

THE OVE ARUP FOUNDATION
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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THE OVE ARUP FOUNDATION
REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2023

Address

8 Fitzroy Street
London
W1T 4BJ

Trustees

A Belfield
A K C Chan (Resigned 05/07/2022)
T Chapman
C Cole
A Gutierrez (Appointed 01/04/2023)
T M Hill
G Hodgkinson
R Tsui (Appointed 05/07/2022)
F H Wainwright
K J West

Secretary

J Ward

Treasurer

P Abbott

Investment Managers

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

Bankers

HSBC Bank Plc
City Corporate Banking Centre
60 Queen Victoria Street
London
EC4N 4TR

Solicitors

Slaughter and May
1 Bunhill Row
London
EC1Y 8YY

Auditor

Crowe U.K. LLP
55 Ludgate Hill
London
EC4M 7JW

THE OVE ARUP FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

ESTABLISHMENT AND OBJECTIVES OF THE OVE ARUP FOUNDATION

The Ove Arup Foundation (the "Foundation") was established by a Trust Deed on 24 February 1989 and is a registered charity, number 328138. Its principal objective is the advancement of education of the public, directed towards the promotion, furtherance and dissemination of knowledge of matters associated with the built environment. It has subsidiary powers to support academic research and to support any charitable activity with similar purposes.

The Trustees are mindful that the Foundation's activities should be for the public benefit. The Trustees have had due regard to the general guidance issued by the Charity Commission on public benefit in relation to the Charities Act 2011 and confirm that the aims of the Foundation are carried out for the public benefit. The Foundation's donations broadly fall into two types - immediate public benefit (education) and deferred public benefit (research).

GOVERNANCE AND MANAGEMENT

The Foundation is governed by the Trustees who are appointed by the Board of Arup Group Limited, a limited company registered in England and Wales (Company number 01312454). The Trustees are eligible for re-appointment at the expiry of their three year period of office. Arup Group Limited has powers to remove Trustees at any time subject to at least one month's notice. The Trustee body is supported by advisors, a Secretary and a Treasurer, all of whom are usually present at quarterly Trustee meetings where decisions are made. The Foundation has no subsidiary undertakings or employed staff. Trustees are drawn from a pool of current and former Arup employees - this provenance will have formed their knowledge of the Foundation however formal induction is done by the Chairman and Treasurer using a document which covers both the Foundation's history and objectives and the responsibilities of the Trustees. Every trustee receives an initial induction from the trustee company secretary, and briefing sessions on specific topics to new and existing trustees are also arranged as appropriate during the year.

ACTIVITIES

During the year, the Foundation has made direct charitable donations (see Note 3 of the Financial Statements) of £449,833 (2022: £403,156).

Support for ongoing projects continued during the 2022-23 year and a number of new grants were made for a range of exciting projects, including research that might translate into significant learning initiatives in coming years. The profile of the Foundation's work has continued to broaden from narrowly built environment topics to include more broadly social dimensions as we seek to foster an improving built environment for people.

Our activities in the year included continuing our engagement with Cambridge University on the Digital Cities for Change project which addressed the development of course content, academic reviews and approvals and preparations to launch the first teaching course. We are represented on the steering committee for the project and are satisfied with its progress.

The Foundation's project with the Centre for Creativity at the Sydney Opera House is proceeding into its second year with courses for all age groups to promote the shaping of a better, culturally richer and more inclusive built environment.

Also in its second year is the Public Space Academy with City Space Architecture which seeks to establish the central importance of public space for sustainable development of towns and cities.

The Foundation launched an exciting new project during the year with the Institute for Human Rights and Business which includes establishing a master's degree course in human rights and the built environment.

There were several other projects that the Foundation supported over the year including with Artsdepot, the Economist Educational Foundation, the Glass House, and Teen Tech, which encourage careers in and education about shaping a better built environment.

The financial position of the Foundation is robust, and we benefited from the continuing support of Arup Group, our principal benefactor, and investment returns during the year have been satisfactory. We enter the next year with confidence that we have good projects to invest in that will further our aims.

Internally, there was one retirement and two appointments to the Trustees in 2022-2023. We welcomed the appointments of Alejandro Gutierrez and Ricky Tsui, while Dr Andrew Chan stepped down. We thank Andrew for his twelve years of service and commitment to the work of the Foundation.

The Trustees are supported by Advisors who are invaluable in helping us to develop our thinking, critically assess grant applications, and generally supporting the work of the Foundation and we thank them for their work. There was one resignation and two new Advisors appointed during the year. We welcomed Professor Nick Tyler representing the Royal Academy of Engineers and Graham Morrison representing the Royal Institute of British Architects. We thank Louisa Hutton who stood down during the year after five years of service. During the year we revised the Deed of the Foundation in order to widen the range of potential Advisors in the future.

