

# THE VARDY FOUNDATION



TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2024

## **THE VARDY FOUNDATION**

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## **THE VARDY FOUNDATION**

### **REFERENCE AND ADMINISTRATIVE DETAILS**

#### **Trustees**

Sir Peter Vardy, Chairman  
Lady Margaret Vardy  
Richard A R Vardy  
Peter D D Vardy  
Victoria H Vardy

#### **Register Charity numbers**

England and Wales: 328415  
Scotland: SC051152

#### **Principal office**

110 George Street  
Edinburgh  
EH2 4LH

#### **Independent auditor**

MHA  
6 St Colme Street  
Edinburgh  
EH3 6AD

#### **Bankers**

Barclays Bank Plc  
5 St Ann's Street  
Newcastle Upon Tyne  
NE1 3DX

#### **Investment managers**

Rathbones Investment Management  
10 George Street  
Edinburgh  
EH2 2PF

Barclays Wealth  
Level 15  
1 Churchill Place  
London  
E14 5HP

#### **Investment advisor**

ISIO  
Garment Factory  
10 Montrose Street  
Glasgow  
G1 1RE

#### **Legal advisors**

BTO Solicitors LLP  
48 St Vincent Street  
Glasgow  
G2 5HS

Square One Law LLP  
Anson House  
Fleming Business Centre  
Burden Terrace  
Newcastle Upon Tyne  
NE32 3AE

**THE VARDY FOUNDATION  
TRUSTEES' REPORT  
FOR THE YEAR ENDED 5 APRIL 2024**

**CHAIRMAN'S REVIEW**

Welcome to the Vardy Foundation's annual report for 2023/24.

I am pleased to be reporting on another successful year in which we have donated £1.6m in grants to 98 outstanding charities or individuals in the UK and internationally which are making very significant changes to the lives of families and children. This year, we continued to focus our grant-making on those charities and individuals which help to alleviate the suffering for the growing number people who are marginalised in our society. In addition, we have also supported some of our long-standing charitable partners especially those in poorer, developing countries, and in this report, we highlight some of these life-saving projects.

A continuing focus for the Charity over the last year has been our work to improve the lives of care experienced young people. Partnering with Local Authorities, we have developed an approach that will provide practical support, love and encouragement to help them develop into successful young adults and reach their full potential. Our work centres on bringing home young people, who are looked after out of area, into accommodation that will better suit their needs and allow improved support to be built around them in their local community. The initiative will also ensure that there is suitable moving on accommodation as they take their first steps away from the care system. And perhaps the most important aspect of our work is that, along with our Local Authority partners, we are looking to develop an improved support system around young people and their families to help reduce the number of young people going into care in the first place. Our ambition is to roll this work out across the country and make a significant impact on the life chances of care experienced young people. This report outlines the progress made on this exciting Care Project.

The Foundation continues to be an efficiently run, family foundation, able to move quickly and adapt to new opportunities. We work with both local and central governments to share best practice and support them in their ever-increasing social needs. We also believe that by working alongside charities, proactively and collaboratively, we can maximise the impact of our funding.

The Foundation's team has enjoyed another busy year in our George Street offices, and it continues to ensure that the Charity's resources are helping those whom we fund achieve their purpose, to the best effect. I would like to thank the whole Foundation team – Graeme, Armored and Alison for their invaluable help and support to the Trustees to ensure that the Charity runs smoothly and meets all its obligations.

I look ahead and continue to focus our attention on working again with the charities we support as well as looking for new opportunities to engage with similar charities in our principal interest areas.

**Sir Peter Vardy**  
Chairman

3 October 2024

**THE VARDY FOUNDATION  
TRUSTEES' REPORT  
FOR THE YEAR ENDED 5 APRIL 2024**

**Introduction**

The Trustees have pleasure in presenting their annual report and financial statements for the Charity for the year ended 5 April 2024. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's trust deed, the Charities Act 2011, the Charities and Trustee (Investment) Scotland Act 2005 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

The Vardy Foundation has complied with the duty in Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission in England Wales ("the Charity Commission") and the Office of Scottish Charity Regulator ("OSCR").

The Charity is constituted under Trust Deed dated 25 September 1989 and is registered as a Charity with the Charity Commission and with OSCR. Other reference and administrative details are set out in the previous section.

**Objectives and performance**

The objectives of the Vardy Foundation are to support initiatives and programmes in social action and faith-based projects, predominantly focused on early intervention programmes committed to strengthening families and the relief of poverty. The Charity also seeks to support ex-offenders and those in prisons, addiction, rehabilitation, the homeless and the unemployed.

The Vardy Foundation was, for some time, committed to supporting work in the North East of England as well as making grants to other parts of the UK and the rest of the world. Since moving its operations to Edinburgh, the Charity has increased its grant-giving to Scottish-based charities. The Peter Vardy Foundation and the Jigsaw Foundation are two designated funds within the Charity, managed respectively by Mr Peter Vardy and Mr Richard Vardy, and are primarily focussed on charitable activities in Scotland.

The Trustees confirm that they have referred to both the Charity Regulators' guidance on public benefit when reviewing the Charity's aims and objectives, in planning activities and setting the grant making policy for the year. The Charity furthers its charitable purposes for the public benefit through its grant-making policy which aims to support a range of programmes in education, the arts, skills enhancement, mentoring and leadership development.

The Charity makes donations, grants and loans to a range of institutions and individuals at the discretion of the Trustees. It does this mainly by way of direct payments to the beneficiaries, but also through the payment of other expenses to third parties.

The Trustees meet every three months to review the performance of the Charity and develop plans for the achievement of its objectives. This includes the impact and outcome of previous awards, as well as the consideration of new applications.

**THE VARDY FOUNDATION  
TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 5 APRIL 2024**

**Structure, governance and management**

The Vardy Foundation was established by Sir Peter Vardy to make grants and provide support to a range of charitable causes. The Trustees seek to continue this charitable work through the careful stewardship of its existing resources and by seeking new sources of funding.

