



Trustees' report and financial  
statements

Registered number 265647

5 April 2023

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## Trustees' report

### Reference and administrative information

<b>Trustees</b>	Belinda Gordon (appointed 27 September 2022) Professor Neil Gorman (re-appointed 27 September 2022, retired 29 March 2023) Sarah-Jane Kerr (appointed 27 September 2022) Daniela Lloyd-Williams Susan Ralphs Mark Samworth
<b>Registered charity number</b>	265647
<b>Principal office</b>	Chetwode House 1 Samworth Way Melton Mowbray Leicestershire LE13 1GA
<b>Independent auditor</b>	Saffery Champneys LLP 71 Queen Victoria Street London EC4V 4BE
<b>Bankers</b>	C Hoare & Co 37 Fleet Street London EC4P 4DQ  Shawbrook Bank Limited Lutea House Warley Hill Business Park The Drive Great Warley Essex CM13 3BE
<b>Solicitors</b>	Macfarlanes LLP 20 Cursitor Street London EC4A 1LT
<b>Independent Financial Advisor</b>	Asset Risk Consultants (UK) Limited 46 Chancery Lane London WC2A 1JE

## Trustees' report (continued)

### Objectives and activities for the public benefit

The Samworth Foundation exists and operates for the public benefit through grant-making and social investment throughout the UK and internationally. In determining its funding strategies and in the administration of the Foundation, the Trustees have paid due regard to the guidance published by the Charity Commission under section 4 of the Charities Act 2011.

The Foundation's Trust Deed expresses its objective as any such exclusively charitable purposes as the trustees may determine, and may include:

*Contributions towards the expenses of any established charitable institution or body and the cost of any projects of study and research established by such institution or body including a contribution towards the cost of purchasing or erecting any building or land to be used in connection therewith.*

The Samworth Foundation is a pro-active funder dedicated to supporting a limited number of causes identified and researched by the trustees. Applications are considered on the invitation of the trustees, or the staff of the Foundation, and unsolicited applications are not accepted.

### Strategic focus

The Foundation focuses its core grant making on two specific areas, which are outlined below. This year, trustees continued their review of the Sexual Exploitation funding strategy, taking the decision to build on the work of this programme and streamline its focus. The new programme aims to *build lives free from modern slavery and exploitation*. A review of the Environment funding strategy has started, and will conclude next year.

### Modern Slavery and Exploitation

The Foundation is committed to supporting work that helps to bring about systemic change and seeks to fund organisations that safeguard people from slavery and exploitation, including those addressing the systems and structures that enable the issue to persist, whilst also ensuring victims, survivors and those at risk have access to high quality support.

#### Aim:

- Building lives free from modern slavery and exploitation

#### Priorities:

- Safeguarding people from modern slavery and exploitation
- Ensuring survivors and those at risk have access to high quality support

#### Impact goals:

- Better systems, structures, and practices that reduce the risk of slavery and exploitation
- Strong, effective organisations working with victims, survivors and those at risk

### Environment and Climate Change

The Foundation seeks to safeguard the natural world, and looks to fund organisations working to restore the health of the environment, as well as those who are addressing the systems and behaviours that have a negative impact on our planet.

#### Aim:

- Championing environmental recovery and combating climate change and its effects



## Trustees' report (continued)

### Objectives and activities for the public benefit (continued)

#### Priorities:

- Protecting and restoring natural habitats
- Influencing policy, practice, and behaviour

#### Impact goals:

- Nature-friendly systems, structures, and practices
- Strong, effective organisations working to prevent environmentally destructive practices

Public benefit is generated by the making of grants, donations and social investments to charities and other social sector organisations engaged in activities that support the Foundation's areas of focus.

### Grant making Policy

The Foundation's Grant making Policy is primarily aimed towards funding organisations that closely align to the Foundation's strategic areas of interest. In line with the Foundation's impact goals, trustees expect that grants will normally support one or more of the following outcomes:

- a) Improving policy and practice – where the focus is on influencing improvements in relevant policy and practice.
- b) Stronger organisations – helping organisations to grow, develop and sustain their work.
- c) Services and activities – maintaining, expanding, or providing new services, with an emphasis on quality and effectiveness.

Trustees consider grant funding as an opportunity to invest in organisations and their people and will look to establish strong, long-term partnerships by providing multi-year grants. Where possible, the Foundation will offer unrestricted grants, as trustees believe that unrestricted funding enables organisations to be more flexible and responsive to the needs they identify, and gives grant holders control over how the money they receive is spent. Where this is not possible, or where an organisation requests it, trustees may offer core funding or project specific grants.

The Foundation supports individual Samworth family members in their philanthropic giving, including the next generation of the family, as this will build a strong platform from which future generations can engage with and contribute to the Foundation, its work and wider social issues.

### Social Investment Policy

The Foundation does not have a specific Social Investment Policy; however, trustees have determined that providing support in the form of social investments can be an important element in developing the capacity and sustainability of the wider charitable sector, especially where funding might not be available from traditional sources to address social issues that are aligned with the Foundation's charitable objectives.