Once again, we are grateful for the continuing support of Arup Group which, when combined with our endowed funds, enables us to seek wider outcomes, and to take a long-term view over the scope of our activities.

FINANCIAL REVIEW

In previous years, the Foundation has received capital donations totalling £1,680,100 which have been credited to the Capital Account of its Trust Fund. At the balance sheet date these donations are all invested with Sarasin and Partners LLP, to provide income and capital growth out of which charitable expenditure can be made. It has received investment income of £79,131 (2022: £52,958), interest income of £1,171 (2022: £26) and donations of £400,100 (2022: £426,563). A donation of £400,100 was received from Ove Arup Partnership Charitable Trust (2022: £400,000). The Foundation made a loss on investments of £288,891 (2022: gain £373,598). The net movement in resources in the year was an decrease of £269,686 (2022: increase £410,516).

FUNDS

The Trust Fund consists of a general-purpose expendable financial endowment. Income derived from the endowment is unrestricted income from which the fund incurs charitable expenditure. Unspent income is carried forward as unrestricted funds.

STATEMENT OF INVESTMENT POLICY AND PERFORMANCE AGAINST POLICY

The Trust Fund is invested in a well diversified, medium risk, actively managed unit trust. The Sarasin and Partner Global Equity fund returned -3.5% in the year to 31 March 2023 against a benchmark of UK CPI+4% which returned -1.4% (2022: 3.1% against a benchmark of UK CPI+4% which returned 9.6%). The Trustees have noted this performance against the benchmark and are satisfied with the performance of the fund against the benchmark over the longer term. The investment policy and performance against policy is currently being assessed as part of the overall Fund review.

RESERVES

Total funds are £5,863,745 (2022: £6,133,431), of which the endowment fund is £3,661,627 (2022: £3,842,619). Net income retained for future use (unrestricted fund) amounts to £2,202,118 (2022: £2,290,812). Free reserves totaled £1,555,618 (2022: £1,722,912). The Foundation has tended to spend its donated income each year whilst these reserves have largely been untouched and have grown through investment returns. The Foundation holds reserves to continue striving towards its principal objective of public education and promotion of matters relating to the built environment. It receives annual charitable donations from a single commercial entity and generally grants donations of an equivalent value. Due to the absence of demand for project funding investments in previous years, the investments have been allowed to grow in line with investment returns in order to secure a larger capital base that gives financial independence from Arup Group and the opportunity to generate more significant income, ultimately for more project donations. The reserves policy is under review by the Trustees which includes developing a plan to utilise excess funds held above the agreed level once determined.

THE OVE ARUP FOUNDATION
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

RISK MANAGEMENT

The Trustees have reviewed the major risks to which the charity is exposed and have taken appropriate action to manage these risks. The Foundation keeps a risk register which is reviewed annually. The Foundation is dependent on Ove Arup Partnership Charitable Trust for the majority of its income. This risk is mitigated by managing the relationship with the sponsoring company, focusing on delivering the desired outcomes of projects and keeping adequate reserves. The Foundation has financial investments which carry risk. This is mitigated by diversifying investments across both asset classes and geographies. The investment performance and risk level are reviewed annually with the Investment Manager.

FUTURE PLANS

The potential recipients of charitable donations are considered on a regular basis in the context of the available funds and are also reviewed during the year. Where appropriate, depending on the size of a project, the charitable purpose and previous experience of the organisation concerned, donations may be committed to for multiple years but are still subject to annual review and may depend on the beneficiary delivering interim outcomes.

GRANT AND DONATION POLICY

The Trustees respond to applications from individuals and from charitable and educational establishments. The Trustees also initiate new educational projects in conjunction with universities and other organisations.

All applications are screened by the Chairman and the Secretary. They are then considered by the Trustees at their quarterly meetings. Only those applications which match the objectives of the Foundation are approved, subject to budgetary constraints.

Major initiatives are progressed over one or two years, which can result in an uneven expenditure pattern on an annual basis. The Trustees intend that the Foundation's activities continue at a similar level for the foreseeable future.

FUNDRAISING

The charity does not engage in fundraising and has not partaken in any such activities in the year.

INDEPENDENT AUDITOR

Crowe U.K. LLP has indicated its willingness to be re-appointed as statutory auditor.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards), including Financial Reporting Standard 102 ("FRS 102").

