T H E **H A R G R E A V E S** F O U N D A T I O N

Charitable Incorporated Organisation Registered Number 1187297

TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 January 2022

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CHAIR & EXECUTIVE COMMENT

Moving into our second year and much remains the same: we are committed to transforming young lives through sport and education.

The volume of requests we receive for charitable grants is substantial. We therefore have a rigorous process to ensure our awards improve the lives of young people in the areas of greatest need.

I am pleased with the Foundation's progress at selectively finding the most worthwhile causes and identifying areas where we can make a real difference to young people's lives and their futures.

Peter Hargreaves

The past twelve months has been as busy as ever and I am thrilled by some of the outcomes we are seeing from our earlier funding. As we build relationships with existing grant recipients and broaden out further with new projects, we know the Foundation's funding is making a difference.

Our in-house Early Intervention Scheme is building momentum. This year has also seen some sizeable financial commitments in both education and mental health.

I am delighted we were joined by new Trustee, Rosemary Hargreaves, during the year.

I look forward to the next year with enduring enthusiasm. Post-pandemic and on the periphery of some tough times we shall continue our mission to transform young lives.

Alexandra Butler





TRUSTEES' REPORT OBJECTIVES AND ACTIVITIES

The charitable objectives of The Hargreaves Foundation as stated in our constitution document are:

- A. To advance for the public benefit the physical and mental health and well-being of individuals living with disabilities of any description, in particular but not exclusively by providing grants, items and services to individuals in need, charities and/or organisations that provide or assist in the provision of:
 - i. information, advice, education and support designed to raise awareness and enable individuals living with disabilities to be self-sufficient;
 - ii. financial assistance for individuals living with disabilities;
 - iii. medical treatment, care and rehabilitation for individuals living with disabilities;
 - iv. equipment, mobility aids, prosthetics, facilities and services for individuals living with disabilities;
 - v. recreational, sporting and leisure time activities and facilities with a view to improving the conditions of life of such persons
- B. To advance in life and help people who have need by reason of their youth, infirmity, poverty or social and economic circumstances with a view to improving the conditions of life of such persons in particular but not exclusively by providing grants, items and services to individuals in need, charities and other organisations that provide advice, assistance and organize programmes of physical, educational and other activities as a means of:
 - i. helping young people by developing their skills, capacities and capabilities to enable to them to participate in society as independent, mature and responsible individuals;
 - ii. advancing education;
 - iii. relieving unemployment; and
 - iv. providing recreational, sporting and leisure time activities and facilities in the interests of social welfare and cohesion.

The main activities undertaken to further the charity's purposes for the public benefit are grant making, details of grants awarded are included in the achievements and performance section of this report.

The Trustees have had regard to the Charity Commission's guidance on public benefit.





ACHIEVEMENTS & PERFORMANCE OVERVIEW



*This does not include funding for the Early Intervention Scheme project.

HOW DO WE DECIDE?



We consider our application process to be light touch, whilst still providing detail. We only accept applications online meaning everyone must follow the same process and we have invested in technology to make managing applications as seamless as possible.

Our initial screening includes a full review of the application against our criteria, website review, Charities Commission check (if appropriate) and a check for news stories.

The Trustees have access to all the application data and make their final selections. They are looking for projects or initiatives that have the potential to inspire and make a significant impact on a young person's life.

If an application is shortlisted we request that a brief video is prepared by the organisation to showcase their project.

The closing stage is normally a meeting with the Trustees which is currently being carried out remotely.

A final decision is communicated with the recipient after this.





HOW HAVE WE MET OUR OBJECTIVES?

We have five objectives which underpin our mission "transforming young lives through sport and education". Our application form asks organisations to confirm which of our objectives their project supports and we then go on to assess which initiatives will make the biggest impact. We try to ensure that we fund a range of projects meeting as many of our objectives as possible. Often a project will meet more than one objective.

AN EXAMPLE OF SOME OF THE PROJECTS FUNDED AND THE OBJECTIVES MET:

"Enables individuals to experience the mental and physical health benefits of participatory sport."

The Trustees of The Hargreaves Foundation are pleased to have awarded £17,971 to the Sport & Thought programme delivered by the Brent Centre.

The Brent Centre is an internationally renowned psychoanalytic therapeutic centre for young people in North West London.