The governance of the Charity is the responsibility of the Trustees, and the Charity adopts the appropriate principles and recommended practice of the Governance Codes of both the Charity Regulators. The governing body of the Charity is the Board of Trustees which currently comprises five members. The Trustees who acted during the year and up to the date of this report are shown on page one. There have not been any changes in Trustees during the year. Trustees holding title to Charity property on behalf of the Charity are Sir Peter Vardy, Lady Margaret Vardy, Richard A R Vardy and Peter D D Vardy.

The Trustees are responsible for setting general policy and for the day-to-day management and decision making of the Charity. At the quarterly Trustees' meetings, the Trustees agree the broad strategy and areas of activity for the Foundation, including consideration of grant making, investment, reserves and risk management policies and performance. In their exercise of governance, the Trustees seek regular professional input and advice and meet with the Foundation's investment manager at least four times a year.

**Key management personnel remuneration**

The day-to-day management and operational running of the Foundation is managed by Sir Peter Vardy, Mr Richard Vardy, the Finance Director, the Foundation Director and the Charity Administrator. None of these individuals receive any remuneration through the Foundation. All Trustees give their time freely and no remuneration nor expenses were paid to them in the year. Details of related party transactions are disclosed in note 22 to the financial statements.

Trustees are required to disclose all relevant interests and register them with the Charity Administrator and in accordance with the Foundation's policy withdraw from decisions where a conflict of interest arises. No Trustee has a beneficial interest in any of the charities supported.

**Achievements and performance**

Once again, the Trustees are pleased to report on another successful year of grant-making for The Vardy Foundation. We have been delighted to support so many outstanding charities that have delivered life-changing outcomes for many people. To this end, we have awarded donations of £1.6m to 98 charities or individuals. The total of £1.6m is down from the previous year's £2.8m grant total for the following three reasons:

- i) In 2022/23, there were three large multi-year grants committed for a total of £1.4m;
- ii) In 2023/24, one grant for £320k was written back;
- iii) In 2023/24, the Trustees committed £186k for the purchase of a residential flat in Edinburgh for homeless accommodation. This purchase utilised the Charity's cash available for Charitable Activities.

### Achievements and performance (continued)

During this financial year, some significant grants have been made which are outlined below:



The Foundation awarded £268k to support Care for Children in the expansion of their family care strategy for orphans and vulnerable children across the globe.

There are an estimated 8 million children living in institutional care worldwide, although it is likely this figure is significantly understated. The United Nations General Assembly has called for action in its members states to protect the human rights of children without parental care, focusing on the need for there to be a significant improvement in long-term alternative options.

Care for Children has worked tirelessly since 1998 to empower countries to transition from institutional care to family-based care for orphans and vulnerable children. In 2018, the Chinese government confirmed that from 1998, when Care for Children commenced their project in China, over 1 million care children were living with families. Care for Children has since expanded its initiatives to Thailand, Vietnam and Cambodia and is rolling out a new three year "My Family" strategy which will see its reach in the UK and across the globe to ensure that children in care have the opportunity of growing up in local, loving families.



**Columba  
1400**

A donation of £100k, as a double match-fund, was awarded to the Scottish charity, Columba 1400.

The core purpose of Columba 1400 is to work alongside individuals, communities and organisations to transform and empower young people from the toughest backgrounds, such as those living in care or in areas of high deprivation, to realise that they have it within them to lead lives of purpose, meaning and contribution.

Since its inception in 2000, more than 16,000 young people and key adults have taken part in Columba 1400's values-based leadership academies which have regularly proved to be an important turning point in their lives.

The Foundation's support has allowed Columba 1400 to continue these experiences both through the residential programmes at their Centre in Staffin on the Isle of Skye and locally in communities across Scotland. In the latter case, they work with partners to deliver these programmes to parents, carers, guardians and young people in the community as well as front line support teams and leadership teams in the local authority.

**Achievements and performance (continued)**



During the year, the Trustees awarded £250k to support the charity, Kids Operating Room ("KidsOR"), a global health charity dedicated to ensuring every child has access to safe and timely surgery.

In 2020, KidsOR launched its Africa 2030 strategy, a transformative initiative aiming to deliver 120 paediatric operating rooms and train 100 paediatric surgeons by the end of the decade. This strategy sets out to provide 750,000 children with access to critical surgical care and prevent over 14 million years of disability.

The Vardy Foundation is a key contributor to a wider match-funding project across four African nations. In Zambia, the Foundation's donation is helping to establish two state-of-the-art paediatric operating rooms at Chipata and Livingstone Hospitals where the need for child-specific surgical care is acute. In Zambia, where nearly half of the 19 million population is under the age of 15, 5 % of children do not survive to their fifth birthday and over 1 million live with disabilities.

Each KidsOR operating room is equipped with over 3,000 pieces of specialised, paediatric surgical equipment. Before installation, all equipment is thoroughly tested at KidsOR's Global Operations Centre in Scotland. Each operating room is uniquely designed by KidsOR's architects and engineers to fit the specific needs and available space within each partner hospital.

KidsOR also works closely with local hospital teams to provide vital training and this is provided both remotely and through local biomedical experts, equipping hospital staff with the skills needed to maintain the equipment effectively. Through this collaborative approach, the Foundation's support is helping to revolutionise paediatric surgical care across Africa, giving thousands of children the opportunity for a healthier future.

A donation of £90k over three years was made to the UK charity, L'Arche.



Established in 1974, L'Arche is a community movement made up of people with and without learning disability, on a mission to build a world where everyone belongs. It aims to be a beacon of excellent care and life-giving community, with a commitment to life-sharing, spirituality, activism and friendship. In 60 houses, in their 11 UK Communities, some 130 skilled leaders make L'Arche's vision real. There are over 165,000 vacancies in social care due to a societal decline in personal vocations so L'Arche has set up a Future Leadership Programme, which the Foundation's funding will help deliver, to grow a new generation of leaders who will be in the frontline helping those with learning disabilities. This bespoke recruitment campaign will be promoted to purpose-led and faith-led future leaders in the UK, especially in the mid-20s and mid-career choice points.



**Achievements and performance (continued)**



**The Glasshouse**  
International  
Centre for Music

The Foundation donated, as a match-fund, £100k to The North Music Trust, whose operational name is The Glasshouse International Centre for Music (formerly Sage Gateshead). For 20 years, this Gateshead-based charity has been bringing music into the lives of young people in the North East.