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

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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



G Hodkinson
Trustee



T M Hill
Trustee

Dated: 31 January 2024
Registered Office: 8 Fitzroy Street, London W1T 4BJ, UK

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF
THE OVE ARUP FOUNDATION
FOR THE YEAR ENDED 31 MARCH 2023

Opinion

We have audited the financial statements of The Ove Arup Foundation for the year ended 31 March 2023 which comprise the Statement of Financial Activities, Balance Sheet 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 31 March 2023 and of its incoming resources and application of resources, including 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 Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement set out on page 3, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF
THE OVE ARUP FOUNDATION (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

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

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

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

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

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

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

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

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

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

Use of our report

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

Crowe U.K. LLP

Crowe U.K. LLP
Statutory Auditor
London
Date: 31 January 2024

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

THE OVE ARUP FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023

	<u>Note</u>	Unrestricted Funds <u>2023</u>	Endowment Funds <u>2023</u>	Total Funds <u>2023</u>	Total Funds <u>2022</u>
		£	£	£	£
INCOME AND ENDOWMENTS					
Donations		422,208	-	422,208	426,563
Investment income		79,131	-	79,131	52,958
Interest received		1,171	-	1,171	26
Total income		502,510	-	502,510	479,547
EXPENDITURE					
Charitable activities	3	483,304	-	483,304	442,629
Net income		19,206	-	19,206	36,918
Net gains on investments	5	(107,900)	(180,992)	(288,891)	373,598
Net movement in funds		(88,694)	(180,992)	(269,686)	410,516
Reconciliation of funds:					
Total funds brought forward		2,290,812	3,842,619	6,133,431	5,722,915
Total funds carried forward	9	2,202,118	3,661,627	5,863,745	6,133,431

All amounts are derived from continuing activities.


The statement of financial activities contains all the investment gains recognised in the year.

The notes on pages 9 to 12 form part of these financial statements.


THE OVE ARUP FOUNDATION
BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023	2022
		£	£
FIXED ASSETS			
Investments	5	5,594,319	5,879,582
CURRENT ASSETS			
Debtors	7	100	100
Cash at bank and in hand		270,852	259,597
		270,952	259,697
CREDITORS: amounts falling due within one year	8	1,526	5,848
NET CURRENT ASSETS		269,426	253,849
TOTAL ASSETS LESS CURRENT LIABILITIES	9	5,863,745	6,133,431
TRUST FUNDS			
Unrestricted Fund	9	2,202,118	2,290,812
Endowment Fund	9	3,661,627	3,842,619
		5,863,745	6,133,431

The notes on pages 9 to 12 form part of these financial statements.
The financial statements on pages 6 to 12 were approved by the Trustees.



G Hodkinson
Trustee
Date: 31 January 2024



T M Hill
Trustee
Date: 31 January 2024

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	<u>2023</u>	<u>2022</u>
	£	£
Cash flows from operating activities:		
Net cash provided by operating activities	<u>(65,418)</u>	<u>(18,875)</u>
Cash flows from investing activities:		
Dividends, interest and rents from investments	-	-
Proceeds from sale of investments	42,688	5,565,282
Purchase of investments	(46,316)	(5,618,281)
Investment income	79,131	52,958
Interest received	1,171	26
Net cash used in investing activities	<u>76,674</u>	<u>(15)</u>
Change in cash and cash equivalents in the reporting period	11,257	(18,890)
Cash and cash equivalents at the beginning of the reporting period	259,597	278,487
Change in cash and cash equivalents due to exchange rate movements	-	-
Cash and cash equivalents at the end of the reporting period	<u>270,853</u>	<u>259,597</u>
Reconciliation of cash flows from operating activities		
	<u>2023</u>	<u>2022</u>
	£	£
Net income for the reporting period (as per the statement of financial activities)	19,206	36,918
Adjustments for:		
Investment income	(79,131)	(52,958)
Interest received	(1,171)	(26)
Increase in debtors	-	(100)
(Decrease) / increase in creditors	(4,321)	(2,709)
Net cash provided by / (used in) operating activities	<u>(65,418)</u>	<u>(18,875)</u>
Analysis of cash and cash equivalents		
	<u>2023</u>	<u>2022</u>
	£	£
Cash at bank and in hand	270,852	259,597
Total cash and cash equivalents	<u>270,852</u>	<u>259,597</u>

THE OVE ARUP FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 ACCOUNTING POLICIES

The Foundation (registered number 328138) is unincorporated and registered in England and Wales. The address of the registered office is 8 Fitzroy Street, London, W1T 4BJ, UK.

