

Company Number: 5840786
Charity Number: 1115154

THE RUMI FOUNDATION
REPORT AND ACCOUNTS

For the year ended

31 MARCH 2025

THE RUMI FOUNDATION

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THE RUMI FOUNDATION

TRUSTEES AND ADVISORS

| | |
|-----------------------------|---|
| Trustees and Directors | S Malcolmson D Muriithi B Pollard |
| Secretary | S Malcolmson |
| Registered office | 1st Floor Clutha House 10 Storey's Gate London SW1P 3AY |
| Bankers | National Westminster Bank Plc Piccadilly and New Bond Street 63 Piccadilly London W1J 0AJ |
| Auditor | S&W Partners Audit Limited Statutory Auditor 45 Gresham Street London EC2V 7BG |
| Tax Advisors | S&W Partners LLP Accountants 45 Gresham Street London EC2V 7BG |
| Legal Advisors | Broadfield Law UK LLP 1 Bartholomew Close London EC1A 7BL |
| Property Advisors | Coreprop Group Limited 92 Banner Street London EC1Y 8JU |
| Company registration number | 5840786 |
| Charity registration number | 1115154 |

THE RUMI FOUNDATION

TRUSTEES' ANNUAL REPORT incorporating the Strategic Report and Directors' Report

The Trustees present their report and the accounts for the year ended 31 March 2025.

Structure, Governance and Management

The Rumi Foundation ("the Foundation") is a charitable company limited by guarantee, established under a Memorandum and Articles of Association adopted by the Foundation on incorporation on 8 June 2006, as amended by the Articles of Association adopted on 27 October 2019. The Foundation was registered as a charity on 7 July 2006. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

The Trustees of the Foundation are also directors for the purposes of company law under the company's Articles and are shown on page 2 to this report. The Trustees who served during the year are listed below:

- B Pollard
- D Muriithi
- S Malcolmson

Organisational structure

The Rumi Foundation has a Board made up of three Trustees who meet at least twice a year and are responsible for managing the business of the Foundation. The Foundation retains third party professional managers to oversee its property portfolio. The Foundation's legal advisors are Broadfield Law UK LLP.

At the year end the Foundation's corporate structure includes one subsidiary, Hundred Squared Limited, which is dormant and is 100% owned by the Foundation. The Trustees appoint the directors of the subsidiary.

Trustees' recruitment and appointment

Under the requirements of the Articles of Association the Trustees are appointed for fixed terms in office of a maximum of three years, and on retirement are eligible for re-appointment subject to the conditions in the Articles. New Trustees are recruited by the board and are selected for their experience and knowledge of the areas in which the Foundation operates.

The Trustees have adopted a skills matrix and are recruited for their expertise and experience. The role of Trustee does not carry any remuneration, as such all Trustees give their time freely and no Trustee remuneration was paid in the year (2024: £Nil). In accordance with its expenses policy the Foundation reimbursed one of the Trustees' travel costs totalling £2,798 (2024: £3,695). Trustees are required to disclose all related interests, any such interests or transactions are shown in Note 19 and, in accordance with the Foundation's policies, withdraw from decisions where a conflict of interest arises.

The Trustees have adopted a Trustees' Roles and Responsibilities Policy, which includes a Trustees' Code of Conduct.

Trustee Induction and Training

As part of their induction programme any new Trustees are made aware of their responsibilities as Trustees.

The existing Trustees recognise the need to have regular training on their roles and responsibilities and continuously seek to educate themselves to improve their skills and best practices. The Trustees appoint specialist advisors for professional support where necessary.

Risk Policy

The Trustees have adopted a Risk Assessment Register which considers the major risks to which the Foundation is exposed and sets out systems and procedures to mitigate them. The Trustees have reviewed the risks in the year and consider the major risk to be the safety of, and investment returns on, its funds. The Trustees seek professional advice to manage risks as appropriate.

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TRUSTEES' ANNUAL REPORT

incorporating the Strategic Report and Directors' Report (continued)

The Trustees have specifically considered a number of business risks such as: the credit-worthiness of its tenants and debtors, the risk of changes in interest rates and the risks associated with property investment. The Foundation has made investments where the Trustees believe such risks are as low as possible and the Trustees seek professional advice where appropriate.