As was the case for all cultural charities, the pandemic severely affected The Glasshouse as the building was closed to the public for 18 months which left them facing a very significant financial deficit. They have been able to pull through this with government and philanthropic support, including that of the Vardy Foundation.

The funding was directed to the Glasshouse's "Make Music:Young People" programme which is the only music programme of its kind in the North East. Their 25-room Make Music Centre is the heart of music education in the region and hosts hundreds of children each week, many of whom come from challenging backgrounds. The Glasshouse offers free starter level classes and means-tested bursaries to families who are struggling financially. Music helps these young people through difficult times, to fulfil their potential and offers them a brighter and happier future.

The Trustees awarded £100k to another Scottish charity, The Haven Kilmacolm.

The Haven Kilmacolm has for over 30 years provided support and accommodation for men from age 17 with drug and alcohol abuse issues to help them become free from their addiction.

The Haven Kilmacolm's residential programme, for up to 26 men at a time, runs for 40 weeks and is a needs-led service that is tailored to the specific requirements of each young man. The programme consists of a teaching curriculum (using biblical principles), life skills courses, support sessions, personal health, recreation and education.

The main objectives are for all the residents to be 100% drug and alcohol free within 4 weeks of admission. This then leads to improved family relationships and better life outcomes.

The funding from the Vardy Foundation was directed at funding core costs primarily for staff who support their service users at each stage of their rehabilitation.



**THE VARDY FOUNDATION  
TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 5 APRIL 2024**

**Achievements and performance (continued)**

A full list of donations to institutions can be seen in Note 7 on page 26. There has also been a large number of smaller donations that have amounted to over £491k. The total number of grants made in 2023/24 was 98 which is comparable to the previous year's figure of 100.

Many of these grants are set up on a match-funding basis which is proving to be very successful for a number of charities, particularly smaller ones. This method of grant making works on the basis that the Foundation contributes a certain percentage of a fund-raising goal on the condition that the respective charitable organisation then raises the balance. This gives additional comfort to the Trustees that others believe in and support the charity's work as well as increasing the potential funds raised for the donee.

**The Care Project**

The Foundation is a charity that supports young and vulnerable people across the UK and is committed to preventing children entering the care system and maximising opportunities for people leaving it.

**The urgent case for change**

In 2021, the Scottish Government published "the Promise" which outlined what Scotland must do to make sure its most vulnerable children have the childhood they deserved. The following statistics were identified as part of The Promise and highlight the need for urgent change:

- Care experienced children are 2.5 times more likely to be excluded from school at 16
- Care experienced adults are twice as likely to have no educational qualifications and twice as likely to have poor health
- Care experienced people earn incomes which are 27% lower on average than their non-care experienced peers
- A quarter of prisoners were care experienced in 2019
- Care experienced adults are 1.5 times more likely to experience multiple disadvantages such as substance use, mental health difficulties or being in conflict with the law
- Care experienced adults are twice as likely to have suffered from homelessness, usually before their 30<sup>th</sup> birthday.

Key Scottish Government statistics taken in 2021/22, show that there were 12,600 children in care in Scotland with an annual social care cost of £680m.

**Project Overview**

The Foundation has identified an opportunity to tackle systemic problems with care provision in Scotland and the wider UK. Across the country, local authorities are facing both soaring costs for children's social care and significant pressure on sustaining positive outcomes for children in care. In 2023, following an invitation from the Chair of the Promise, the Foundation commenced working with a number of Local Authorities to develop an innovative care model to be developed on a pilot basis in partnership with Clackmannanshire Council ("The Clackmannanshire Project").

The pilot programme will address the challenges outlined above and achieve the following benefits:

- Clackmannanshire Council will have local, fit for purpose accommodation and wraparound services
- The children will be able to stay in the local area
- Improved outcomes for children in care in both the long and short term
- The financial savings will be directed to early intervention services and the development of multi-disciplinary therapeutic support and training.

**THE VARDY FOUNDATION  
TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 5 APRIL 2024**

**Achievements and performance (continued)**

**Building the new accommodation**

The first phase of the Clackmannanshire Project will see a four-bed residential unit and six-bed moving on accommodation built in Alloa on Council-owned land. The drawings below show the design and layout of the units which have been driven by local care experienced young people, with the input and support of the Care Inspectorate.



Both blocks have been designed to offer optimal space, inside and out, to provide a nurturing environment for the young people and to support the delivery of the wraparound care. Formal planning consent was received for the project on 29 August 2024.

**Funding the model**

The building project will be funded by investment from Local Government Pension Schemes via a dedicated fund created and managed by a private fund manager. The fund will exist solely to support building projects across the country to re-home care experienced young people in their local area. The model's strength comes from the fact that Local Government Pension Scheme funds are invested back into, and benefit, the very local communities where their members live. The savings generated from reducing the fees paid to external providers will be used to fund the lease costs of the new accommodation, provide an improved wraparound care service for the young people returning to the local area, and invest in preventative schemes that help keep families together.

**Social Investments**

The Charity continues its social investment programme through its charitable loans to a number of charities. The outstanding loans totalled £403k at 5 April 2024.

**THE VARDY FOUNDATION  
TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 5 APRIL 2024**

**Financial review**

*Income*

Income for the Foundation this year increased by 24% to £1.82m (2023: £1.46m). The principal reason for this increase in income was that income from investments rose to £1,393k (2023: £918k), reflecting both the improvement in the earnings of companies and the significantly higher rates of interest earned on bank deposits.

Donations were made up principally of donated investments of £314k (2023: £350k). Please refer to Notes 2 to 3.

*Expenditure*

Expenditure decreased to £1.79m (2023: £2.90m). Grants awarded of £1.6m (2023: £2.8m) continue to make up the largest proportion of expenditure (96%, 2023: 96%) and investment management costs decreased to £56k (2023: £96k) following the Trustees' decision to divest a large proportion of the equity investments and place the cash in to fixed term deposits.