The programme will support 15 adolescent boys who are on the fringes of school life, displaying severe emotional/behavioural issues and at high risk of exclusion. A third of young people supported by the Brent Centre are dealing with the effects of abuse, violence at home, bullying, past traumas and at least 80% have experienced family disruption.

During Sport & Thought sessions young people take part in football training drills and matches with others. The therapist will also join in, talking about football and behaviour.

The sessions aim to help young people understand their actions, and how they can make changes to avoid trouble in school or with friends. Sessions can also help young people feel more positive about their future, and help them to make the most of their time at school.

"We know that sometimes one to one therapy can be daunting. The Sport & Thought programme uses football to breakdown those fears, allowing young people to engage, experience participatory sport, strengthen their mental health and nurture better relationships and behaviour."







"Ensures participatory sport is accessible."

The Trustees of The Hargreaves Foundation are pleased to have awarded \pounds 9860.03 to fund the purchase of 19 bicycles – a range of two wheelers, recumbents and adapted bikes – for the children at Bidwell Brook School in Devon.

Bidwell Brook looks after students aged between 3 and 19 with severe, complex and multiple learning disabilities.

Pupils receive a meaningful education so that they can make a positive contribution to their own local community and the wider society.

"Cycling is a fun, stimulating way to provide exercise, boost mental wellbeing and develop confidence. We hope the children will enjoy getting out and about, making the most of their beautiful surroundings."



"Provides sporting or educational activities that foster life skills."

The Trustees of The Hargreaves Foundation are pleased to have awarded £20,000 to Kendleshire Kids Foundation.

Using the Kendleshire Golf Club's facilities, the Kendleshire Kids Foundation's programme uses golf for the development of young people who have experienced adversity and trauma. With the support of PGA golf coaches and specialist mentoring support, the young people are provided with golf coaching, mentoring, equipment, food and drink.

The programme supports young people who have experienced violence, abuse, neglect, racial, social, emotional or health inequalities, helping them to develop resilience and self-esteem whilst fostering teamwork and teaching life skills.

"We are delighted to support Kendleshire Kids Foundation in their drive to help young people who have encountered adverse childhood experiences improve their lives, develop their skills and capabilities and encourage them to participate in society as mature and responsible adults."









"Aims to improve academic engagement and attainment."

The Trustees of The Hargreaves Foundation are delighted to be working with Reed's School.

From September 2021 funding will provide a life-changing education for a vulnerable child at Reed's School. Funding has been earmarked to cover the full cost of the child's education until completion of Year 13.

The Andrew Reed Foundation is committed to supporting at least 10% of the population of Reed's School as Foundation pupils on funded bursaries. These pupils have lost the support of one or both parents and their family life is in crisis with some having sadly been exposed to a range of social issues including bereavement, domestic abuse and abandonment. In these cases, the need for strong pastoral care is as important today as it was 200 years ago when the Foundation was founded as the London Orphan School.

"We are pleased to support a child who will benefit enormously from the education, support and pastoral care that Reed's School will offer. We are looking forward to following his progress through school and being part of a life-changing journey."



"Encourages the development of skills and personal attributes to aid future employability."

The Trustees of The Hargreaves Foundation are pleased to have awarded £10,000 to Out of Class.

A small charity dedicated to changing the lives of disadvantaged young people, particularly those who are less likely to receive help elsewhere, such as those who have committed an offence and are trying to better themselves.

Working with a specific group of young offenders, those on the course have also been identified as being particularly vulnerable. Out of Class works differently to the standard education system route, teaching young people practical business skills and entrepreneurship. They learn that hard work, lateral thinking and dedication pays off.

Out of Class uses horses to help students explore behavioural habits. Horses not only have their own way of being, they often mirror the behaviour and mood of the humans around them. Observing these behaviours in another being is considered a less confrontational way to learn.

Out of Class actively encourages the young people on the project to get involved in working directly with the horses as a base for practical, reflective practise. Horses are big and strong, yet gentle. It's rare to find a student who doesn't quickly feel some kind of connection.

"We are pleased to help those who may have struggled with their education in the past learn more about entrepreneurship, including the development of their own business ideas. Horses are used to help the young people better understand their own behaviours, actions and emotions. We support the aim of the project to reduce re-offending and encourage exploring self-employment opportunities."



TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS for the year ended 31 January 2022





THE HARGREAVES FOUNDATION EARLY INTERVENTION SCHEME

The premise of the EIS programme is the belief that the biggest difference we can make to the future health, wealth and happiness of disadvantaged children is to ensure they are literate when they leave primary school.

"To be literate is to gain a voice and to participate meaningfully and assertively in the decisions that affect one's life."

Y Kassam

- 80% of 16-24 year olds not in employment, education or training left school without 5 good GCSEs
- The single biggest factor predicting results at age 16 is the prior attainment of students whilst at primary school
- Fewer than 1 in 6 children from low income families not achieving the expected level by the age of 7 go on to get 5 good GCSEs

Social Mobility and Child Poverty Commission 2014

134 disadvantaged children (67% of disadvantaged children) at Ashcombe Primary School are below the expected level for reading, 146 (72%) are below the expected level in writing.

These statistics would suggest c117 of these children are unlikely to get 5 good GCSE's significantly increasing the likelihood they will join the population of 16-24 year olds not in employment, education or training.

EIS PROGRAMME GOAL

By the end of the 2023/24 school year, 80% of disadvantaged children will leave Ashcombe Primary School in year 6 at the expected standard in both reading and writing and 40% will leave exceeding the expected standard.

This will place the school in the top 5% nationally in terms of primary school performance for disadvantaged children, as measured by FFT, an independent school performance and research organisation.

The aim beyond 2023/24 is to maintain a top 5% position within FFT benchmarking.

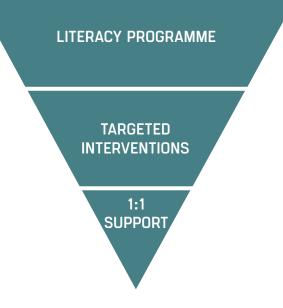
To achieve this ambitious target we will support the school in the development and delivery of a world class literacy programme, building on the work that the school is already undertaking and utilising the latest research in learning behaviour and teaching methods.

We recognise that many disadvantaged children will experience additional barriers to accessing excellent teaching no matter how well designed or delivered.

We will ensure every disadvantaged child can access the literacy programme and remove those barriers through targeted interventions, therapies and where appropriate personalised 1:1 support.







Available to all. Teacher training, new literacy hub fostering a creative, enjoyable, reading and writing environment, pupil assessments.

Targeted at disadvantaged children. Speech and language, reading interventions, therapies, emotional wellbeing, parental engagement

Extremely vulnerable children, at risk of exclusion, exposure to Adverse Childhood Experience. Mentoring, counselling in addition to targeted interventions.

Programme Overview

EDUCATE

- 1. Teacher Training
- 2. Speech & Language
- 3. Reading and writing intervention
- 4. Spelling intervention
- 5. Classroom books
- 6. Assessment

INSPIRE

An immersive literacy hub at the heart of the school for reading, creative writing and performance.

SUPPORT

Sensory room and therapy Art and play therapy Domestic violence counselling Emotional wellbeing support Mini police and primary futures Parental support to promote independence

Roll Out

Educate

EDUCATE

- Teacher Training
- Speech & Language
- Reading and writing intervention
- Spelling intervention
- Classroom books
- Assessment

Rolled out from September 2021 onwards - term 1, vear 1

- Mentoring
- DART
- Mini Police
- **Primary Futures**
- Seasons for Growth
- Drawing & Talking

Support

Rolled out from September 2021 onwards – term 1, year 1







Literacy Hub

- Literacy
 interventions
- Author visits

Est. Summer 2022/2023

- Sensory room
- Art & Play Therapy
- Parent engagement
 & family link

On hold pending plans for school building replacement

Programme duration and review

The proposed duration of the EIS programme is 3 years.

This builds contingency into the goal and sufficient time for Ashcombe Primary school to assimilate new working practises and ensure ongoing success in achieving the goal set by the programme.

A performance review of each programme component will be undertaken annually and programme components amended as required to achieve the programme goal.

A full programme review will be undertaken in year 3 to determine the next stage of the EIS programme.





IMPACT ANALYSIS

The impact assessment report has been introduced this year to better understand the impact of the grants awarded and to support the decision-making process when assessing future grant applications.