### Achievements, performance and plans for future periods

#### a. Strategic core grant giving

The Foundation provided £2,487,751 in grant funding to 31 organisations working in the UK and overseas. The trustees believe that how they fund is as important as what they fund, and that strong relationships with grant holders across every stage of the Foundation's grant making is vital to deliver best practice and help organisations become more effective and sustainable.

## Trustees' report (continued)

### Achievements, performance and plans for future periods (continued)

#### Strategic core theme 1: Modern Slavery and Exploitation

In 2021, the Foundation commissioned an independent review of its work to tackle sexual exploitation. Funding in this portfolio covered a range of interconnecting issues – child abuse, violence against women and girls, and modern slavery – with work taking place in the UK and Africa. A new strategy was launched in 2023, with the aim of increasing the impact of Foundation funding on a specific social issue, building lives free from modern slavery in the UK.

As a result of the new strategy, new grants were awarded to a number of existing grant holders who deliver effective work to help prevent modern slavery, and to support victims and survivors, including those working to bring about policy and practice change.

In addition, this year saw continued support for organisations working under the Foundation's previous strategic theme, Sexual Exploitation. A number of final one-year grants were also awarded to organisations who are no longer a good 'fit' with the new strategic focus, to help them exit positively from the Foundation's funding.

During 2022/23 the Foundation supported 16 organisations with £1,205,556 of funding.

#### Strategic core theme 2: Environment

Through its Environment Funding programme, the Foundation aims to champion environmental recovery and combat climate change and its effects. During 2022/23, 15 organisations received a total of £1,282,195, three of these organisations were new to the Foundation – Global Canopy, Ripple Effect, and the Trade Justice Movement.

Much of the Foundation's funding is focussed on those working to influence policy, practice, and behaviour. This includes organisations advocating for agricultural policy change in the UK, charities working to protect tropical forests overseas, and work to develop nature-based solutions to climate change. This year, we also contributed funding to support the development of the People's Plan for Nature, a plan created by the people of the UK, which outlines the actions we all – individuals, businesses, charities, local authorities and governments – need to take to protect and renew nature.

The Foundation continued as a signatory to the Funder Commitment on Climate Change. As part of this commitment, the Trustees agreed to report annually on progress against five goals in the Commitment. Our progress report can be found on the Foundation's website: [Samworth Foundation FCCC Year 3 Report](#).

#### b. The Transformation and Innovation Fund (TIF)

In 2020/21, the Foundation launched the Transformation and Innovation Fund, which offered funding for innovation and step change activities to ensure the long-term viability of grant holders post Covid-19. As part of the funding process, proposals were encouraged to have a 'green lens'. The trustees' aim was to ensure that all transformation work contributed to building back a better, stronger, more resilient, and environmentally friendly society after the pandemic. The total available was up to £3.5m. Applications to the Fund closed at the end of 2021/22, but eight organisations continued to receive funding totalling £669,983 this year.

#### c. Young Voices programme

This year saw the conclusion of our Young Voices Programme. The funding programme was launched in 2018/19, as part of the Foundation's commitment to combat issues of sexual exploitation by placing young people at the centre of the design, decision-making and delivery of work in this field. An open funding call resulted in six organisations being awarded a total of £1,286,690 over three years.

## Trustees' report (continued)

### Achievements, performance and plans for future periods (continued)

Throughout the life of the programme, the grant recipients – Abianda, the Association of Young People's Health (AYPH), Donnington Doorstep, NSPCC, Reach Learning Disability, and the Safer Young Lives Research Centre at the University of Bedfordshire – met regularly to share learning and insights.

Despite being impacted by Covid-19, the independent evaluation of the programme, carried out this year, found that:

- The projects amplified young peoples' voices and demonstrated organisational learning.
- New partnerships and networks were formed and capacity in the sector increased.
- There were many benefits for the young people involved, including the development of new skills.

In 2023/24, we will work with the funded projects to disseminate the learning from this programme.

#### d. Exceptional grants

In memory of the late Sir David Samworth, one of the Samworth Foundation's founders, who passed away in August, the trustees made two awards. Leicester Hospitals Charity received £1.5 million towards the cost of a new surgical robot for cancer surgery at Leicester Royal Infirmary, ensuring that more people can access lifesaving, minimally invasive surgery. The University of Leicester was awarded £125,000, with the potential of a further £165,000 in both 2023/24 and 2024/25, to expand their pioneering research into liquid biopsies (simple blood tests for cancer), which have the potential to improve outcomes for people affected by cancer through early detection and treatment.

#### e. Family Giving

The Foundation supports Samworth Family members with their charitable giving. Over the past 12-months, trustees have approved donations totalling £398,801 to a wide range of causes including, conservation, homelessness, children and young people, palliative care, and international development.

The grants and donations made during the year are split out as follows:

Funding stream	Number of grants and donations	Total given
Core grants	31	£2,487,751
Transformation & Innovation Fund grants	8	£669,983
Exceptional grants	2	£1,625,000
Family donations	51	£398,801
<b>Total grants and donations</b>		<b>£5,181,535</b>

#### f. Impact

The Samworth Foundation achieves its impact by funding the work of charitable, and other not-for-profit organisations. The Foundation team develop strong, positive relationship with grant holders, meeting with them on a regular basis to discuss positive developments, issues, and challenges. In addition, annual grant reports are expected at the end of each year of funding, which outline progress to date, quantitative and qualitative outcomes, and lessons learnt. At the end of their grant, grant holders must also provide a final report illustrating the difference the award has made.