There was an increase in support costs from £6.3k to £136.8k. The principal drivers of this significant increase were a foreign exchange loss of £12k (2023: gain of £65k) and an increase in professional fees.

*Net realised and unrealised losses/(gains) on investments*

Due to more favourable global markets during the financial year, the Foundation's shares values increased by £358k at 5 April 2024 compared to the previous year when there were unrealised losses of £2.2m. The Trustees however continue to monitor closely the Charity's investments and recognise that markets are still very volatile due to the pressures on global economies.

*Balance Sheet*

The level of cash held has decreased from £7.4m to £498k in the year following the repayment of the £7m loan.

**Reserves Policy**

The Trustees accept that the Charity must maintain a significant level of reserves, and that a level of free reserves should be retained to enable larger one-off donations to be made without the need for drawdown from capital investments.

Total funds at the end of the financial period were £32.5m (2023: £32.1m), of which £718k (2023: £1.0m) are designated and the remaining £31.8m (2023: £31.1m) are unrestricted general funds.

Designated funds consist of The Peter Vardy Foundation and the Jigsaw Foundation. Decisions affecting these funds are set out in the section, **Plans for the Future**, below.

Within unrestricted general funds there are social investments of £5.3m, fixed assets of £250k and investments of £26.8m held to generate future income. Investments may be utilised by the Trustees for charitable purposes at their discretion but are not considered to be part of free reserves.

**THE VARDY FOUNDATION**  
**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 5 APRIL 2024**

**Reserves Policy (continued)**

Free reserves have increased this year to (£0.52m) from (£1.4m). This is because the Foundation has given out grants totalling £1.6m, due to the on-going need for assistance from our charities and has thus depleted its cash resources. However, the Charity continues to hold its assets in the form of investments to maximise income generating potential and these can be realised when needed to provide additional cash.

The Trustees consider that the current level of free reserves is appropriate to provide sufficient funds to respond to application for grants and ensure their support and to cover the Foundation's governance costs.

**Risk Management**

The Trustees have assessed the risks to which the Charity is exposed, in particular those related to the operations and finances of the Foundation and are satisfied that systems are in place to mitigate exposure to risks. The Trustees consider variability of investment returns as one of the major risks and therefore the Charity used the services of Rathbone Investment Management Ltd as their principal Investment Manager. The Trustees have adopted an investment policy under which the financial objective of the Foundation is to at least maintain the real value of the Charity's assets while generating a stable and sustainable return to fund annual grant making. During the year, the Trustees also carried out a review of the Foundation's Risk Register.

**Financial Markets**

In the last quarter of the financial year, global resilience continued with the US economy growing faster than expected which contributed to a rally in risk assets and high yield bonds. Market expectations around the pathway for interest cuts were heavily revised as markets priced in fewer expected rate cuts for 2024 due to resilient growth, sticky inflation and low unemployment figures.

Equities benefitted from strong earnings and economic data, hitting new highs in the US with the "Magnificent 7" stocks continuing to drive the S&P 500. The UK equity market lagged its global counterparts due to its value-orientated bias, lack of exposure to technology stocks and the underperformance of the UK economy.

In terms of sector trends, energy companies benefitted from rising commodity prices, driven by increased geopolitical tensions and supply/demand imbalances. The financial sector also performed well due to banks benefitting from the higher interest rates and the technology sector from AI-related themes.

Emerging markets lagged their developed counterparts, impacted by the economic deceleration of China and the strengthening of the US dollar.

**Investment Policy**

The Investment Policy takes into account the risk tolerance acceptable to the Foundation as decided by the Trustees and has the objective of a blend of income and capital appreciation. Investments generated £1,393k (2023: £918k) of income during the year, representing an increased return of 5.2% on average investment value (2023: 3.4%). This reflects the quadrupling of income from bank deposits to £818k due to the rise in interest rates and the interest earned on a loan of £7m.

**THE VARDY FOUNDATION  
TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 5 APRIL 2024**

**Investment Policy (continued)**

The Trustees monitor the performance of the Charity's investment portfolio and formally review performance with its principal investment manager on a regular basis. The Trustees are satisfied that the performance of The Vardy Foundation's investments is in line with overall market performance.

**Plans for the Future**

The Vardy Foundation will continue to work in areas of early intervention and seeks to support individuals and families before crisis develops. A home, a family, a community to belong to and meaningful work are of paramount importance. We continue to work with charities, such as Safe Families for Children, who strive to strengthen the family around the children so that they avoid going into care. Their invaluable support and help result in them leading more fulfilling lives.

The Vardy Foundation is in its fourth decade of charitable giving for the public benefit and, although the Trustees continue to focus on supporting a wide range of early intervention, social action, education and training programmes both in the UK and across the world, they are keen to specifically develop a vision and strategy for the next ten years, focussing on projects closer to home.

Looking forward to the year ahead, the Trustees will continue to work closely with Local Authorities and Central Government to accelerate the national rollout of the Care Project. The model will then be rolled out across the UK starting with those local authorities involved in the design stage. The pilot is underpinned by an infrastructure financing model delivering purpose built, cost-effective accommodation for vulnerable children.

Our model will enlist the goodwill of an army of volunteers that will provide support to both young people and their families. This type of community-based support can be very effective in addressing the needs of families whose children are on the edges of the care system and by preventing young people from entering and moving through the care system itself. In this way, the Trustees expect that this work will have a significant impact on the unacceptably high numbers of young people that are in the current care system. The Trustees hope that by this time next year, the pilot project will be well underway, and that work will have begun in an increasing number of Local Authorities in the UK. The need for this type of support is vital if the future lives of the young in care are to change. Their plight has never been of their own doing, and it is the Foundation's ambition to create a better future for them.

The Foundation is based in its principal office in Central Edinburgh which provides a larger base for the Trustees and staff to further its charitable work and for them to link with other grant-making organisations to progress its aims and objectives more efficiently.

Sir Peter and Lady Vardy continue to encourage the active involvement of their children, Richard, Peter and Victoria, all of whom are Trustees and donate to the Foundation, in seeking out their own initiatives. The Charity is always working with its grant holders and the wider third sector to ensure the development of its strategy reflects real world experience and that its support (financial and non-financial) is as effective as it can be.