To achieve this, we have devised a report consisting of two parts.

The first part asks grant recipients to specify what the grant will be spent on and to detail what a successful outcome would look like when the grant has been used.

Part one then asks which measures will be used to tell us whether that outcome has been achieved and for an appropriate timeframe to apply those measures.

The second part of the form is the actual impact assessment which details what has been achieved and includes the results of the measures detailed in part one. The impact assessment is completed according to the timeframe set in part one.

The second part of the report also includes space for a comment by the Hargreaves Foundation and a RAG rating determined by how well the grant has met its success criteria.

In September 2021 we began the process of contacting the organisations that had been awarded grants prior to the introduction of the impact assessment, asking them to complete part one of the report and set the timeframes for completing the impact assessment at an appropriate time.

On December 1st 2021 the online application form was changed to incorporate the questions in part one of the impact assessment ensuring the parameters of the impact assessment are established before the grant is awarded.

To date 5 are complete, 14 have part 1 complete and are ready to be assessed at the appropriate time set in part 1 and a further 16 continue to be worked on with grant recipient.

Completed Assessments:

10

Tall Ships Sirona Therapeutic Horsemanship Bidwell Brook School The Literacy Pirates The Connie Rothman Trust





FINANCIAL REVIEW

Income from investments in the year amounted to £2.424m (2021: £2.4m). Expenditure on charitable activities was £1.05m (2021: £489k) including grants and donations of £923k (2021: £335k), resulting in net income before investment gains and losses of £1.374m (2021: £91.058m). The prior year result included a donation of shares of £89.147m.

After net realised/unrealised losses on investments of £17.939m (2021: £7.151m) funds decreased by \pounds 16.565m (2021: increased by \pounds 83.907m) resulting in unrestricted funds at the year end of \pounds 67.343m (2021: \pounds 83.907m).

During the financial year ending 31 January 2022 the Trustees decided to liquidate the Foundation's holding in Hargreaves Lansdown PLC shares.

This transaction has proved fortuitous. The shares were realised throughout January 2022 and February 2022 at an average price of c.£13.32. This transaction should be viewed in the light of the current share price of Hargreaves Lansdown, c.£8.92 (13th September 2022), some 33% lower than the price obtained during the realisation. The proceeds will be phased into a wide range of appropriate investments. This process has commenced and currently 25% has been committed."

RESERVES POLICY

The Trustees will endeavour to ensure that suitable cash balances are maintained at all times to ensure the smooth operation of the Foundation and appropriate liquidity at all times.

Alexandra Butler will maintain a close watching eye on the running balance in the Lloyds account at all times and can request a transfer of additional cash balances.

INVESTMENTS POLICY

The Hargreaves Foundation has been funded entirely by donations provided by the Chair of the Trustees, Peter Hargreaves.

Those donations were in the form of existing shares in Hargreaves Lansdown plc which Mr Hargreaves had owned for many years. Although the shares were gifted in full to The Hargreaves Foundation, when Mr Hargreaves made the donation he stipulated that he would like The Hargreaves Foundation to hold those shares for a minimum period of two years and to use the dividend income generated to fund the Foundation's operating costs and charitable giving.

In January 2022 the Board of Trustees made the decision to diversify the investment portfolio and initiated the sale of the shares in Hargreaves Lansdown plc.

The Board of Trustees are in the process of appointing an external Investment Manager to oversee the investment portfolio.

The basis of the Investment Policy will likely be a balanced portfolio within the risk tolerance set by the Trustees, invested in a broad range of asset classes and any cash maintained in money market funds. The income generated by the invested portfolio will be used to fund operating costs and charitable distributions.





STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document:	The Foundation is a Charitable Incorporated Organisation (CIO) with a written constitution dated 10 January 2020.
Appointment of Trustees:	The trustee body has the power to appoint new trustees. If new or additional trustees are appointed they will be encouraged to receive appropriate training depending on their qualifications and experience.
Investment Powers:	The CIO has power to do anything which is calculated to further its object or is conducive or incidental to doing so.