The financial statements have been prepared under the historical cost convention as modified by carrying investment assets at market value at the balance sheet date. The principal accounting policies adopted are as follows:

a) Basis of preparation

The financial statements have been prepared in accordance with the Charities SORP (FRS 102), applicable to charities preparing their accounts in accordance with FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The Foundation meets the definition of a public benefit entity under FRS 102.

Having assessed the Foundation's financial position and plans for the foreseeable future, the Trustees are satisfied that it remains appropriate to prepare the financial statements on a going concern basis.

There are no material uncertainties about the Foundation's ability to continue in operational existence for the foreseeable future. There is a reasonable expectation of continued funding and flexibility over future grant making.

Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required. In their estimation, the impact of transitioning is not material to the financial statements and therefore the restatement of comparative items is not required. The transition date was 1 April 2014.

b) Trust Fund

The Trust Fund consists of an expendable endowment and an income fund to be applied as the Trustees see fit for the charitable objectives of the Foundation. The expendable endowment comprises investments as detailed in note 5. The income fund consists of the balance of undistributed income and realised and unrealised gains on investments which the Trustees have power to retain in accordance with the law and the Trust deed.

c) Financial instruments

The Foundation has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise bank loans and overdrafts, trade and other creditors.

Investments, including bonds held as part of an investment portfolio are held at fair value at the balance sheet date, with gains and losses being recognised within income and expenditure.

d) Income

All income is recognised once the charity has entitlement to income, it is probable that income will be received and the amount of income receivable can be measured reliably. The majority of the Foundation's income is received as a donation from Ove Arup Partnership Charitable Trust. Donated services are included in income and expenditure at the value the charity would have paid for the services.

e) Expenditure

Expenditure is accounted for on an accruals basis. Governance costs are those costs incurred in respect of compliance with statutory and constitutional requirements. Donations payable are recorded when there is a constructive obligation to make the payment.

f) Fixed asset investments

Fixed asset investments are stated at closing market value at the balance sheet date. Any gain or loss on revaluation is taken to the Statement of Financial Activities ("SOFA"). Realised gains / losses are recorded in the SOFA, being the difference between sale proceeds and opening market value (or cost if purchased during the year).

THE OVE ARUP FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

2 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

3 CHARITABLE ACTIVITIES

	<u>2023</u>	<u>2022</u>
	£	£
Donations		
Sydney Opera House	173,333	161,846
Institute for Human Rights	87,500	-
City Space Architecture	40,000	70,000
The Glass House	60,000	60,000
The Technical University of Munich	-	37,200
Teen Tech	35,000	35,000
University of Surrey	25,000	-
The Economist Educational Foundation	18,000	14,560
Transport for All	-	9,050
The Smallpiece Trust	-	8,000
Arts Depot	5,000	5,000
The Anglo Danish Society	5,000	2,500
Architecture Kharkiv	1,000	-
	<hr/>	<hr/>
	449,833	403,156
	<hr/>	<hr/>
	<u>2023</u>	<u>2022</u>
	£	£
Support costs		
Donated services and expenses from OAPIL		
Staff time	22,108	26,563
Website design and maintenance	2,729	3,790
Bank charges	180	105
Governance costs (note 4)	8,455	9,015
Advisory services	-	-
	<hr/>	<hr/>
	33,472	39,473
	<hr/>	<hr/>
	483,304	442,629
	<hr/>	<hr/>

At 31 March 2023 the Foundation had charitable commitments totalling £645,500 (2022: £567,900) relating to donations payable over the next 12 months.

The audit fee of £3,800 (2022: £3,300) is paid by Ove Arup & Partners International Limited (OAPIL) on behalf of the Foundation.

The staff time of £22,108 (2022: £26,563) is time donated by OAPIL on behalf of the Foundation and is included in income and expenditure as a gift in kind.

THE OVE ARUP FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

4 GOVERNANCE COSTS	<u>2023</u> £	<u>2022</u> £
Administration	8,455	9,015
	<u>8,455</u>	<u>9,015</u>
The Trustees receive no remuneration for their services to the Foundation (2022: nil). In 2023, Trustees did not incur any expenses related to travel or accommodation (2022: nil). Management functions are performed by the Trustees, Advisors, Secretary and Treasurer.		
5 INVESTMENTS	<u>2023</u> £	<u>2022</u> £
a) Market values		
At 1 April	5,879,582	5,452,985
Additions during the year	<u>46,316</u>	<u>5,618,281</u>
At 31 March	<u>5,594,319</u>	<u>5,879,582</u>
Significant investment holdings:		
Sarasin and Partners	5,594,319	5,879,582
	<u>5,594,319</u>	<u>5,879,582</u>
b) Cost at 31 March	46,316	5,618,281
6 FINANCIAL ASSETS AND LIABILITIES	<u>2023</u> £	<u>2022</u> £
Financial assets		
Financial assets measured at amortised cost	270,952	259,697
	<u>270,952</u>	<u>259,697</u>
Financial liabilities		
Financial liabilities measured at amortised cost	1,526	5,848
	<u>1,526</u>	<u>5,848</u>
Financial assets measured at amortised cost comprises cash at bank and in hand and other debtors.		
Financial liabilities measured at amortised cost comprises accruals.		
7 DEBTORS		
Other debtors	100	100
	<u>100</u>	<u>100</u>