**THE VARDY FOUNDATION  
TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 5 APRIL 2024**

**Statement of Trustees' Responsibilities**

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

The law applicable to charities in Scotland and in England and Wales requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of the Charities SORP 2019 (FRS 102);
- Make judgements and estimate 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 appropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2004 (as amended), the Charities Act 2011, the Charities (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.

**Approval**

The report was approved by the Trustees on 3 October 2024 and was signed on their behalf by:



**Sir Peter Vardy**  
Chairman



## THE VARDY FOUNDATION

### INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE VARDY FOUNDATION

#### Opinion

We have audited the financial statement of the Vardy Foundation ("the Charity") for the year ended 5 April 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the Charity's affairs as at 5 April 2024, and of its incoming resources and application of resources, 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 and Trustee Investment (Scotland) Act 2005, regulation 8 of the Charities Accounts (Scotland) Regulations 2006 and the Charities Act 2011.

#### Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the 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 Trustees' report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.



## **THE VARDY FOUNDATION**

### **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE VARDY FOUNDATION (continued)**

#### **Other information (continued)**

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

We have nothing to report in this regard.

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

We have nothing to report in respect of the following matters in relation to which the Charities Accounts (Scotland) Regulations 2006 and 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
- the Charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of Trustees**

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

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

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

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and section 144 of the Charities Act 2011 and report in accordance with regulations made under those Acts.

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.

## THE VARDY FOUNDATION

### INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE VARDY FOUNDATION (continued)

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

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

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of charity management and those charged with governance to identify any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including the testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of the charity's activities and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

## THE VARDY FOUNDATION

### INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE VARDY FOUNDATION (continued)

#### Use of our report

This report is made solely to the Charity's Trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006 and 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.

MHA

3 October 2024

MHA  
Statutory Auditor  
6 St Colme Street  
Edinburgh  
EH3 6AD

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC 312313).

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

**THE VARDY FOUNDATION**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 5 APRIL 2024**

	Notes	Unrestricted Funds 2024 £	Designated Funds 2024 £	Total Funds 2024 £	Total Funds 2023 £
<b>Income from:</b>					
Donations and legacies	2	423,336	-	423,336	538,230
Charitable income	3	2,000	-	2,000	-
Investments	4	1,393,112	-	1,393,112	917,883
<b>Total income</b>		<b>1,818,448</b>	<b>-</b>	<b>1,818,448</b>	<b>1,456,113</b>
<b>Expenditure on:</b>					
Raising funds	5	55,666	-	55,666	96,084
Charitable activities	6	1,454,962	284,907	1,739,869	2,807,002
<b>Total expenditure</b>		<b>1,510,628</b>	<b>284,907</b>	<b>1,795,535</b>	<b>2,903,086</b>
<b>Net income/(expenditure) before gains/(losses) on investments</b>		<b>307,820</b>	<b>(284,907)</b>	<b>22,913</b>	<b>(1,446,973)</b>
Net gains/(losses) on investments	12	358,255	-	358,255	(2,245,877)
<b>Net income/(expenditure) and net movement in funds</b>		<b>666,075</b>	<b>(284,907)</b>	<b>381,168</b>	<b>(3,692,850)</b>
<b>Reconciliation of funds:</b>					
Funds brought forward	18,19	31,117,413	1,003,415	32,120,828	35,813,678
Funds carried forward	18,19	31,783,488	718,508	32,501,996	32,120,828

The Statement of Financial Activities includes all gains and losses recognised in the year.

All activities are classed as continuing.

**THE VARDY FOUNDATION**

**BALANCE SHEET  
YEAR ENDED 5 APRIL 2024**

	Notes	2024 £	2023 £
<b>Fixed assets</b>			
Investments	12	26,795,310	27,192,624
Social investments	13	5,262,351	5,322,151
Tangible fixed assets	14	249,985	1,184
		<u>32,307,646</u>	<u>32,515,959</u>
<b>Current assets</b>			
Debtors	15	138,559	325,304
Cash at bank and in hand		497,730	7,444,903
		<u>636,289</u>	<u>7,770,207</u>
<b>Creditors: amounts falling due within one year</b>	16	<u>(363,605)</u>	<u>(7,895,754)</u>
<b>Net current assets/(liabilities)</b>		<u>272,684</u>	<u>(125,547)</u>
<b>Total assets less current liabilities</b>		32,580,330	32,390,412
<b>Creditors: amounts falling due in more than one year</b>	17	<u>(78,334)</u>	<u>(269,584)</u>
<b>Net assets</b>		<u>32,501,996</u>	<u>32,120,828</u>
<b>Funds</b>			
Unrestricted funds	18,19	31,783,488	31,117,413
Designated funds	18,19	718,508	1,003,415
		<u>32,501,996</u>	<u>32,120,828</u>

The financial statements were approved and authorised for issue by the Trustees on 3 October 2024 and signed on their behalf by:

  
**Sir Peter Vardy**  
 Chairman

**THE VARDY FOUNDATION**

**STATEMENT OF CASHFLOWS  
FOR THE YEAR ENDED 5 APRIL 2024**

	Notes	2024 £	2023 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	<b>20</b>	<u>(2,209,432)</u>	<u>(1,653,297)</u>
<b>Cash flows from investing activities</b>			
Investment income		1,393,112	917,883
Payments to acquire fixed assets		(260,511)	(1,578)
Proceeds from the sale of investments		14,395,752	5,335,661
Purchase of investments		(12,445,931)	(3,982,555)
Movement in cash held in the portfolios		(879,963)	(369,641)
Concessionary loans repaid		<u>59,800</u>	<u>79,800</u>
<b>Net cash provided by investing activities</b>		<u>2,262,259</u>	<u>1,979,570</u>
<b>Cash flows from financing activities</b>			
Loans repaid		(7,400,000)	-
New loans		<u>400,000</u>	<u>7,000,000</u>
<b>Net cash used in/provided by financing activities</b>		<u>(7,000,000)</u>	<u>7,000,000</u>
<b>Change in cash and cash equivalents in the year</b>	<b>21</b>	<b>(6,947,173)</b>	<b>7,326,273</b>
Cash and cash equivalents at the beginning of the year	<b>21</b>	<u>7,444,903</u>	<u>118,630</u>
<b>Cash and cash equivalents at the end of the year</b>	<b>21</b>	<u><b>497,730</b></u>	<u><b>7,444,903</b></u>

## THE VARDY FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 5 APRIL 2024

#### **1 Accounting policies**

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

##### **(a) General information and basis of preparation**

The Vardy Foundation is an unincorporated charitable trust, registered in England and Wales, Charity number 328415. The address of the registered office is 110 George Street, Edinburgh, EH2 4LH.