## Trustees' report (continued)

### Achievements, performance and plans for future periods (continued)

This year, we received 37 reports from grant holders. These reports indicate that Foundation funding has supported our impact goals of 'better systems, structures, and practices' and 'strong effective organisations' in both anti-slavery and environmental work.

For example, grant recipients report that Samworth Foundation funding has enabled them to:

- Influence positive developments in UK environment policy.
- Mount successful strategic legal challenges to uphold the rights of survivors of modern slavery.
- Bolster organisational resilience and sustainability.
- Improve organisational impact.
- Meet growing demand for services.
- Evolve and refine their work.

Trustees recently approved an Impact Strategy, committing to light-touch, proportionate, and meaningful reporting by grant holders. The Foundation Team is working on operationalising this strategy to ensure that the information collected and recorded enables us to understand the difference our funding has made.

### Financial Review

#### a. Financial policies

The Foundation's finance and investment policies are intended to provide long-term stability and liquidity sufficient for the financing of the Foundation's grants. The trustees have adopted a Total Return approach, which means that both income from the investment portfolio and the underlying capital can be used to support the Foundation's activities. The Foundation has an Investment Policy Statement that sets out the long-term investment objective, risk-profile, strategic asset allocation and investment restrictions.

#### b. Reserves Policy

The Samworth Foundation holds unrestricted assets of £57,894,760 (2022: £65,474,620) and a reserves policy is therefore not strictly necessary. However, trustees consider it prudent to hold cash reserves to draw on during periods of market volatility or downturns. In 2021, the trustees decided to build up this liquidity reserve to cover up to two years of expenditure on core grants, equivalent to £5 million. Due to market volatility in the wake of the invasion of Ukraine, the sale of investment assets to boost the liquidity reserve was halted, and by the end of the year the liquidity reserve stood at £1,042,711, forming part of the Foundation's overall unrestricted assets. It will be built up again as soon as market conditions improve. The trustees continue to retain any unused funds as reserves for future income or capital.

The trustees are satisfied that the Foundation's assets are available and adequate to fulfil its obligations.

#### c. Investment review

Asset Risk Consultants (UK) Limited ("ARC") continue to provide independent financial advice to the trustees.

The Foundation's primary investment is a UK listed investment. There was a decrease in the value of this investment over the year of £6,740,247 (2022: £2,293,843 decrease), comprising a decrease in value of £3,990,247 (2022: £706,157 increase) and the realisation of £2,750,000 (2022: £3,000,000) through sales from our portfolio to meet our projected working capital requirements for the year, in line with our Total Return approach, as well as being used to build the Liquidity Reserve.

## Trustees' report (continued)

### Financial Review (continued)

The Trustees continued to follow a prudent schedule of raising any necessary capital on a monthly basis, with the switch to re-investing in or re-building the Liquidity Reserves in a similar cautious manner. This year, inflation impacted on both performance and target of CPI&5%. The Foundation's investment returned -5.7% over the 12 months to 31 March 2023, with the Investment Target of CPI&5% measuring 15.5% for the same period. Over a 5-year rolling period to 31 March 2023, the Foundation's investment returned 24.0%, with the investment Target of CPI&5% measuring 56.5%.

The trustees are aware that the Foundation's mission or its credibility may be undermined if it invests in businesses whose activities undermine its values and funding objectives. Therefore, the trustees follow a responsible approach to investment and are open to involvement with strategies with enhanced environmental, social and governance (ESG) impact as opposed to narrowly focused strategies which may have meaningful exposure to controversial areas.

#### d. Risk management

The trustees are responsible for the oversight and management of the risks faced by the Foundation. They regularly review the Foundation's risk position, internal controls assessment and compliance with relevant statutory and financial regulations.

In 2022, the trustees identified the following main risks:

a) Investment activities. The Foundation uses financial instruments comprising cash and investments. The main purpose of these is to finance the working capital cycle of the Foundation and the longer-term income and capital needs. Risk is managed by regular reviews of investment policies and objectives at trustee meetings, monitoring performance relative to objectives and employing fund managers to achieve a diversified portfolio within the investment. The IFA also advises the trustees in relation to risk and performance of the investments. Investment performance is referred to in 'Investment Review' above.

b) Loss of key people. The Foundation has a small staff team of three. The Foundation aims to retain its employees by having clear job descriptions, robust people policies, flexible working practices, annual appraisal and development conversations, and regular one-to-ones and team meetings. In addition, administrative, grant making and grant management processes are clearly documented to enable a smooth handover in the event of an employee leaving the organisation.

#### e. Review of income and expenditure

Total investment income decreased this year to £441,994 (2022: £513,151). This year, donations outweighed investment income due to a generous unrestricted donation received from Samworth Brothers Limited in May 2022 amounting to £1,399,500 (2022: £nil).

The resources expended exceeded the incoming resources in the year by £3,633,886 (2022: £6,140,898).