Reserves policy

The Trustees have formalised the Foundation's reserves policy with reference to Charity Commission guidance (CC19) and accounting standards (as disclosed in note 2a). The Trustees have adopted a policy which defines free reserves as funds which are available for use by the Foundation, which are deemed to be those that are readily realisable in liquid investments, excluding any funds whose uses are restricted or else designated for any particular purposes (no such funds currently exist).

The policy specifies that the Foundation's free reserves should not, as a minimum, fall below the amount required to run its charitable activities for at least one year should there be any call for funds on the Foundation, bearing in mind the levels of stable income which the Foundation currently receives. The Foundation's charitable giving and associated overheads, amounts to approximately £0.89m per annum (2024: £1.0m) and the free reserves did not fall below this target.

At the year end, the aggregate cash position of the Foundation and its subsidiaries (together 'the Group') was around £4.5 million and this represented the Foundation's free reserves balance. The Group expects to receive around £7.0 million in annual rental income from its investment properties.

The Trustees are comfortable that the level of reserves held at the end of the financial year are suitable, despite being in excess of the levels required by its long term policy, detailed above. This year the Trustees have continued their cautious approach to the Foundation's finances and, in the coming year, plan to use excess reserves to continue with the policy of reducing levels of debt and to diversify the Foundation's investment portfolio. The Foundation held a large cash balance and projects relatively secure rental income from its UK real estate investments in the coming year, which will provide a source of continuing reliable income.

The Trustees have examined the future anticipated cash flows of the Foundation and are satisfied that the Foundation has sufficient resources to meet its continuing obligations.

Investment Policy

The Trustees have created an investment policy to further the Foundation's charitable objectives and are aware of the Charity Commission's guidance (CC14) on the importance of managing risk in the formation of the Foundation's investment policy. As the Foundation's charitable objectives include the furtherance of charitable purposes both in the UK and overseas, the investment policy aims to invest its funds to create revenue streams in areas where the Foundation is undertaking or planning to undertake charitable activities. The Foundation's investments are split geographically between the U.K. £139,680,932 and the Rest of the World £2,788,328.

The investment policy is to make appropriate investments achieving a reasonable balance of risk and reward in a range of both short and long-term investments. The Trustees leverage their own investment skills and also seek independent advice where appropriate to ensure that this balance is met.

The current investment strategy of the Foundation is to continue to build its capital base and to reduce debt. In the current economic environment, the Trustees consider an appropriate target return to be 3% - 5%, in a blend of income and capital appreciation. The Trustees have regard to environmental, social and ethical considerations in evaluating potential investment opportunities for the Foundation.

The focus of the Foundation's investment policy for the year was to maintain its income-yielding investments and to maximise the value of those investments through good asset management techniques. The Foundation's realised return of approximately 6% on investment in the current financial year exceeded the target range.

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TRUSTEES' ANNUAL REPORT

incorporating the Strategic Report and Directors' Report (continued)

The Trustees also recognise that by making social investments The Foundation can invest to directly meet its charitable objects. During the year the Foundation provided further funds to its existing programme related investment. The investment was made exclusively to further the charitable aims of The Foundation by providing seed funding to scientific projects that will bring benefit to all mankind and relieve poverty. Any future financial return is not the primary reason for making the investment and on the basis the Foundation does not expect a financial return for approximately 5 years, at least, an impairment has been recognised against these investments thereby reducing the carrying value of accumulated programme related investments. Further details of the programme related investment are given in Note 13.

During the financial year, the Trustees continued to improve the Foundation's existing property portfolio by renovating vacant units and improving common parts, whilst renegotiating rents with existing tenants. Investment properties have been valued by the Trustees taking account of independent professional advice.