The Charity was established by Sir Peter Vardy to make grants and provide support to a range of charitable causes.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the Charity and rounded to the nearest £.

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

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005, The Charities Accounts (Scotland) Regulations 2006 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a true and fair view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

##### **(b) Going concern**

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The expected income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**YEAR ENDED 5 APRIL 2024**

**1 Accounting policies (continued)**

**(c) Income**

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

Donations, legacies and similar incoming resources are included in the year in which they are receivable, which is when the Charity becomes entitled to the resource.

Income from grants is recognised when the Charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income from investments is included in the year in which it is receivable and when the amount can be measured reliably. Interest on funds held on deposit is included when receivable; this is normally upon notification of the interest paid or payable by the Bank. Dividends are recognised once the dividends have been declared and notification has been received of the dividend due.

Income from charitable activities relates to rental income from beneficiaries, which is recognised in the Statement of Financial Activities in the period to which the rental income relates.

**(d) Expenditure**

Expenditure is recognised once there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category.

Expenditure on raising funds includes costs associated with generating income from the Charity through its investment portfolios.

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its grant making activities. It includes both costs which can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Expenditure on grants is recorded once the Charity has made an unconditional commitment to pay the grant and this is communicated to the beneficiary or the grant has been paid, whichever is the earlier.

Support costs are allocated between governance costs and other support costs. Governance costs include these costs associated with meeting the constitutional and statutory requirements of the Charity and include the statutory audit fees and costs linked to strategic management of the Charity. Other support costs relate to the administrative costs of running the Charity.



**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**YEAR ENDED 5 APRIL 2024**

**1 Accounting policies (continued)**

**(e) Investments**

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

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

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

Social investments include programme related investments which are held in the furtherance of the Charity's objectives. Programme related investments include property and loans, which are recognised at cost less impairment.

**(f) Tangible fixed assets**

Tangible fixed assets costing more than £250 are capitalised at cost and depreciated over their useful economic lives at the following rates:

Property	- 2% straight line
Computer equipment	- 33% straight line
Fixtures and fittings	- 10% straight line

**(g) Debtors**

Debtors are measured at their recoverable amount and included when reasonable certainty exists over their receipt. Prepayments are valued at the amount prepaid.

**(h) Cash at bank and in hand**

Cash at bank and in hand includes cash and highly liquid short-term investments with a maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**(i) Creditors and provisions**

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

## THE VARDY FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS (continued) YEAR ENDED 5 APRIL 2024

**(j) Concessionary loans**

Concessionary loans include those made by the Charity to third parties, which are interest free or below market interest rates and which are made to advance charitable purposes. These loans are recognised at the amount loaned less provision for irrecoverable amounts, in accordance with the special concessionary loan treatment available to public benefit entities within section 34 of FRS 102.

**(k) Financial instruments**

The Charity only 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 measure at that settlement value.

**(l) Fund accounting**

Unrestricted funds are those funds that can used in accordance with the objectives of the Charity at the discretion of Trustees.

Designated funds are those unrestricted funds set aside by the Trustees for specific future purposes or projects.

**(m) Judgements in applying key sources of estimation uncertainty**

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

In preparing these financial statements, the Trustees have made the following judgements:

- Tangible fixed assets are depreciated over a period to reflect their useful economic lives. The applicability of the assumed lives is reviewed annually, taking into account factors such as physical condition, maintenance and obsolescence.
- Fixed assets are assessed to determine whether there are indicators of impairment. This assessment involves consideration of the economic viability of the purpose for which the asset is used.

2 Donations	Unrestricted	Unrestricted
	2024	2023
	£	£
Donated investments	314,289	349,998
Peter Vardy Holdings Limited	-	163,381
Vardy Property Aberdeen Limited	33,561	24,851
Elim Trust Corporation	75,486	-
	<u>423,336</u>	<u>538,230</u>

**THE VARDY FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**YEAR ENDED 5 APRIL 2024**

<b>3 Charitable income</b>			Unrestricted 2024 £	Unrestricted 2023 £
Property rental income			<u>2,000</u>	<u>-</u>
<b>4 Investment income</b>			Unrestricted 2024 £	Unrestricted 2023 £
Income from listed investments			575,035	722,849
Income from bank deposits			<u>818,077</u>	<u>195,034</u>
			<u>1,393,112</u>	<u>917,883</u>
<b>5 Cost of raising funds</b>	Unrestricted 2024 £	Designated 2024 £	Total 2024	Total 2023 £
Investment manager's fees	<u>55,666</u>	<u>-</u>	<u>55,666</u>	<u>96,084</u>
<b>6 Charitable activities</b>	Unrestricted 2024 £	Designated 2024 £	Total 2024 £	Total 2023 £
<b>Grants to:</b>				
Institutions (note 7)	1,131,249	279,884	1,411,133	2,775,690
Individuals (19) (2023: 14)	<u>156,025</u>	<u>5,000</u>	<u>161,025</u>	<u>36,890</u>
Total grants	1,287,274	284,884	1,572,158	2,800,690
<b>Other direct costs:</b>				
Clackmannanshire Project	30,874	-	30,874	-
Support costs (note 9)	<u>136,814</u>	<u>23</u>	<u>136,837</u>	<u>6,312</u>
	<u>1,454,962</u>	<u>284,907</u>	<u>1,739,869</u>	<u>2,807,002</u>