REFERENCE AND ADMINISTRATIVE DETAILS

Name of Charity:	The Hargreaves Foundation Charity No. 1187297
Trustees:	Nigel James Bence Peter Kendal Hargreaves Louisa Rose Hargreaves Robert Kendal Hargreaves Rosemary Jane Hargreaves
Principal Office Address:	The Old Surgery Swan Barton Sherston Malmesbury Wiltshire SN16 OLJ
Bankers and Investment Managers:	Lloyds Bank Hargreaves Lansdown One College Square South Anchor Road Bristol BS1 5HL
Auditors:	PKF Francis Clark Centenary House Peninsula Park Rydon Lane Exeter EX2 7XE





RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008.

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

- · select suitable accounting policies and then apply them consistently;
- · observe the methods and principles in the Charities SORP
- make judgements 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 operation.

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008. 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.

Signed:

Date: 04/11/2022

Peter Hargreaves

On behalf of the Trustees





INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE HARGREAVES FOUNDATION FOR THE YEAR ENDED 31 JANUARY 2022

OPINION

We have audited the financial statements of The Hargreaves Foundation (the "Charity") for the year ended 31 January 2022 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 January 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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





OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

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

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- · the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

RESPONSIBILITIES OF THE TRUSTEES

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 they 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 S144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereafter. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

As part of our audit planning we obtained an understanding of the legal and regulatory framework that is applicable to the Charity. The key laws and regulations relevant to the Charity were identified as being Charity law and the General Data Protection Regulation.

We also considered opportunities and incentives for fraud, which might arise in the understatement of expenditure, or incurring expenditure for non-charitable purposes, in the payment of fraudulent grants or management bias in accounting estimates.

Based on this we designed our audit procedures to identify irregularities. Our audit procedures involved the following:

- Enquiries with Trustees, regarding their knowledge of any non-compliance or potential noncompliance with laws and regulations that could affect the financial statements;
- · Review of trustees' meeting minutes;
- Review of the controls in relation to GDPR and enquiries to Management as to the occurrence and outcome of any reportable breaches;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business; and
- Review financial statement disclosures and testing to support documentation to assess compliance with applicable laws and regulations.



THE HARGREAVES FOUNDATION 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.

This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements as we are less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission, or misrepresentation.

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.

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 (Account 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.

PKF Francis Clark Statutory Auditor Centenary House Peninsula Park Rydon Lane EXETER EX2 7XE

Date: 04/11/2022

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PKF Francis Clark is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006





STATEMENT OF FINANCIAL ACTIVITIES YEAR ENDED 31 JANUARY 2022

	Note	Unrestricted Funds	2022 Total	Unrestricted Funds	2021 Total
			£	£	£
Income and endowments					
Donation		-	-	89,146,500	89,146,500
Investments	3	2,424,000	2,424,000	2,400,000	2,400,000
Total income		2,424,000	2,424,000	91,546,500	91,546,500
Expenditure on:					
Charitable activities	4	1,050,031	1,050,031	488,594	488,594
Total expenditure		1,050,031	1,050,031	488,594	488,594
Net income/(expenditure)					
before net gains/(losses)					
on investments		1,373,969	1,373,969	91,057,906	91,057,906
Net gains/(losses) on		(17,938,720)	(17,938,720)	(7,150,500)	(7,150,500)
Investments					
Net income/(expenditure)		(16,564,751)	(16,564,751)	83,907,406	83,907,406
Net movement in funds		(16,564,751)	(16,564,751)	83,907,406	83,907,406
Reconciliation of funds					
Total funds brought forward		83,907,406	83,907,406		
Total funds carried forward		67,342,655	67,342,655	83,907,406	83,907,406





BALANCE SHEET AS AT 31 JANUARY 2022

		2022 Total	2021 Total
	Note	£	£
Fixed assets Investments at market value	2	24,501,599	81,996,000
Current assets			
Investment bank account		43,251,934	2,072,250
Cash at Bank Debtors		47,912 6,593	14,426
		43,306,439	2,086,676
Current liabilities			
Creditors: amounts falling due within one year	5		
Creditors - Grants awarded		240,570	106,676
Other creditors and accruals		12,705	
		253,275	116,182
Net current assets		43,053,164	1,970,494
Creditors: amounts falling due after more than one year	6	212,108	59,088
Net assets		67,342,655	83,907,406
Allocation of the charity net assets: The net assets are held for the various funds as follows:-			
Unrestricted income funds		67,342,655	83,907,406
Total charity funds		67,342,655	83,907,406
Approved by the trustees on 04/11/2022	and signed on th	neir behalf by	