Rental income was consistent with the previous year and is expected to increase as vacant offices are let. The Foundation monitors the covenants of its tenants to maximise the sustainability of its rental income. Rates of return on bank deposit accounts decreased during the year, with the Foundation earning interest on its cash deposits of £130,466 (2024: £329,244). During the year the Trustees added £595,119 (2024: £356,795) to the Foundation's other financial investments. Their intention in making these investments is to reduce risk and diversify future revenue streams. The value of the Foundation's other financial investments at the year end was £3,989,210 (2024: £3,394,091).

Fundraising Policy

The Foundation is in compliance with the Charities (Protection and Social Investment) Act 2016. The Foundation does not fundraise and has not subscribed to any bodies that promote fundraising standards. The Foundation has not received any complaints about fundraising or of the activities of any person acting on behalf of the Foundation.

Grant-Making Policy

The Trustees have an established grant making framework whereby the Foundation works with large, established foundations to, together, support smaller, grassroots organisations that are making changes in an innovative way. The purpose of this grant making framework is to leverage the Foundation's impact by building up and maintaining strong long-term relationships with its strategic grant partners, which enables the Foundation to scale the impact of its activities. Furthermore, the Foundation's general policy is to enter into longer-term relationships as it enables the Foundation to build up a more meaningful and productive dialogue with the grant recipient.

As part of its due diligence procedures on potential grant recipients, the Foundation ordinarily meets with every organisation it is considering funding and interviews them. Where appropriate the Foundation then records the terms on which it provides its grants in written grant agreements using Grant Offer Letters, and Terms & Conditions and Grant Reporting Forms. The Foundation monitors the application and impact of its grant funding by meeting with each grant recipient on a regular basis to carry out a detailed assessment of the grant activities. In addition, the Foundation conducts site visits to the projects supported by some of its larger grants.

Objectives and Activities for the Public Benefit

The objects and purposes of the Foundation as set out in its Articles, are:

- the advancement of education of the public of any age in the UK and overseas and in particular, but without prejudice to the generality of the foregoing:
 - the provision, support and promotion of the education of children and young people in schools and institutions of further and higher education;
 - the education of disadvantaged members of the public; and
 - the promotion of the arts.
- the relief of poverty.

THE RUMI FOUNDATION

TRUSTEES' ANNUAL REPORT

incorporating the Strategic Report and Directors' Report (continued)

The Trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when exercising their powers and duties and also when reviewing the Foundation's aims and objectives, when setting the grant-making policy for the year and planning future activities.

The Trustees are satisfied that the processes and activities of the Foundation satisfy the public benefit test set out in s.4 Charities Act 2011.

The Foundation carries out these objects in the shorter term by providing financial support to schools, universities, healthcare and educational programmes that have a specific focus on the advancement of education, the relief of poverty, or both. The Foundation also provides financial support to schools in the most disadvantaged areas of the world, aimed at both educating disadvantaged members of the public and relieving poverty. In the longer term, the Foundation seeks to promote and support research into scientific and human advancement at educational institutions, specifically in areas which will further the education of, and relieve poverty amongst, the disadvantaged. This will further the Foundation's objects of the relief of poverty and promoting education. The intention is to partner with those particularly focused around social sciences, healthcare, technology and creative industries, where any innovation is most likely to further the Foundation's objects. The Trustees are aware that such collaborations may also lead to significant private benefit. Any projects supported will be carefully assessed for this risk and measures will be implemented to ensure any private gain is incidental to the benefit provided to humanity as a whole. The Foundation also aims, in particular, to support the education of girls.

Achievements and Performance during the period and plans for the future

The Foundation continued to work with existing charitable partners and sought to identify new long term partners to help fulfil its charitable vision.

The Foundation focused its partnerships this year on the education, empowerment and advancement of young people in our society today, and as part of that education, also on community engagement and civic involvement. Education provides a route out of poverty for young people and prevents future generations from having to experience poverty. Also, by having educated, motivated people actively engaging with their community, the benefits of any educational programme or one designed to relieve poverty can be brought to individuals that were not initially involved with that programme.