**THE VARDY FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**YEAR ENDED 5 APRIL 2024**

<b>7 Grants to institutions</b>	<b>Unrestricted</b>	<b>Designated</b>	<b>Total</b>	<b>Unrestricted</b>
	<b>2024</b>	<b>2024</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Aberlour Child Care Trust	-	-	-	101,502
Aid and Abet	25,000	-	25,000	-
Alpha Global	-	-	-	300,000
Anchor House – The Neuk	-	-	-	30,000
Biblica Europe	-	-	-	435,538
Big Church Festival	25,000	-	25,000	-
Cairn Movement	25,000	-	25,000	-
Care for Children	268,066	-	268,066	41,400
Columba 1400	100,000	-	100,000	-
Cranmer Hall	-	-	-	100,000
Elim Foursquare Gospel Alliance	-	-	-	45,000
Evangelical Alliance	-	-	-	45,000
Go! Youth Trust	-	-	-	50,000
Good Shepherd Foundation UK	-	-	-	656,437
Hexham Community Church	-	-	-	30,000
Isaiah 61 Movement	-	-	-	25,000
Junction 42	-	-	-	102,000
Keyfund Federation	-	-	-	40,000
Kids Operating Rooms	250,000	-	250,000	-
L'Arche UK	90,000	-	90,000	-
North Music Trust	100,000	-	100,000	-
Philo Trust	-	-	-	42,500
Re: Hope Next Generation	-	97,188	97,188	109,000
Revelation Trust	-	30,000	30,000	30,000
SAT-7 UK Trust Limited	50,000	-	50,000	-
Simon Community Trust	-	-	-	45,000
Steiger International	35,000	-	35,000	-
The Cyrenians (Changing Lives)	-	-	-	50,000
The Haven Kilmalcolm	100,000	-	100,000	-
The Social Bite Fund	-	-	-	50,000
West of Ireland Evangelical Trust	-	45,011	45,011	-
Other awards < £25,000	383,696	107,685	491,381	447,313
Grants returned/written back	(320,513)	-	(320,513)	-
	<u>1,131,249</u>	<u>279,884</u>	<u>1,411,133</u>	<u>2,775,690</u>

# THE VARDY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (continued) YEAR ENDED 5 APRIL 2024

<b>8</b>	<b>Analysis of grants</b>	<b>2024 No.</b>	<b>2024 £</b>	<b>2023 No.</b>	<b>2023 £</b>
	DCMS	16	137,685	80	1,532,315
	Relief	1	45,011	1	1,000
	Education	21	71,481	16	125,390
	Religion	27	396,696	1	444,153
	Welfare	33	921,285	2	697,832
		<u>98</u>	<u>1,572,158</u>	<u>100</u>	<u>2,800,690</u>
<b>9</b>	<b>Support costs</b>	<b>Unrestricted 2024 £</b>	<b>Designated 2024 £</b>	<b>Total 2024 £</b>	<b>Unrestricted 2023 £</b>
	FOREX loss/(gain)	12,322	-	12,322	(64,853)
	Depreciation	11,710	-	11,710	394
	Travel & accommodation	10,001	-	10,001	4,379
	Insurance	2,408	-	2,408	5,738
	Heat and light	159	-	159	235
	Office costs	3,606	-	3,606	3,220
	Computer costs	94	-	94	222
	Property costs	4,659	-	4,659	10,654
	Bank charges	481	23	504	1,027
	Accountancy	9,306	-	9,306	8,400
	Professional fees	34,730	-	34,730	3,708
	Marketing	4,820	-	4,820	851
	Rent	33,560	-	33,560	24,477
	Governance costs	8,958	-	8,958	7,860
		<u>136,814</u>	<u>23</u>	<u>136,837</u>	<u>6,312</u>

### 10 Salary costs

The Charity has no employees. The Charity is managed by its Trustees and three other individuals not employed by the Charity.

### 11 Trustees' remuneration and expenses

No Trustee received any remuneration or reimbursement of expenses in either the current or prior year.

THE VARDY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (continued)  
YEAR ENDED 5 APRIL 2024

12	Investments	Total 2024 £	Total 2023 £	
	At 6 April	27,192,624	30,434,678	
	Gifted shares	314,289	349,998	
	Purchases at cost	12,445,931	3,619,845	
	Disposal proceeds	(14,395,752)	(5,335,661)	
	Movement in cash held in the portfolios	879,963	369,641	
	(Losses)/gains on revaluation	358,255	(2,245,877)	
	At 5 April	26,795,310	27,192,624	
	Historic cost at 5 April	23,523,749	24,421,173	
13	Social investments	Charitable loans £	Charitable property £	Total investments £
	<b>Cost</b>			
	At 6 April	463,196	4,858,955	5,322,151
	Repayments	(59,800)	-	(59,800)
	At 5 April	403,396	4,858,955	5,262,351
	<b>Charitable loans comprise:</b>	2024 £	2023 £	
	North East Autism Society	22,917	47,917	
	Re: Hope Church Glasgow	157,500	187,500	
	Jason Mayhall, Pastor of the Bethany Christian Centre	222,979	227,779	
		403,396	463,196	

Charitable loans are made at interest rates and terms significantly lower than those that the recipient charity could obtain commercially. No interest is payable on any loan outstanding at the year end. No security is held in respect of any loan.

THE VARDY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (continued)  
YEAR ENDED 5 APRIL 2024

<b>14</b>	<b>Tangible fixed assets</b>				
		Property	Fixtures and	Computer	Total
		£	fittings	equipment	£
	<b>Cost</b>		£	£	
	At 6 April 2023	-	-	1,578	1,578
	Additions	185,850	74,661	-	260,511
		<u>185,850</u>	<u>74,661</u>		
	At 5 April 2024	185,850	74,661	1,578	262,089
		<u>185,850</u>	<u>74,661</u>		
	<b>Depreciation</b>				
	At 6 April 2023	-	-	394	394
	Charge for the year	3,717	7,466	527	11,710
		<u>3,717</u>	<u>7,466</u>		
	At 5 April 2024	3,717	7,466	921	12,104
		<u>3,717</u>	<u>7,466</u>		
	<b>Net book value</b>				
	At 5 April 2024	182,133	67,195	657	249,985
		<u>182,133</u>	<u>67,195</u>		
	At 5 April 2023	-	-	1,184	1,184
		<u>-</u>	<u>-</u>		
<b>15</b>	<b>Debtors</b>			2024	2023
				£	£
	Other debtors			250	-
	Donations receivable			-	163,381
	Prepayments and accrued income			138,309	161,923
				<u>138,559</u>	<u>325,304</u>
<b>16</b>	<b>Creditors: amounts falling due within one year</b>			2024	2023
				£	£
	Grant creditors			326,249	860,937
	Accruals and deferred income			29,202	34,728
	Other creditors			8,154	7,000,089
				<u>363,605</u>	<u>7,895,754</u>
<b>17</b>	<b>Creditors: amounts falling due in more than one year</b>			2024	2023
				£	£
	Grant creditors			78,334	269,584
				<u>78,334</u>	<u>269,584</u>