The Foundation has two streams of expenditure: grants and donations, and the running costs of the Foundation. Total expenditure on charitable activities amounted to £5,478,824 (2022: £6,365,654) including grants of £4,782,734 (2022: £5,218,106) and donations of £696,090 (2022: £869,792).

#### f. Programme related investments

The Foundation continues to support its social investment via the Resonance Social Investment Fund – National Homelessness Property Fund, until the end of the five-year term.

## Trustees' report (continued)

### Financial Review (continued)

As part of the Covid-19 Emergency Response Fund in 2020/21, the Foundation made a Social Investment in Charity Bank with a one-off investment to subscribe for 50p Ordinary shares in the capital of the Charity Bank, at a cost of £500,000.

### Structure, governance and management

The Samworth Foundation is an unincorporated charity established under a Deed of Settlement by the late Sir David Samworth dated 26 January 1973. By virtue of a resolution dated 25 February 2014, the power to appoint trustees rests with the trustees, subject to written confirmation of members of the Samworth Family.

An independent review of the Foundation's governance structure and processes took place in April and May 2022. A number of recommendations have since been implemented, including a staffing restructure, the recruitment of new trustees, and a review of key policies. Work will continue in 2023/24, including the Foundation's conversion to a Charitable Incorporated Organisation (CIO).

#### a. Trustees

The Foundation saw changes to the trustees during the year. Neil Gorman retired as Chair and trustee and two new trustees joined the Foundation. Belinda Gordon and Sarah Kerr were appointed in September 2022, following an open recruitment process. As part of their induction, they met with the Foundation Director and were given access to a digital induction pack which includes the Foundation's key documents and relevant Charity Commission publications.

All trustees are invited to appropriate training sessions that are delivered by external sources. In addition, trustees are invited to meet with grant holders and attend appropriate conferences and events, such as the Environmental Funders Network Annual Retreat and Association of Charitable Foundations (ACF) Annual Conference.

Trustees meet four times each year to set and oversee the delivery of the Foundation's strategy and approve core grant applications that are brought forward by the Foundation Director and Grants Managers. In 2022, the trustees also met in between quarterly meetings to discuss the recommendations made in the independent Governance Review and to develop their new funding strategy, Modern Slavery and Exploitation.

Trustees and staff are expected to conduct the business of the Foundation with integrity at all times. Trustees are required to disclose all relevant interests and to register them in accordance with the Foundation's policy and to withdraw from decisions where a conflict of interest arises. Any relevant gift or hospitality received by trustees and staff is also recorded in the Register of Interests. Grants made to any organisation with whom a trustee of the Foundation has a conflict are disclosed in the related party transactions note, forming part of the financial statements.

Mark Samworth, a trustee of the Foundation, is a Director of Samworth Brothers Limited, Samworth Brothers (Holdings) Limited, and SFE Chetwode Limited. SFE Chetwode Limited provides administration and accounting support together with office space to the Foundation. Amounts charged by SFE Chetwode Limited are noted in note 18.

Trustees are also subject to retirement every three years, and automatic retirement at the age of 70 years (or every year if aged 70 years or over) but are able to be re-elected.

## Trustees' report (continued)

### Financial Review (continued)

#### b. Foundation team

The day-to-day operational management of the Foundation's affairs is delegated by the trustees to a small team of three employed staff. They are responsible for ensuring that trustee decisions are implemented in accordance with existing policy and within budget, for briefing the trustees on current trends in the charitable sector and for advising on how these may affect policy.

This year has seen a change in the staffing structure, with the former Grants Programme Manager being appointed as Foundation Director (October 2022), a new Grants Manager joining the team in August 2022, and the former Grants Co-ordinator becoming Grants Manager in January 2023.

#### c. Key management personnel remuneration

No trustees, or person with a family or business connection with a trustee, received remuneration in the year, directly or indirectly, from the Foundation (2022: £nil).

The Foundation considers its key management personnel to be the Foundation Director and the two Grants Managers. The trustees set and review their remuneration at least annually, having regard to performance and market rates.

## Trustees' report (continued)

### Financial Review (continued)

#### Basis of preparation

The trustees confirm that the trustees' report and financial statements of the Foundation comply with the current statutory requirements. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective January 2019) and the Charities Act 2011 and UK Generally Accepted Practice.

#### Statement of trustees' responsibilities in respect of the trustees' report and the financial statements

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

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 (FRS102);
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping 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 Act 2011, applicable accounting regulations 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.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees on 5 July 2023 and signed on their behalf by:

**Mark Samworth**  
Trustee

The Samworth Foundation  
Chetwode House  
1 Samworth Way  
Melton Mowbray  
Leicestershire  
LE13 1GA





## Independent auditors' report to the Trustees

### Opinion

We have audited the financial statements of The Samworth Foundation for the year ended 5 April 2023 which comprise The Statement of Financial Activities, Balance Sheet and Cash Flow Statement 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 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### Basis for opinion

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

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

We have nothing to report in this regard.

## **Independent auditors' report to the trustees (continued)**

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

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

- the information given in the trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; or
- the 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 Statement of trustees' responsibilities set out on page 9, 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.