The Foundation assesses how its giving meets its objects and measures the success of the programmes or other charities it has funded against a number criteria. These include the number of people that have been helped, has the project or organisation grown and is there potential for future growth, the objective and subjective impact any funding has had on a community or organisation and whether any future giving will provide further impact. When measured against these criteria the Foundation had a very successful year. Future giving will continue to be measured against these criteria. The Trustees will continue learning from and improving their work and seeking the best opportunities for the Foundation to further its objects.

Details of grant funding and charitable expenditure are set out in Note 8. Further details of selected initiatives are set out below.

Drawing on their experience of working with charitable partners in previous years, the Trustees wanted to explore whether the networks the Foundation has built could successfully be used to connect charitable organisations with each other. As the Foundation has continued to mature, the Trustees were increasingly able to identify the unique ability of the Foundation to work with large, established foundations all around the world and at the same time to support smaller, grassroots foundations that are making change in an innovative way. Through the Trustees' unique networks, the Foundation can match these young changemakers with established foundations, further helping their growth and allowing them to access funding and recognition on a larger scale. The Foundation acts as an accelerator for social impact enterprises and organisations.

The Trustees use their networks and entrepreneurial skills to find innovative organisations that are making change at the grassroots level and provides these charities with funding to develop their ideas and to experiment and test how they can make the most impact. The Foundation provides guidance and mentorship and local networks to these young founders, and then connects the charities with larger, global organisations who help them grow, can provide them with additional levels of funding, and can give them access to best practices and networks of similar organisations around the world.

THE RUMI FOUNDATION

TRUSTEES' ANNUAL REPORT

incorporating the Strategic Report and Directors' Report (continued)

As the Foundation has entered into discussions with its grantees, it has also become clear how important it is for these charities to receive some unrestricted funds to allow them to satisfy their core costs, rather than to restrict funding to specific projects and not to underlying costs. The Trustees work with the grantees, particularly the smaller charities, to ensure that they are allocating the Foundation's funds wisely, are acting in accordance with the Trustees' suggestions and guidance, and that their impact is measured against the criteria given above. Where funds have been allocated to support a particular project, this is indicated below.

Royal Foundation

The Foundation continued its relationship with the Royal Foundation, the charitable organisation of the Prince and Princess of Wales. Its educational programme in 2024 focused on early childhood development, mental health, conservation, and supporting veterans. Led by The Prince and Princess of Wales, the Royal Foundation collaborated with businesses, governments, and NGOs to drive meaningful change.

The Foundation provided core funding to the Royal Foundation, and the Trustees were pleased to support its key initiatives, being:

- The Royal Foundation Centre for Early Childhood, which published a report highlighting that investing in early childhood could generate £45.5 billion annually for the UK economy.
- Mental health programs, expanding access to resources for young people and frontline workers.
- Conservation efforts, supporting environmental sustainability projects across Europe.
- Veterans' support, providing employment and mental health assistance to former service members.

Through its initiatives, the Royal Foundation has impacted millions globally. Representatives of the Foundation worked closely with staff of the Royal Foundation to co-ordinate and plan for further engagement during the next financial year to continue to benefit disadvantaged members of the public and its mission to relieve poverty.

Kotowari

The guiding principal for Kotowari is to help people in creating new ways of living in harmony with the natural environment, relating to one another and expressing themselves, as individuals and members of society. It achieves this by operating a programme of retreats and summits, where those people enrolled in the programme are encouraged to reflect on their own thoughts and also to connect with each other and share their creative visions. The summit brings together a younger generation of seekers and leaders from around the world to encourage inner transformation and social innovation. Representatives of the Foundation were glad to have met with representatives of the Kotowari, to initiate and discuss the application, use and impact of the Foundation's grant. The grant furthers the Foundation's objects of education of disadvantaged members of the public and the relief of poverty.

Equality Education

Renaissance Foundation

The Renaissance Foundation is a key grassroots organisation that seeks to empower young people aged 12-18 experiencing significant challenges in their lives. The Renaissance Foundation runs a 3 year tailored outreach programme which aims to inspire and support disadvantaged young people facing barriers to education, work and fulfilment. The Renaissance Foundation also offers a space known as the Hub, where young people, including young carers who care for family members that may have physical or mental health problems or substance abuse issues, can gain some respite. Representatives of the Rumi Foundation have met regularly with the Renaissance Foundation to assess the impact of its giving.