THE OVE ARUP FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

8 CREDITORS: amounts falling due within one year	<u>2023</u> £	<u>2022</u> £
Other Creditors	-	-
Accruals	1,526	5,848
	<u>1,526</u>	<u>5,848</u>

9 NET ASSETS BY FUND

The fund balances at 31 March were represented by:

	<u>2023</u>		<u>2022</u>		
	Unrestricted fund	Endowment fund	Total	Unrestricted fund	Endowment fund
	£	£	£	£	£
Fixed Assets - Investments	1,932,692	3,661,627	5,594,319	2,036,963	3,842,619
Current assets	270,952	-	270,952	259,697	-
Current liabilities	(1,526)	-	(1,526)	(5,848)	-
	<u>2,202,118</u>	<u>3,661,627</u>	<u>5,863,745</u>	<u>2,290,812</u>	<u>3,842,619</u>
			6,133,431		

10 FUNDS

Unrestricted funds comprise those funds which the Trustees are free to use in accordance with the charitable objects. The expendable endowment fund represents assets held by the charity, principally investments to generate income. Income arising on the expendable endowment fund can be used in accordance with the objects of the charity. Any capital gains or losses arising on the investments form part of the fund. The investments themselves can be distributed by the Trustees in accordance with their powers.

11 RELATED PARTIES

One of the Trustees of the Ove Arup Foundation is also a director of the Ove Arup Partnership Trustees Limited (the Trustee of the Ove Arup Partnership Employee Trust) and the Ove Arup Partnership Trust Corporation Limited (the Trustee of the Ove Arup Partnership Charitable Trust). During the year a donation of £400,100 was received from the Ove Arup Partnership Charitable Trust (2022: £400,000).

A Belfield, T Chapman, A Gutierrez, R Tsui, F H Wainwright and K J West are employees of Arup Group subsidiary companies. Their role as Trustees of the Foundation is considered to be an insignificant part of their role, and they do not receive additional remuneration for this. A K C Chan was also an employee of Arup Group subsidiary companies throughout the financial year however resigned as a trustee and employee post financial year end.

12 COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds <u>2022</u>	Endowment funds <u>2022</u>	Total Funds <u>2022</u>
	£	£	£
INCOME AND ENDOWMENTS			
Donations	426,563	-	426,563
Investment income	52,958	-	52,958
Interest received	26	-	26
	<u>479,547</u>	<u>-</u>	<u>479,547</u>
EXPENDITURE			
Charitable expenditure	<u>442,629</u>	<u>-</u>	<u>442,629</u>
Net income	36,918	-	36,918
Net gains on investments	(226,769)	600,367	373,598
Net income and movement in funds	(189,851)	600,367	410,516
Reconciliation of funds:			
Total funds brought forward	<u>2,115,774</u>	<u>3,607,141</u>	<u>5,722,915</u>
Total funds carried forward	<u>1,925,923</u>	<u>4,207,508</u>	<u>6,133,431</u>



Ove Arup Foundation

Annual Report 2022/23

Mission

Ove Arup Foundation promotes the advancement and communication of knowledge about the built environment through holistic and multi-disciplinary approaches to its shaping. The Foundation's work is a catalyst in the development of new initiatives and research: collaborating with various organisations and communities around the world, supporting students, academics, professionals and society as a whole, we promote learning and the dissemination of knowledge about an improving and sustainable built environment.

Chairman's Statement

Support for ongoing projects continued during the 2022-23 year and a number of new grants were made for a range of exciting projects, including research that might translate into significant learning initiatives in coming years. The profile of the Foundation's work has continued to broaden from narrowly built environment topics to include more broadly social dimensions as we seek to foster an improving built environment for people.

Our activities in the year included continuing our engagement with Cambridge University on the Digital Cities for Change project which addressed the development of course content, academic reviews and approvals and preparations to launch the first teaching course. We are represented on the steering committee for the project and are satisfied with its progress.