### **Auditors' responsibilities for the audit of the financial statements**

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

#### **Identifying and assessing risks related to irregularities:**

We assessed the susceptibility of the charity's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with trustees and updating our understanding of the sector in which the charity operates.

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

## Independent auditors' report to the trustees (continued)

### Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

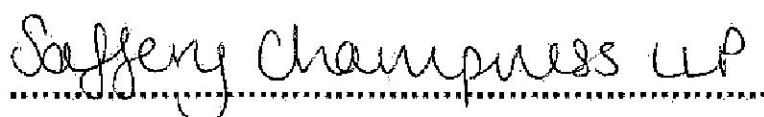
During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, 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 by, for example, forgery or intentional misrepresentations, or through collusion.

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

### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Saffery Champness LLP

Chartered Accountants

Statutory Auditors

Date: 13 July 2023

71 Queen Victoria Street  
London  
EC4V 4BE

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

## Statement of financial activities for the year ended 5 April 2023

	<i>Note</i>	2023 £ Total funds	2022 £ Total funds
<b>Income and endowments from:</b>			
Donations	2	1,402,944	2,907
Investments	3	441,994	513,151
<b>Total</b>		<b>1,844,938</b>	<b>516,058</b>
<b>Expenditure on:</b>			
Charitable activities	4	(5,478,824)	(6,365,654)
Exceptional items	5	-	(291,302)
<b>Total</b>		<b>(5,478,824)</b>	<b>(6,656,956)</b>
 Net (losses) / gains on investments	 12	 (3,945,974)	 704,595
<b>Net income/(expenditure)</b>		<b>(7,579,860)</b>	<b>(5,436,303)</b>
 <b>Net movement in funds</b>		 <b>(7,579,860)</b>	 <b>(5,436,303)</b>
<b>Reconciliation of funds:</b>			
Total funds brought forward	17	65,474,620	70,910,923
<b>Total funds carried forward</b>	<b>17</b>	<b>57,894,760</b>	<b>65,474,620</b>

All activities relate to continuing operations.

The year ended 5 April 2023 relates wholly to unrestricted funds.

The notes on pages 17 to 30 form part of these financial statements.

## Balance sheet

as at 5 April 2023

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	11	5,000	5,000
Investments	12	56,802,765	64,498,739
Programme related investments	13	800,000	800,000
		<b>57,607,765</b>	<b>65,303,739</b>
<b>Current assets</b>			
Debtors	14	1,901	1,760
Cash at bank		735,521	748,105
		<b>737,422</b>	<b>749,865</b>
<b>Creditors: amounts falling due within one year</b>	15	<b>(445,427)</b>	<b>(578,984)</b>
<b>Net current assets</b>		<b>291,995</b>	<b>170,881</b>
<b>Total assets less current liabilities</b>		<b>57,899,760</b>	<b>65,474,620</b>
<b>Creditors: amounts falling due after more than one year</b>	16	<b>(5,000)</b>	<b>-</b>
<b>Net assets</b>		<b>57,894,760</b>	<b>65,474,620</b>
<b>The funds of the Foundation</b>			
Restricted funds		-	-
Unrestricted funds	17	57,894,760	65,474,620
<b>Total Foundation funds</b>	17	<b>57,894,760</b>	<b>65,474,620</b>

These financial statements were approved by the trustees on 5 July 2023 and were signed on its behalf by:



Susan Ralphs  
Trustee

Mark Samworth  
Trustee



The notes on pages 17 to 30 form part of these financial statements.

## Cash flow statement for year ended 5 April 2023

	Note	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Net income/(expenditure) for the reporting period		(7,579,860)	(5,436,303)
Adjustments for:			
Losses / (gains) on investments	12	3,945,974	(704,595)
Dividends and interest from investments		(434,670)	(506,461)
(Increase)/decrease in debtors	14	(141)	224
Increase/(decrease) in creditors	15,16	(128,557)	(43,149)
<b>Net cash from operating activities</b>		<b>(4,197,254)</b>	<b>(6,690,284)</b>
<b>Cash flows from investing activities</b>			
Dividends and interest from investments		434,670	506,461
Purchase of investments		(500,000)	(2,000,000)
Sale of investments	12	4,250,000	3,000,000
<b>Net cash from investing activities</b>		<b>4,184,670</b>	<b>1,506,461</b>
<b>Cash flows from financing activities</b>			
Increase in respect of programme related investments	13	-	-
Repayment in respect of programme related investments	13	-	-
<b>Net cash from financing activities</b>		<b>-</b>	<b>-</b>
Change in cash and cash equivalents in the year		(12,584)	(5,183,823)
Cash and cash equivalents at the beginning of the year		748,105	5,931,928
<b>Cash and cash equivalents at the end of the year</b>		<b>735,521</b>	<b>748,105</b>

## Analysis of changes in net debt

	At 6 April 2022	Cash flows	At 5 April 2023
<b>Cash and cash equivalents at the end of the year</b>	748,105	(12,584)	<b>735,521</b>

The notes on pages 17 to 30 form part of these financial statements.

## Notes

(forming part of the financial statements)

### 1 Accounting policies

#### Basis of preparation and assessment of going concern

The Foundation is a public benefit entity.