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TRUSTEES' ANNUAL REPORT

incorporating the Strategic Report and Directors' Report (continued)

Clinton Foundation

The Foundation continued its partnership with The Clinton Foundation. The Clinton Foundation European Programme in 2024 was part of the broader Clinton Global Initiative (CGI), which focuses on fostering partnerships to educate people on, and address, global challenges. The initiative convened leaders from business, government, and civil society to drive progress on climate resilience, inclusive economic growth, health equity, and humanitarian response efforts.

Since its inception, the Clinton Foundation has impacted 500 million people globally through 4,100 projects and partnerships. In 2024, key milestones included:

- 21 million people worldwide gaining access to lifesaving HIV/AIDS, tuberculosis, and malaria medications.
- 517,000 students and educators participating in educational and cultural programming at the Clinton Presidential Centre.
- 1.4 million children's books donated to under-resourced communities.
- 31 million U.S. children benefiting from healthier lifestyle initiatives.

The European Programme contributed to these global efforts by supporting regional projects focused on economic development, health access, and social equity. The CGI 2024 Annual Meeting in New York brought together stakeholders to discuss strategies for expanding impact.

Representatives of the Foundation met with representatives of the Clinton Foundation to discuss the application, use and impact of the Foundation's grant. The grant furthers the Foundation's objects of education of disadvantaged members of the public and the relief of poverty.

Obama Foundation

The Foundation continued its long-term partnership with the Obama Foundation to further its object of education. The Obama Foundation operates globally, supporting outstanding civic innovators, those leaders who are working with their communities to create transformational change and addressing some of the world's most pressing problems.

The Obama Foundation European Future Leaders Programme is a six-month, virtual leadership development initiative aimed at empowering emerging leaders across Europe. Each year, up to 36 participants are selected to engage in values-based leadership training, civic engagement discussions, and social change initiatives.

The program brings together leaders from government, civil society, and the private sector who have demonstrated a commitment to advancing the common good. Participants take part in skill-building workshops, networking opportunities, and cultural events, fostering collaboration and long-term impact. They also join virtual discussions on pressing European issues with experts and changemakers.

In 2024, the European cohort consisted of 36 leaders, contributing to a global total of over 200 participants across four regional programs: Africa, Asia-Pacific, Europe, and the United States. Upon completion, participants join the Obama Leadership Network, a global alumni community of more than 1,000 active changemakers. As a key supporter of the Obama Foundation's European Future Leaders Programme, representatives from the Foundation have attended events hosted by the Obama Foundation and directly witnessed its impact and the community spirit created amongst the emerging leaders.

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TRUSTEES' ANNUAL REPORT

incorporating the Strategic Report and Directors' Report (continued)

Other Initiatives

The Foundation also supported a number of other organisations including institutions within the creative industries, educational projects and children's charities in the UK and across the globe to further all of the Foundation's objectives.

Financial Review

The year to 31 March 2025 was a successful one for the Foundation, with income from its investment portfolio increasing by approximately 6% from the prior year. The Foundation's income is mainly rental income derived from its investment property portfolio, the operation of which has inherent costs associated with it. However, where possible, the Trustees sought to reduce costs. The Foundation also benefitted from paying down some of its debt in the previous year, which, along with reductions in the base rate of interest over the course of the year, resulted in reduced borrowing costs, year on year, of 8.25%. The Trustees, having sought independent third party advice, thought it appropriate to increase the value of the investment property portfolio to reflect the current market conditions. This decision was made with the expectation that the value of the portfolio is likely to appreciate further over the next 2 or 3 years. The Trustees have made a strategic decision to further reduce the Foundation's debt, in order to better manage its risks and place the Foundation on a more secure footing for the long term notwithstanding that it will reduce the level of grant making in the short term.

Going Concern

The Trustees, with a mind to the potential for fluctuations in the economy at home and abroad in the short to medium term, consider that the investment and reserves policies they have put in place are sufficient to allow the Foundation to continue to meet its charitable purposes for the foreseeable future. The Trustees will be monitoring the economy and seek to find ways for the Foundation to support those most impacted and in greatest need.