..... Trustee





STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 JANUARY 2022

		2022 Total	2021 Total
	Note	£	£
Net cash used in operating activities	10	(766,511)	(313,324)
Cash flow from investing activities: Dividends and interest from investments Proceeds from sale of investments		2,424,000 39,555,681	2,400,000 -
Net cash provided by investing activities		41,979,681	2400,000
Change in cash and cash equivalents in the reporting period		41,213,170	2,086,676
Cash and cash equivalents brought forward		2,086,676	-
Cash and cash equivalents carried forward		43,299,846	2,086,676
Representing:			
Investment managers' bank accounts		43,251,934	2,072,250
Cash at bank		47,912	14,426
		43,299,846	2,086,676





NOTES TO FINANCIAL STATMENTS FOR THE YEAR ENDED 31 JANUARY 2022

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

A. BASIS OF PREPARATION

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011. There are no material departures from FRS 102.

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'. The departure has involved following Accounting and Reporting applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has been withdrawn.

The Charity meets the definition of a public benefit entity under FRS102.

The financial statements have been prepared on a going concern basis and the Trustees are not aware of any material uncertainties that would cast doubt on the Charity's ability to continue as a going concern.

The accounts are prepared in Sterling, which is the functional currency. Monetary amounts in these financial statements are rounded to the nearest \pounds .

The accounts have been prepared under the historical cost convention as modified by the revaluation of investments.

B. FUND ACCOUNTING

Unrestricted Income Fund - The Unrestricted Income Fund comprises those Funds which the Trustees are free to use in accordance with the charitable objects. This includes the donation of shares to the Foundation in the previous accounting period.

C. INCOME

Dividend and other similar investment income is shown gross and recognised on an accruals basis.

D. INVESTMENTS

All investments held are listed on a recognised stock exchange and are included in the accounts at their market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.





E. GRANTS PAYABLE

Grants are included in the accounts on an accruals basis, and unconditional grant commitments payable within one year after the balance sheet date are included in the Statement of Financial Activities.

F. RESOURCES EXPENDED

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Governance costs are the costs associated with the governance arrangements of the charity which relate to the general running of the Charity as opposed to those costs associated with fundraising or charitable activity. The costs will normally include internal and external audit, legal advice for trustees and costs associated with constitutional and statutory requirements e.g. the cost of trustee meetings and preparing statutory accounts. Included within this category are any costs associated with the strategic as opposed to day to day management of the charity's activities.

G. REALISED GAINS AND LOSSES

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of 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.

H. EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes costs of grants awarded during the year

I. DEBTORS

Trade and other debtors are recognised at the settlement account due after any discount offered. Prepayments are valued at the amount prepaid after taking account of any discounts offered.

J. CASH AND CASH EQUIVALENTS

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

K. CREDITORS AND PROVISIONS

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

Creditors and provisions are normally recognized at their settlement amount after allowing for any discounts due.





2. FIXED ASSET INVESTMENTS

	2022	2021
	£	£
Market value at 1 February 2021	81,996,000	-
Additions	-	89,146,500
Disposal proceeds	(39,555,681)	-
Net loss on revaluation	(17,938,720)	(7,150,500)
Market value at 31 January 2022	24,501,599	81,996,000

3. INVESTMENT INCOME

Investment income of £2,424,000 (2021: £2,400,000) was received during the year from investments listed in the UK.

4. CHARITABLE ACTIVITIES

	2022	2021
	£	£
Grants and donations (note 11)	923,337	335,341
Support and Governance costs (below)	126,694	153,253
	1,050,031	488,594
Support costs		
Legal charges	-	18,000
Consultancy fees	18,380	6,000
Subscription to Association of Charitable Foundations	305	299
Wages and salaries (1 Employee - key management personnel)	80,833	78,500
Staff NIC (Employers)	9,936	9,724
Staff pensions (Defined contribution)	2,425	2,356
Rent and rates	3,120	7,521
Telephone and internet	-	62
Insurance	1,294	1,294
IT cost	2,950	21,014
Sundry expenses	251	2,483
Governance costs		
Auditors' remuneration	7,200	6,000
	126,694	153,253

The charity employed one member of staff during the reporting period.