The Foundation's project with the Centre for Creativity at the Sydney Opera House is proceeding into its second year with courses for all age groups to promote the shaping of a better, culturally richer and more inclusive built environment.

Also in its second year is the Public Space Academy with City Space Architecture which seeks to establish the central importance of public space for sustainable development of towns and cities.

The Foundation launched an exciting new project during the year with the Institute for Human Rights and Business which includes establishing a master's degree course in human rights and the built environment.

There were several other projects that the Foundation supported over the year including with Artsdepot, the Economist Educational Foundation, the Glass House, and Teen Tech, which encourage careers in and education about shaping a better built environment.

The financial position of the Foundation is robust, and we benefited from the continuing support of Arup Group, our principal benefactor, and investment returns during the year have been satisfactory. We enter the next year with confidence that we have good projects to invest in that will further our aims.

Internally, there was one retirement and two appointments to the Trustees in 2022-2023. We welcomed the appointments of Alejandro Gutierrez and Ricky Tsui, while Dr Andrew Chan stepped down. We thank Andrew for his twelve years of service and commitment to the work of the Foundation.

The Trustees are supported by Advisors who are invaluable in helping us to develop our thinking, critically assess grant applications, and generally supporting the work of the Foundation and we thank them for

their work. There was one resignation and two new Advisors appointed during the year. We welcomed Professor Nick Tyler representing the Royal Academy of Engineers and Graham Morrison representing the Royal Institute of British Architects. We thank Louisa Hutton who stood down during the year after five years of service. During the year we revised the Deed of the Foundation in order to widen the range of potential Advisors in the future.

Once again, we are grateful for the continuing support of Arup Group which, when combined with our endowed funds, enables us to seek wider outcomes, and to take a long-term view over the scope of our activities.

Gregory Hodkinson
Chair of Trustees

Grant Activities during 2022/23

Anglo-Danish Society/ Ove Arup Foundation Scholarship

Total Grant made £ 45,000 In Year Grant £ 5,000 Annual Award since 2000

The recipients of the 2022 grant for the Ove Arup Foundation Scholarship at the Anglo Danish Society were awarded to Rebecca Browne and Rebekah Ball, both to study MA's in Architecture at the Aarhus School of Architecture.

Artsdepot

Total Grant made £ 20,000 In Year Grant £5,000 Dates: 2018 - 2023

For several years Arts Depot has been commissioning artists and designers to work with schools helping children and young people to consider environmental sustainability within the context of the built environment. The project engages with classes from 1 primary, 1 secondary and 1 senior school who consider different materials and their impact on the environment and also the availability of recycled materials, new technologies and approaches to creating more sustainable communities.

Working to a theme, about 75 pupils design and build structures that are then exhibited in Arts Depot's Apthorp Gallery during December. The exhibitions are interactive, bright and engaging and normally see a footfall of 5,000 visitors. In the Autumn of 2022 LAS theatre worked with the pupils over a series of workshops in each school exploring the theme of Future Cities. Pupils considered what cities of the future should look like, how they can be sustainable, and then built prototypes from recycled materials.

City Space Architecture

Total Grant made £ 110,000 In Year Grant £ 40,000 Dates: 2021 - 2023

The Public Space Academy (PSA) will provide an innovative educational program aimed at establishing a new approach to urban complexity built around public space. It is intended to spread awareness on the importance of public space culture.

Public space is a key element for sustainable urban development. Despite its broad and context-specific meaning, public space is the social glue that can contribute to advancing mutual trust, cooperation, and social solidarity. It is intended that in addition to learning, PSA will provide lectures and face to face activities workshops, teaching students how to design practical solutions.

During the last year the Academy programme was launched in Katowicz, Poland and was divided into three parts, theoretical, tools and methodology and a simulation of a public hearing negotiation with a public authority.

This enabled the PSA to create an audience around the Academy and by use of its website, the core team has been expanded and the first mini-series has been recorded.

In conjunction with UNHabitat they are creating a world map of social, environmental and economic practices measuring the resilience of communities related to public space.

The Economist Educational Foundation

Total Grant made £ 32,560 In Year Grant £ 18,000 Dates: 2021 - 2023

The Economist Educational Foundation (EEF) is delivering a programme together with Arup Group's Community Engagement programme focusing on enabling young people aged 8-14 years to develop critical thinking skills and communication through inspiring discussions about the built environment.

EEF are working with Arup CE to create teaching materials which develops young people's understanding of the relationship between the built environment and topical issues including sustainability. The project combines STEM education with education about current affairs. In order for science and technology to help find solutions to the world's problems, the next generation of STEM specialists should have an in-depth understanding of these challenges and see the gaps where they could help to make meaningful change. They will need not only STEM skills, but the thinking and communication skills to creatively and collaboratively solve problems. This project is intended to help them to build these skills.