Trustees' Responsibilities Statement

The Trustees (who are also directors of The Rumi Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) and The Financial Reporting Standard 102. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the parent charitable company and the group and of the incoming resources and application of resources, including its income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- and follow the applicable UK Accounting Standards, 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 that the Group will continue in business.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the parent charitable company and Group's transactions and disclose with reasonable accuracy, at any time, the financial position of the charitable company and Group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE RUMI FOUNDATION

**TRUSTEES' ANNUAL REPORT
incorporating the Strategic Report and Directors' Report (continued)**

Auditor

In accordance with Section 485 of the Companies Act 2006, the Trustees confirm that S&W Partners Audit Limited have been reappointed as auditor of the company.

Awareness of relevant audit information

The Trustees of the company confirm that, in fulfilling their duties as Trustees, they have:

- taken all the necessary steps in order to make themselves aware of any information relevant to the audit and to establish that the auditor is aware of that information; and
- so far as they are aware, there is no relevant audit information of which the auditor has not been made aware.

**Approved by the board of trustees
and signed on behalf of the board**



S Malcolmson
Trustee

Date: 29 July 2025



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RUMI FOUNDATION

Opinion

We have audited the financial statements of The Rumi Foundation (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated & Parent Charitable Company Balance Sheets, the Consolidated Statement of Cash Flows and the 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 FRS 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 group's and of the parent charitable company's affairs as at 31 March 2025 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 group and parent charitable company 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 group and parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Report and Accounts, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report and Accounts. 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 AUDITOR'S REPORT TO THE MEMBERS OF THE RUMI FOUNDATION (CONTINUED)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report, which includes the Strategic Report and the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included within the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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 received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 9, the trustees (who are directors of the parent charitable company for the purposes of company law) 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 group's and the parent charitable company'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 group or the parent charitable company 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 the Companies Act 2006 and under section 151 of the Charities Act 2011, and report in accordance with those Acts and relevant regulations made or having effect thereunder.

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RUMI FOUNDATION (CONTINUED)

We obtained a general understanding of the group's and parent charitable company's legal and regulatory framework through enquiry of management in respect of their understanding of the relevant laws and regulations. We obtained an understanding of the group's and parent charitable company's policies and procedures in relation to compliance with relevant laws and regulations. We also drew on our existing understanding of charity regulation.

We understand that the group and parent charitable company complies with the framework through:

- Updating operating procedures and internal controls as legal and regulatory requirements change; and
- The Trustees' close oversight through regular board meetings.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the group's and parent charitable company's ability to conduct operations and where failure to comply could result in material penalties. We have identified the following laws and regulations as being of significant in the context of the charitable group:

- FRS 102 and the requirements of the Companies Act 2006 in respect of the preparation and presentation of the financial statements;
- Health and safety regulations, including building and fire safety; and
- Charity law and regulation.

To obtain evidence about compliance with the significant laws and regulations identified above, we made enquiries of the Trustees as to the risks of and any instances of non-compliance with laws and regulations, reading minutes of meetings of the Trustees and enquiring into any correspondence between regulators and the parent charitable company.

The senior statutory audit led a discussion with all members of the engagement team regarding the susceptibility of the group's and parent charitable company's financial statements to material misstatement, including how fraud might occur. The key areas identified as part of the discussion were the risk of manipulation of the financial statements through manual journal entries, and the incorrect treatment of the valuation of investment properties.

The procedures we carried out to gain evidence in the above areas included testing:

- A sample of manual journal entries, selected through applying specific risk assessments based on the group's and parent charitable company's processes and controls surrounding manual journals; and
- The accuracy (valuation) of amounts held within investment properties, through review of the significant assumptions and judgements adopted by management in determining their fair value.

The senior statutory auditor was satisfied that the engagement team collectively had the appropriate competence and capabilities to identify or recognise irregularities.