5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

		2022	2021
		£	£
Grants awarded	12	240,570	106,676
Other creditors		99	207
Pension		2,556	2,068
PAYE & NI		1,450	1,231
Accruals		8,600	6,000
		253,275	116,182

6. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

		2022	2021
		£	£
Grants awarded	12	212,108	59,088
		212,108	59,088

7. RELATED PARTIES

There have been no related party transactions in the year requiring disclosure (2021: A trustee made a loan to the foundation of \pounds 25,000 which was repaid during the year. The charity also received an unrestricted donation from a trustee amounting to \pounds 89,146,500).

8. TRUSTEES REMUNERATION AND EXPENSES

During the year trustees have not received remuneration and were not reimbursed for any expenses.

9. GRANT COMMITMENTS

As at 31 January 2022 binding grant commitments were £452,678 (2021: £165,764).

10. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASHFLOW FROM OPERATING ACTIVITIES

	2022	2021
	£	£
Net movement in funds	(16,564,751)	83907,406
Deduct investment income donation of shares	(2,424,000)	(91,546,500)
Deduct gains/add back losses on investments	17,938,720	7,150,500
(Increase)/decrease in debtors	(6,593)	-
(Decrease)/Increase in creditors	290,113	175,270
	(766,511)	(313,324)

Investment income was included within Operating Cashflow in the Cashflow Statement in the 2021 published financial statements. It has been included within Investing Activities in the Cashflow Statement in the 2022 financial statements as this is considered to be a more appropriate accounting treatment under the Charities SORP. The 2021 comparatives have been restated in the 2022 financial statements to present investment income on a consistent basis with the revised 2022 treatment.

TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended 31 January 2022





11. GRANTS MADE

During the year the trustees made institutional grants totalling £923,337.

There are no support costs attributed to grants made. Governance costs comprise all costs incurred by the charity and no apportionment is made between grant making activities and running of the charity.

The Trustees made the following institutional grants during the year:

	2022 £	2021 £
Bristol Down Syndrome Trust Tall Ships Ashcome Primary	25,500 - -	25,500 16,880 25,800
Action for Kids	30,715	-
The Change Foundation	-	117,264 60,000
Independence at Home SportsAid	-	38,440
The Literacy Pirates	90,000	30,000
Square Food Foundation	160	8,535
Sirona Therapeutic Horsemanship Ability Consultancy	1,800 5220	615
Reed's School	180,694	-
Level Water	29,028	-
St Mary's College Gympanzies	3,117 9,015	-
Bidwell Brook School	9,860	_
Brent Centre	17,971	-
Kendleshire Kids Foundation Out Of Class	20,000 10,000	-
Real Action	10,000	-
Rett UK	6,722	-
Connie Rothman Learning Trust	10,000	-
Diverse Abilities The Horse Rangers	21,500 16,250	-
Cleethorpes Community & Education	10,000	-
Herons Dale Primary School	10,000	-
Tiverton Primary School Bryntail Cottage	529 12,000	-
Mountfield School	6,670	-
Youth Action Alliance	24,119	-
Normandy Community Therapy Garden	20,000	-
Wigan Warriors Dreams Come True	4,995 13,400	-
Cerebra	7,760	-
Alder Hey Children's Charity	103,000	-
Chailey Heritage Foundation Estudiantes	29,946 8,500	-
Lido Park Tennis	540	-
Access Sport	22,500	-
Lea Valley Primary School	3,000	-
Early Intervebtion Scheme (Ashcombe School)	148,826	12,307
	923,337	335,341
	520,007	

THE HARGREAVES FOUNDATION

12. MULTI – YEAR GRANT COMMITMENTS

Included in the grants awarded are the following amounts which had not been paid as at the year end.

	2022	2021
	£	£
Bristol Down Syndrome Trust	-	12,750
Ashcome Primary	19,120	25,800
The Change Foundation	78,176	78,176
Reed's School	157,520	-
Independence at Home	40,000	40,000
The Literacy Pirates	60,000	-
The Jack Hazeldine Foundation	-	9,038
Lea Valley Primary School	3,000	-
Access Sport	22,500	-
Action for Kids	5,473	-
Ashcombe Project - Books	5,329	-
Ashcombe – Literacy Hub	61,560	
	452,678	165,764



