            |                  |                   |
| Grants payable                                                      | 5     | 1,313,744           | -                        | -                          | -                | 1,313,744         |
| Support costs of making grants                                      | 6     | 111,105             | -                        | -                          | -                | 111,105           |
|                                                                     |       | <u>1,424,849</u>    | <u>-</u>                 | <u>-</u>                   | <u>-</u>         | <u>1,424,849</u>  |
| <b>Total expenditure</b>                                            |       | <u>1,617,224</u>    | <u>-</u>                 | <u>-</u>                   | <u>-</u>         | <u>1,617,224</u>  |
| <b>Net income/ (expenditure) before investment gains and losses</b> |       | (483,499)           | 52,273                   | -                          | 1,245,000        | 813,774           |
| <b>Other recognised gains and losses</b>                            |       |                     |                          |                            |                  |                   |
| Unrealised gains on investments                                     | 8     | -                   | 50,483                   | 5,726,133                  | -                | 5,776,616         |
| Realised gains on investments                                       | 8     | -                   | 16,403                   | -                          | -                | 16,403            |
| Foreign exchange gains                                              |       | -                   | -                        | -                          | 20,683           | 20,683            |
|                                                                     |       | <u>-</u>            | <u>66,886</u>            | <u>5,726,133</u>           | <u>20,683</u>    | <u>5,813,702</u>  |
| <b>Net (expenditure)/ income</b>                                    |       | (483,499)           | 119,159                  | 5,726,133                  | 1,265,683        | 6,627,476         |
| Balances brought forward at 1 October                               |       | <u>1,611,105</u>    | <u>2,831,716</u>         | <u>34,257,600</u>          | <u>-</u>         | <u>38,700,421</u> |
| <b>Balances carried forward at 30 September</b>                     |       | <u>1,127,606</u>    | <u>2,950,875</u>         | <u>39,983,733</u>          | <u>1,265,683</u> | <u>45,327,897</u> |

# THE ROTHERMERE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 16 Comparative balance sheet

|                                                      | Notes | Unrestricted     |                                | Permanent Endowment            |                    | Total<br>2019     |
|------------------------------------------------------|-------|------------------|--------------------------------|--------------------------------|--------------------|-------------------|
|                                                      |       | General<br>Funds | Rothermere<br>Fellows<br>Funds | Permanent<br>Endowment<br>Fund | Investment<br>Fund |                   |
|                                                      |       | £                | £                              | £                              | £                  | £                 |
| Fixed assets                                         |       |                  |                                |                                |                    |                   |
| Tangible fixed assets                                | 7     | 715,800          | -                              | -                              | -                  | 715,800           |
| Investments                                          | 8     | -                | 2,871,185                      | 39,983,733                     | -                  | 42,854,918        |
|                                                      |       | <u>715,800</u>   | <u>2,871,185</u>               | <u>39,983,733</u>              | <u>-</u>           | <u>43,570,718</u> |
| Current assets                                       |       |                  |                                |                                |                    |                   |
| Debtors                                              | 9     | 54,412           | 5                              | -                              | -                  | 54,417            |
| Cash at bank                                         |       | <u>395,791</u>   | <u>79,685</u>                  | <u>-</u>                       | <u>1,265,683</u>   | <u>1,741,159</u>  |
|                                                      |       | 450,203          | 79,690                         | -                              | 1,265,683          | 1,795,576         |
| Creditors: amounts falling<br>due<br>within one year | 10    | <u>(38,397)</u>  | <u>-</u>                       | <u>-</u>                       | <u>-</u>           | <u>(38,397)</u>   |
| Net current assets                                   |       | <u>411,806</u>   | <u>79,690</u>                  | <u>-</u>                       | <u>1,265,683</u>   | <u>1,757,179</u>  |
| <b>Net assets</b>                                    |       | <u>1,127,606</u> | <u>2,950,875</u>               | <u>39,983,733</u>              | <u>1,265,683</u>   | <u>45,327,897</u> |
| <b>Funds</b>                                         | 11    | <u>1,127,606</u> | <u>2,950,875</u>               | <u>39,983,733</u>              | <u>1,265,683</u>   | <u>45,327,897</u> |