The resources developed are freely available to any school globally. Students have access to a unique online learning platform where they discuss and debate the topics with peers from all around the world. For one week after the publication of each resource, they discuss the resource topic on the site and receive feedback from EEF's in-house teachers. Expert staff join these online discussions, helping students develop their ideas and arguments.

The work with the EEF made good progress during the year with a high standard of teaching material prepared and made available on the online platform with a large number of downloads by teachers and students.

The Glass House

Total Grant made £ 120,000 In Year Grant £ 60,000 Dates: 2021 - 2023

The Glass-House Community Led Design project offers a programme run by their WEdesign event series integrating it within degree courses for emerging built environment professionals. This is a strategic approach to creating points of connection, knowledge exchange and collaboration across education, practice, industry and communities policy and a replicable model for collaboration in diverse disciplines. The Glass-House delivers the annual WEdesign series of free public facing events exploring the role of communities in design and placemaking. Their events bring together a wide range of built environment professionals through challenging yet playful activities to explore a broad spectrum of issues relating to design quality, place equity, sustainability, diversity and inclusion. As well as coordinating the event series, The Glass-House works with university partners to integrate the series with student modules and assignments. During the year the Glass-House hosted a large range of online and in person events together with their partner Universities.

Institute for Human Rights and Business

Total Grant made £ 87,500 In Year Grant £87,500 Dates: 2022 - 2023

Over a two-year period, this project will produce teaching materials, academic papers, university linkages and a course syllabus, to fill the gap in teaching on human rights and just transitions in the built environment. The materials will be developed through the Institute for Human Rights and Business' (IHRB)'s global built environment programme, and from a research and visioning process on just transition in the built environment involving deep-dives in eight cities globally.

The IHRB is seeing scaled action to tackle climate change in the built environment. This includes efforts to reduce emissions from buildings – recognising that buildings and construction account for 37% of global energy-related carbon emissions – and to strengthen resilience in the context of rising sea levels and increasing extreme weather events. Meanwhile, the COVID-19 pandemic accentuated the stark disparities that characterise the built environment – including who has access to a decent place to live, and to green spaces. However, knowledge and action on the social and human rights dimensions of the built environment lags behind action on the climate and environmental dimensions. At the same time, climate action often focuses narrowly on mitigation or adaptation without paying due attention to the social risks of these processes leaving some communities and workers behind. Similarly, the social and human rights dimensions of built environment decision-making are not yet widely taught in schools of planning, engineering and architecture, or in business school teaching on real estate finance and related topics. The project will result in scaled-up research and teaching for human rights and the built environment. The specific outcomes will be: master's level course material on the built environment and human rights/ materials for use in the curricula/ guest lectures/ a network of universities to use materials and/or implement the course.

Hong Kong Polytechnic University

Total Grant made £ 189,376 In Year Grant £0 (pre-funded) Dates: 2015 - 2023

The programme of distinguished lectures and workshops was suspended due to the Covid pandemic in Hong Kong. The fourth and final programme continued during 2022-23 and is expected to be completed during 2023-24.

Kharkiv School of Architecture

Total Grant made £ 1,000 In Year Grant £1,000 Dates: 2022 - 2023

A grant was awarded alongside other supporters to facilitate the move of the Kharkiv School of Architecture from Kharkiv to Lviv for the duration of the war in Ukraine.

The Smallpeice Trust

Total Grant made £ 17,040 In Year Grant £ 8,000 Dates: 2018 - 2023

The Smallpeice Trust Future Cities course makes use of the expertise within universities and in industry to show students the future options available to them. The virtual Future Cities 2023 course is a development of a course run in 2021 and 2022 which was also supported by the Ove Arup Foundation, and which was switched from a residential course to a virtual course due to the Covid-19 restrictions. Future Cities was delivered in the summer holiday period of 2023 with the Smallpeice delivery partner, the University of Southampton, 50 Year-12 (16-17 years old) students who experienced life in a Higher Education establishment over the three days of the course.

Following a comprehensive review at the end of the 2022, The Smallpeice Trust structured its courses in a way that better responded to students' requirements, the course retained the objectives and structure of the previous course; broadened students understanding of Higher Education and career paths in STEM, with a particular emphasis on improving the urban environment. They highlighted the interconnected problems present in cities and how people from different disciplines are tackling these challenges together.