# THE VARDY FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (continued) YEAR ENDED 5 APRIL 2024

### 18 Movement in funds

<b>2023/24</b>	At 6 April 2023 £	Income £	Expenditure £	Gains/ (losses) £	At 5 April 2024 £
Unrestricted	31,117,413	1,818,448	(1,510,628)	358,255	31,783,488
<i>Designated</i>					
Matched Funding	137,685	-	(137,685)	-	-
Peter Vardy Foundation	864,962	-	(147,222)	-	717,740
Jigsaw Foundation	768	-	-	-	768
	1,003,415	-	(284,907)	-	718,508
<b>Total</b>	<b>32,120,828</b>	<b>1,818,448</b>	<b>(1,795,535)</b>	<b>358,255</b>	<b>32,501,969</b>
<b>2022/23</b>	At 6 April 2022 £	Income £	Expenditure £	Gains/ (losses) £	At 5 April 2023 £
Unrestricted	33,167,948	1,456,113	(1,260,771)	(2,245,877)	31,117,413
<i>Designated</i>					
Matched Funding	1,670,000	-	(1,532,315)	-	137,685
Peter Vardy Foundation	974,962	-	(110,000)	-	864,962
Jigsaw Foundation	768	-	-	-	768
	2,645,730	-	(1,642,315)	-	1,003,415
<b>Total</b>	<b>35,813,678</b>	<b>1,456,113</b>	<b>(2,903,086)</b>	<b>(2,245,877)</b>	<b>32,120,828</b>

#### Purposes of funds:

##### Designated funds

The Matched Funding designated fund is an unrestricted fund set aside by the Trustees to demonstrate the Charity's contribution to the DCMS community match funded project. The terms of the DCMS project required the Vardy Foundation to disburse their matched funded £2m grant by 31 March 2023. During 2022-23, the Charity made matched funding of £1,862,315 in grants to charities that meet the DCMS objectives. The balance of £137,685 was made during 2023-24.

The Peter Vardy Foundation designated fund is an unrestricted fund set up by the Trustees with a focus on charitable activities in Scotland.

The Jigsaw Foundation designated fund is an unrestricted fund set up by the Trustees with a focus on charitable activities in Scotland.



**THE VARDY FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**YEAR ENDED 5 APRIL 2024**

<b>19 Analysis of net assets between funds</b>	Unrestricted £	Designated £	Total £
<b>2023/24</b>			
Investments	26,795,310	-	26,795,310
Social investments	5,262,351	-	5,262,351
Tangible fixed assets	249,985	-	249,985
Net current assets/(liabilities)	(445,824)	718,508	272,684
Non-current liabilities	(78,334)	-	(78,334)
	<u>31,783,488</u>	<u>718,508</u>	<u>32,501,996</u>

	Unrestricted £	Designated £	Total £
<b>2022/23</b>			
Investments	27,192,624	-	27,192,624
Social investments	5,322,151	-	5,322,151
Tangible fixed assets	1,184	-	1,184
Net current assets/(liabilities)	(1,128,962)	1,003,415	(125,547)
Non-current liabilities	(269,584)	-	(269,584)
	<u>31,117,413</u>	<u>1,003,415</u>	<u>32,120,828</u>

**20 Reconciliation of net movements in funds to cashflows from operating activities**

	2024 £	2023 £
Net income/(expenditure)	381,168	(3,692,850)
Donated shares	(314,289)	(349,998)
(Gains)/losses on investments	(358,255)	2,245,877
Investment income	(1,393,112)	(917,883)
Depreciation	11,710	394
Decrease/(increase) in debtors	186,745	76,214
Decrease/(increase) in creditors	(723,399)	984,949
Net cash (used in) operating activities	<u>(2,209,432)</u>	<u>(1,653,297)</u>

<b>21 Analysis of net funds</b>	At 6 April 2023 £	Cashflow £	At 5 April 2024 £
Cash at bank and in hand	444,903	52,827	497,730
Borrowings	<u>7,000,000</u>	<u>(7,000,000)</u>	-
Net funds	<u>7,444,903</u>	<u>(6,947,173)</u>	<u>497,730</u>

## THE VARDY FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS (continued) YEAR ENDED 5 APRIL 2024

#### 22 Related party transactions

During the year, a donation was made to 1 (2023: 2) charity of which one or more Trustees of the Vardy Foundation are also Trustees:

Organisation	Common Trustees	Value of donation
Junction 42 Foundation	Richard A R Vardy (until 24 July 2023)	£4,000

The Charity received a donation of shares amounting to £314,289 (2023: £349,998) from one Trustee (2023: 1) during the year. The Charity also made a donation of £97,188 (2023: £109,000) to Re: Hope Next Generation, a charity in which the wife of Trustee, Peter D D Vardy, is a trustee.

An unsecured, interest-free loan from Trustee, Sir Peter Vardy, of £7,000,000 was received in the prior year with a further £400,000 received during the year. £7,400,000 of this was repaid during the year and there was £nil (2023: £7,000,000) outstanding at the year end.

During the year, costs of £250 were paid on behalf of Trustee Sir Peter Vardy. The full £250 was outstanding at the year end and is included within debtors. This has been fully repaid since.

#### 23 Post balance sheet event

On 23 September 2024, the Vardy Foundation purchased a residential dwelling in Hexham for £175,000. The property will be used to support vulnerable adults.