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective January 2019) - Charities SORP (FRS 102), and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

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 Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective January 2019) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

#### Going concern

The Trustees consider that there are no material uncertainties about the Foundation's ability to continue as a going concern. The Trustees meet regularly and consider investment performance alongside long-term cash flow projections and ongoing grant giving.

#### Areas of judgement and key assumptions

The most significant areas of judgement and key assumptions that affect items in the accounts relate to estimating the liability from multi-year grant and donation commitments (see note 6). With respect to the next reporting period, the most significant areas of uncertainty that affect the carrying value of assets held by the Foundation are the level of investment returns and the performance of investment markets (see the Trustees' annual report).

#### Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Foundation and which have not been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used.

#### Incoming resources

All incoming resources are included in the statement of financial activities when the Foundation has entitlement to the funds, probable receipt of funds and the amount can be measured with sufficient reliability.

All monetary donations are included in the financial statements when receivable, provided there are no donor-imposed restrictions as to the timing of related expenditure, in which case recognition is deferred until the pre-condition has been met.

## Notes

(forming part of the financial statements)

### 1 Accounting policies (continued)

#### Incoming resources (continued)

Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

Investment income, including associated tax recoveries, is recognised when receivable.

#### Resources expended

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities, they have been allocated on a basis consistent with the use of resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the Foundation.

Governance costs are those costs incurred in connection with the administration of the Foundation and compliance with constitutional and statutory requirements.

Grants and donations payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants and donations offered subject to conditions which have not been met at the year end are noted as a contingent liability, but not accrued as expenditure.

#### Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation and any provision for impairment.

No depreciation is provided on freehold land.

#### Investments

Investments are stated at market value at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

#### Programme related investments

Programme related investments are initially recognised and measured at the amount paid. The carrying value amount is adjusted in subsequent years to reflect repayments and any accrued interest, and adjusted if necessary, for any diminution in value.

#### Financial instruments

Basic financial instruments include debtors and creditors. The Foundation 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 measured at their amortised cost.



## Notes (continued)

### 2 Voluntary income

	2023 £ Total funds	2022 £ Total funds
Donations	1,402,944	2,907
	<u>1,402,944</u>	<u>2,907</u>

The year ended 5 April 2023 relates wholly to unrestricted funds.

### 3 Investment income

	2023 £ Total Funds	2022 £ Total funds
Income from listed investments	426,268	504,402
Bank deposit interest	8,402	2,059
Programme related investment interest	7,324	6,690
	<u>441,994</u>	<u>513,151</u>

The current year ended 5 April 2023 relates wholly to unrestricted funds.

## Notes (continued)

### 4 Expenditure on charitable activities

	2023 £	2022 £
	Total Funds	Total funds
Grants (note 6)	4,782,734	5,218,106
Donations (note 6)	398,801	869,792
Support costs (note 7)	133,898	133,339
Governance costs (note 8)	163,391	144,417
	<hr/>	<hr/>
	5,478,824	6,365,654
	<hr/>	<hr/>

The current year ended 5 April 2023 relates wholly to unrestricted funds.

### 5 Exceptional items

	2023 £	2022 £
Fraudulent payments	-	291,302
	<hr/>	<hr/>

In 2021, the Foundation was subject to a malicious cyber-attack, resulting in a net loss of £291,302 following the recovery of £53,808. An investigation found that all internal financial controls had been followed. An independent consultancy firm was engaged to review the Foundation's online security and relevant policies and procedures. As a result, new online security systems have been implemented and improved financial controls are in place.

## Notes (continued)

### 6 Grants and donations to charitable organisations

	2023 £ Total funds	2022 £ Total funds
Core grants	2,487,751	2,566,839
Transformation and Innovation fund grants	669,983	2,179,014
Emergency response grants	-	472,253
Exceptional grants	1,625,000	-
	<b>4,782,734</b>	<b>5,218,106</b>

There were 41 (2022: 71) grants made to organisations during the year amounting to £4,782,734 (2022: £5,218,106).

In memory of the late Sir David Samworth, one of the Samworth Foundation's founders, who passed away in August, the trustees made two exceptional awards. Leicester Hospitals Charity received £1.5 million towards the cost of a new surgical robot for cancer surgery at Leicester Royal Infirmary, ensuring that more people can access lifesaving, minimally invasive surgery. The University of Leicester was awarded £125,000, with the potential of a further £165,000 in both 2023/24 and 2024/25, to expand their pioneering research into liquid biopsies (simple blood tests for cancer), which have the potential to improve outcomes for people affected by cancer through early detection and treatment.

The current year ended 5 April 2023 relates wholly to unrestricted funds.

	2023 £ Total funds	2022 £ Total funds
Donations	398,901	869,792
	<b>398,801</b>	<b>869,792</b>

There were 51 (2022: 71) donations made to organisations during the year amounting to £398,801 (2022: £869,792).

The current year ended 5 April 2023 relates wholly to unrestricted funds.