A further description of our responsibilities is available 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 parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the parent charitable company's members 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 parent charitable company, and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

S&W Partners Audit Limited

Daniel Quilter

Senior Statutory Auditor, for and on behalf of
S&W Partners Audit Limited
Statutory Auditor
Chartered Accountants
Date: 29 July 2025

45 Gresham Street
London
EC2V 7BG

THE RUMI FOUNDATION

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING THE INCOME & EXPENDITURE ACCOUNT**

FOR THE YEAR TO 31 MARCH 2025

| | | Total Funds | Total Funds |
|--|--------------|----------------------|----------------------|
| | | 31 March 2025 | 31 March 2024 |
| | Notes | £ | £ |
| Income from: | | | |
| Voluntary income | 4 | 1,070,000 | 1,165,214 |
| Investment income | 5 | 7,852,155 | 7,387,812 |
| Other trading income | 6 | 116,958 | 88,185 |
| Total income | | <u>9,039,113</u> | <u>8,641,211</u> |
| Expenditure on: | | | |
| Raising funds | | | |
| Administrative costs | 7 | 95,415 | 105,416 |
| Real Estate Management | | | |
| Administrative costs | 7 | 2,786,968 | 3,064,270 |
| Interest payable | 7 | 6,065,525 | 6,610,589 |
| Charitable activities | 7 | 893,531 | 1,029,157 |
| Total expenditure | | <u>9,841,439</u> | <u>10,809,432</u> |
| Net gain on investments | | 898,798 | 808,946 |
| Net gain / (loss) and net movement in funds | | <u>96,472</u> | <u>(1,359,275)</u> |
| Funds as at 1 April | | 62,338,978 | 63,698,253 |
| Funds as at 31 March | | <u>62,435,450</u> | <u>62,338,978</u> |

All income and expenditure derive from continuing activities.

THE RUMI FOUNDATION

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2025

| | Notes | 2025 £ | RESTATED 2024 £ |
|--|-------|--------------|-----------------------|
| Fixed Assets | | | |
| Tangible fixed assets | 12 | 1,625,197 | 1,726,328 |
| Investments | 13 | 4,119,210 | 3,511,591 |
| Investment properties | 14 | 138,350,050 | 137,220,638 |
| | | 144,094,457 | 142,458,557 |
| Current Assets | | | |
| Debtors | 15 | 987,794 | 877,066 |
| Cash at bank and in hand | | 4,452,601 | 6,393,075 |
| | | 5,440,395 | 7,270,141 |
| Creditors: amounts falling due within one year | 17 | (4,636,349) | (6,578,683) |
| | | 804,046 | 691,458 |
| Net Current Assets | | | |
| Creditors: amounts falling due after more than one year | 18 | (82,463,053) | (80,811,037) |
| | | 62,435,450 | 62,338,978 |
| Net Assets | | 62,435,450 | 62,338,978 |
| Represented by: | | | |
| Unrestricted charity funds | | | |
| Accumulated fund | | 62,435,450 | 62,338,978 |
| | | 62,435,450 | 62,338,978 |

The accounts were approved and authorised for issue by the Board of Directors on 29 July 2025 and were signed on its behalf by:



S Malcolmson
Director

Company Number: 5840786

THE RUMI FOUNDATION

PARENT CHARITABLE COMPANY BALANCE SHEET AS AT 31 MARCH 2025

| | Notes | 2025 £ | RESTATED 2024 £ |
|--|-------|--------------|-----------------------|
| Fixed Assets | | | |
| Tangible fixed assets | 12 | 1,625,197 | 1,726,328 |
| Investments | 13 | 4,119,310 | 3,511,691 |
| Investment properties | 14 | 138,350,050 | 137,220,638 |
| | | 144,094,557 | 142,458,657 |
| Current Assets | | | |
| Debtors | 15 | 987,794 | 877,066 |
| Cash at bank and in hand | | 4,452,601 | 6,393,075 |
| | | 5,440,395 | 7,270,141 |
| Creditors: amounts falling due within one year | 17 | (4,636,449) | (6,578,783) |
| | | 803,946 | 691,358 |
| Net Current Assets | | | |
| Creditors: amounts falling due after more than one year | 18 | (82,463,053) | (80,811,037) |
| | | 62,435,450 | 62,338,978 |
| Net Assets | | | |
| Represented by: | | | |
| Unrestricted | | | |
| Accumulated fund | | 62,435,450 | 62,338,978 |
| | | 62,435,450 | 62,338,978 |

The Foundation has taken advantage of the exemption under section 408 of the Companies Act 2006 from publishing its individual income statement, statement of other comprehensive income and related notes.