Sydney Opera House

Total Grant made £ 390,545 In Year Grant £173,333 Dates: 2020 - 2023

The Sydney Opera House is an internationally renowned landmark and home of the Centre of Creativity where design, architecture, the built environment and creativity change the way people experience the world. The building that is the Sydney Opera House was made possible through the inspiration of and collaboration between architects and engineers, including its principal architect Jørn Utzon and engineer, designer and philosopher Sir Ove Arup.

Sydney Opera House BUILD (SOH BUILD) is a 3-year education program that activates Built Environment Creative Learning through the Centre for Creativity. Supported by the Ove Arup Foundation, the program has three streams of activity:

A Secondary School Design Challenge: For year 9 and 10 students, SOH BUILD repositions STEM subjects for young people;

A Tertiary Built Environment Creative Lab: For tertiary students from architecture, engineering and other disciplines, over ten days students explore how a socially engaged built environment practice can contribute to more sustainable futures; and

A Public Program Talks Series (Conversation Nights): For general public and professional audiences, a series of intimate talks and conversations exploring new intersections between the built environment, design and the arts.

As the Sydney Opera House celebrates its 50th anniversary year in 2023, SOH BUILD will continue to deliver all three streams at the Centre for Creativity contributing to creative learning at SOH.

Teen Tech

Total Grant made £ 70,000 In Year Grant £ 35,000 Dates: 2021 - 2023

Teen Tech continued their programme together with Arup Group's Community Engagement programme promoting all aspects of the Built Environment for disadvantaged schools.

Teen Tech delivered a blended 'Build Your Future' programme, themed around the Built Environment. This provides a great opportunity to engage and inspire the next generation's interest in all areas of the Built Environment, showcasing the importance of digital, scientific and engineering skills.

The sessions were delivered by Teen Tech's experienced broadcasters who have worked with disadvantaged students in the classroom as well as via virtual delivery.

During year 2 of the programme, TeenTech delivered 10 x monthly virtual sessions featuring Arup staff and other relevant industry experts who in addition attended TeenTech festivals to offer activities to students and staff. In the virtual sessions, TeenTech presenters interviewed "topic experts" who talked about their professions, roles, projects, and answered questions from young people about their work.

University of Cambridge – Digital Cities for Change

Total Grant made £509,739

In Year Grant £0 (pre-funded)

Dates: 2017 - 2023

The agreement with the University of Cambridge for a research programme leading to Educational Modules in Digital Cities for Change at graduate and executive level continued into its sixth year. Representatives from the Foundation attend advisory meetings with the University to review progress. The research programme addresses the gaps in capability and identifies the digital tools required to deliver smart cities which benefit the citizens they serve. The outcome will be a series of educational modules/ training content required to equip a new generation of built environment professionals and administrators.

During the year there were three main areas of progress including: The course prospectus describing the different modules of the courses/ the internal academic approvals progress/ external marketing and endorsements from local authorities and institutions.

The progress of University approvals for new PGCert/ PGDip and Master's degree courses are expected to be finalised within 2023.

The inaugural Executive education course, called LeadUP, was successfully completed in September 2023.

University of Surrey

Total Grant made £ 25,000

In Year Grant £25,000

Dates: 20 - 2023

The University of Surrey established a Heat Cool project run by Guildford Living Lab under the Global Centre for Clean Air (GCARE) research programme, to teach school children about climate change and air pollution. It is designed for primary and secondary school pupils and aims to educate children on how energy heats and cools our planet, how it affects us, and what we can do about it. It further aims to infuse curiosity, educate, and enhance the understanding of STEM among pupils about:

- Common heat sources in their built environment
- Urban Heat Island
- Climate change impacts
- How to cool our environment via trees and green infrastructure
- Air pollution emissions

The programme engages students in a playful manner, infusing a citizen science approach by bringing community-school-researchers into schools. The students learn via quizzes, informal discussion, and appreciation of their local environment around them.

Trustees

Alan Belfield
Tim Chapman
Caroline Cole
Alejandro Gutierrez
Terry Hill
Gregory Hodgkinson
Ricky Tsui
Faith Wainwright
Kate West

Special Advisor

Raj Patel

Advisors

Ash Amin representing the British Academy
Mike Cook representing the Institution of Structural Engineers
Nick Tyler representing the Royal Academy of Engineering
Graham Morrison representing the Royal Institute of British Architects
Doug King representing the Chartered Institution of Building Services Engineers

Secretary

John Ward

Treasurer

Paul Abbott

Contact

Ove Arup Foundation
8 Fitzroy Street
London
W1T 4BJ
England

Email: foundation@ovearupfoundation.org

Website: www.ovearupfoundation.org