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## Notes (continued)

### 6 Grants and donations to charitable organisations (continued)

#### Reconciliation of grants and donations payable:

	2023	2022
	£	£
Accrued at 6 April 2022	535,350	601,500
Grants and donations payable for the year	5,181,535	6,087,898
Grants and donations paid during the year	(5,306,885)	(6,154,048)
<b>Accrued at 5 April 2023</b>	<b>410,000</b>	<b>535,350</b>
<b>Payable as follows:</b>		
Grants and donations payable <1 year – organisations	405,000	535,350
Grants and donations payable >1 year – organisations	5,000	-
	<b>410,000</b>	<b>535,350</b>

All grants and donations payable are payable from unrestricted funds.

## Notes (continued)

### 6 Grants and donations to charitable organisations (continued)

Core grants	2023 £
Made from unrestricted funds:	
Helen Bamber Foundation	200,000
Climate Outreach and Information Network	150,000
Parents Against Child Exploitation	127,510
The Soil Association Limited	110,000
Hope for Justice	103,546
Royal Society of Wildlife Trusts	100,920
Church of England Children's Society (Nottingham)	100,000
ClientEarth	100,000
Global Canopy	100,000
The Green Alliance Trust	100,000
WWF-UK	100,000
Tearfund (Manicaland)	90,000
Possible	85,000
Ripple Effect	85,000
Roots of Change Programme	80,000
The BACA Charity	80,000
Anti-Trafficking and Labour Exploitation Unit (Atleu) Limited	75,000
NWG Network	75,000
The Rainforest Foundation UK	75,000
Nature Friendly Farming Network	70,000
Trade Justice Movement	66,275
New Futures Project	55,000
Aids Free World	50,000
Sustain: the Alliance for Better Food and Farming	50,000
The Gaia Foundation	50,000
The Lucy Faithfull Foundation	50,000
The Nia Project	50,000
Baobab Centre for Young Survivors in Exile	40,000
CHEM Trust	40,000
Médecins Sans Frontières (MSF) UK	25,000
The Association of Young People's Health (AYPH)	4,500
Made from restricted funds:	-
	<hr/> 2,487,751 <hr/>

## Notes (continued)

### 6 Grants and donations to charitable organisations (continued)

<b>Transformation and innovation fund grants</b>	<b>2023 £</b>
Made from unrestricted funds:	
The Royal Society of Wildlife Trusts	127,567
Well Grounded Limited	106,420
Anti-Trafficking and Labour Exploitation Unit (Atleu) Limited	100,700
Beyond the Streets	82,428
Climate Alliance Community Interest Company	80,000
The National Society for the Prevention of Cruelty to Children	63,540
Anti-Slavery International	55,081
The Gaia Foundation	54,247
	<hr/>
	669,983
	<hr/>

<b>Exceptional grants</b>	<b>2023 £</b>
Made from unrestricted funds:	
Leicester Hospitals Charity	1,500,000
University of Leicester	125,000
	<hr/>
	1,625,000
	<hr/>

## Notes (continued)

### 6 Grants and donations to charitable organisations (continued)

Donations	2023 £
Made from unrestricted funds:	
Belvoir Cricket and Countryside Trust	58,000
International Justice Mission UK	40,000
The Mango Tree	30,000
Royal Academy of Music	25,000
Uppingham School	20,000
Go Beyond	15,000
Bible Reading Fellowship	10,000
Crisis UK	10,000
LOROS Hospice	10,000
Samworth Brothers Limited – Charity Challenge	10,000
Sightsavers	10,000
Stillbirth and Neonatal Death Society	10,000
St Michael and All Angels	10,000
St Mungo's	10,000
The Simon Rivett-Carnac Trust	10,000
The Woodland Trust	10,000
Tudor Grange Samworth Academy	10,000
Wildfish	10,000
Witham Hall School	10,000
WWF-UK	10,000
Donations < £10,000 each (31)	70,801
	<hr/>
	398,801

There is a contingent liability totalling £3,724,004 in respect of grants and donations that the Foundation has given initial approval for, to be made out of unrestricted funds. This is broken down as £3,584,004 in respect of grants and £140,000 in respect of donations. These grants and donations are subject to an annual review being made by the Foundation. The total commitment is therefore not provided for in these financial statements. It is payable as follows:

	Grants £	Donations £
Year ending 5 April 2024	2,138,292	60,000
Year ending 5 April 2025	935,712	55,000
Year ending 5 April 2026	255,000	25,000
Year ending 5 April 2027	255,000	-
	<hr/>	<hr/>
	3,584,004	140,000

## Notes (continued)

### 7 Support costs

	2023 £ Total funds	2022 £ Total funds
Advisors' fees	60,289	56,052
Administration expenses	10,555	15,717
Sundry expenses	63,054	61,570
	<u>133,898</u>	<u>133,339</u>

The current year ended 5 April 2023 relates wholly to unrestricted funds.

### 8 Governance costs

	2023 £ Total funds	2022 £ Total funds
Auditor's fees		
Audit fees (including VAT)	13,800	11,880
Accountancy and taxation fees	3,780	7,110
Professional fees	76,011	93,934
Accountancy and administration fees	49,819	20,816
Sundry expenses	19,981	10,677
	<u>163,391</u>	<u>144,417</u>

The current year ended 5 April 2023 relates wholly to unrestricted funds.

### 9 Staff numbers and costs

The average number of employees during the year was as follows:

	2023	2022
Management of the Foundation	1	1
Administration of the Foundation	2	1
	<u>3</u>	<u>2</u>



## Notes (continued)

### 9 Staff numbers and costs (continued)

The aggregate payroll costs of these persons were as follows:

	2023	2022
	£	£
	Total	Total
	funds	funds
Wages and salaries	97,088	46,144
Social security costs	4,356	602
Other healthcare costs	73	222
Other pension costs	5,741	1,748
	<u>107,258</u>	<u>48,716</u>

Expenses reimbursed to Foundation staff are included in sundry support costs.

None of the Foundation staff earn in excess of £60,000.

### 10 Trustees' and key management personnel remuneration and expenses

The Trustees neither received nor waived any remuneration during the year (2022: £nil).

The total amount of employee benefits received by key management personnel is £107,258 (2022: £48,716). The Foundation considers its key management personnel to be the Director and two Grants Managers (2022: the Grants Programme Manager, Grants Research Manager, Grants Co-ordinator and the Executive Assistant).

No expenses were reimbursed to Trustees during the year (2022: £nil).

### 11 Tangible fixed assets

	Freehold land
	£
Cost	
At 5 April 2022 and 5 April 2023	5,000

## Notes (continued)

### 12 Fixed asset investments

	Listed securities £
<b>Market value</b>	
At 5 April 2022	64,498,739
Additions	500,000
Disposals	(4,250,000)
Revaluations	(3,945,974)
	<hr/>
<b>At 5 April 2023</b>	<b>56,802,765</b>
	<hr/>
<b>Historical cost</b>	<b>40,548,862</b>
	<hr/>

The investment is a UK listed investment.

The difference between the historical cost and market value of investments amounting to £16,253,903 (2022: £20,954,104) is reflected in the unrestricted fund.

### 13 Programme related investments

	£
<b>Net book value</b>	
At 5 April 2021 and 5 April 2023	800,000
	<hr/>

Programme related investments – social investments comprise:

	Social investments 2023 £	Social investments 2022 £
National Homelessness Property Fund Limited Partnership	300,000	300,000
The Charity Bank Limited	500,000	500,000
	<hr/>	<hr/>
	<b>800,000</b>	<b>800,000</b>
	<hr/>	<hr/>

The mission of the Homelessness Property Fund is working with St Mungo Community Housing Association to tackle homelessness across Oxford, Milton Keynes and Bristol.

As part of the Emergency Response fund, the Foundation made a Social Investment in The Charity Bank Limited with a one-off investment of £500,000. This investment was made in response to Covid-19 to strengthen the charity sector's resilience and infrastructure as a whole.

## Notes (continued)

### 14 Debtors

	2023 £	2022 £
Prepayments and accrued income	1,901	1,760
	<u>1,901</u>	<u>1,760</u>

### 15 Creditors: amounts falling due within one year

	2023 £	2022 £
Accruals	37,639	40,011
Grants and donations payable	405,000	535,350
Social security	2,715	1,743
Other creditors	73	627
Pensions	-	1,253
	<u>445,427</u>	<u>578,984</u>

Grants and donations payable comprise £50,000 to Belvoir Cricket and Countryside Trust, £5,000 to Go Beyond, £100,000 to Helen Bamber Foundation and £250,000 to Uppingham School.

### 16 Creditors: amounts falling due after more than one year

	2023 £	2022 £
Grants and donations payable	5,000	-
	<u>5,000</u>	<u>-</u>

Donations payable comprises £5,000 to Go Beyond.

## Notes (continued)

### 17 Analysis of charitable funds

	2022 Funds brought forward £	Income	Expenditure	Unrealised gains/(losses)	2023 Funds carried forward
Restricted funds	-	-	-	-	-
Unrestricted funds	65,474,620	1,844,938	(5,478,824)	(3,945,974)	57,894,760
<b>Total funds</b>	<b>65,474,620</b>	<b>1,844,938</b>	<b>(3,633,886)</b>	<b>(3,945,974)</b>	<b>57,984,760</b>

### 18 Payments to Trustees and related party transactions

No Trustee, or person with a family or business connection with a Trustee, received remuneration in the year, directly or indirectly, from the Foundation (2022: £nil).

Expenses amounting to £427 were reimbursed to four Trustees during the year in respect of travel costs (2022: £nil).

Mark Samworth, a Trustee of the Foundation, is a Director of Samworth Brothers Limited, Samworth Brothers (Holdings) Limited, and SFE Chetwode Limited and the late Sir David Samworth was President of Samworth Brothers (Holdings) Limited.

During the year a donation amounting to £1,399,500 (2022: £nil) was received from Samworth Brothers Limited.

Samworth Brothers Limited charged the Foundation for the provision of administration and accounting support together with office space, amounting to £3,047 for the year (2022: £19,646).

SFE Chetwode Limited charged the Foundation for the provision of administration and accounting support together with office space, amounting to £10,438 for the year (2022: £nil).

The Samworth family has links with Uppingham School who received an award of £20,000 (2022: £500,000) from the Foundation.