The company's gain in the year ended 31 March 2025 was £96,472 (2024: loss of £1,359,274).

The accounts were approved and authorised for issue by the Board of Directors on 29 July 2025 and were signed on its behalf by:



S Malcolmson

Director

Company Number: 5840786

THE RUMI FOUNDATION

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR TO 31 MARCH 2025

| Operating activities | Notes | 2025 £ | 2024 £ |
|--|--------------|-------------------------|-------------------------|
| Net gain / (loss) | | 96,472 | (1,359,275) |
| Depreciation charge | | 120,906 | 115,912 |
| Amortisation of capitalised expenses | | 39,724 | 116,051 |
| Loss on disposal of investment property | | - | 157,167 |
| Interest paid | | 6,065,525 | 6,610,589 |
| Interest received | | (130,466) | (473,697) |
| Change in debtors | | (110,728) | 3,980,201 |
| Change in creditors | | 344,682 | 1,434,993 |
| Revaluation gain | | (898,798) | (808,946) |
| Impairment of investments | | 237,500 | - |
| Net cash generated from operating activities | | 5,764,817 | 9,772,995 |
| Investing activities | | | |
| Additions to fixed assets | | (19,775) | (16,557) |
| Additions to investment properties | | (270,338) | (3,190,713) |
| Proceeds from disposal of investment properties | | - | 11,250,000 |
| Additions to investments | | (845,119) | (356,795) |
| Disposals of investments | | - | 9,852 |
| Interest received | | 130,466 | 473,697 |
| Net cash (used in) / generated from from investing activities | | (1,004,766) | 8,169,484 |
| Financing activities | | | |
| Loans repaid | | (635,000) | (17,461,463) |
| Interest paid | | (6,065,525) | (6,610,589) |
| Net cash used in financing activities | | (6,700,525) | (24,072,052) |
| Decrease in cash and cash equivalents | | (1,940,474) | (6,129,573) |
| Cash and cash equivalents at beginning of the year | | 6,393,075 | 12,522,648 |
| Cash and cash equivalents at the end of the year | 22 | 4,452,601 | 6,393,075 |

THE RUMI FOUNDATION

NOTES TO THE ACCOUNTS FOR THE YEAR 31 MARCH 2025

1 Legal status

The Rumi Foundation ("the Foundation") is a private company limited by guarantee (Company number: 5840786) and a registered charity (Charity number: 1115154) incorporated in England and Wales. The address of the registered office is 1st Floor, Clutha House, 10 Storey's Gate, London SW1P 3AY.

In the event of the charitable company being wound up the liability in respect of the guarantee is limited to £1 per member.

The average number of employees in the year was nil (2024: nil)

2 Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the period.

(a) Basis of preparation

The consolidated financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) - (Charities SORP (FRS 102)), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements have been prepared under the historical cost convention as modified by the valuation of certain assets including investment properties, in accordance with the Group's accounting policies.

The group's functional currency is sterling (£).

The Foundation is a public benefit entity and the Group is a public benefit group, as defined by FRS 102.

The principal accounting policies of the Group are set out below.

(b) Going concern

These financial statements have been prepared on a going concern basis.

The Trustees have reviewed their forecasts for the coming year, taking into account the impact of the high interest rate environment we are currently operating in. The Trustees noted that the Group has a diverse investment property portfolio, consisting of a number of properties with a range of uses, its covenants with its tenants are strong, and it also has a portfolio of other financial investments contributing to a consolidated net current asset position of £804,046 at 31 March 2025. Therefore the Trustees consider that there is reasonable assurance the Group and the Foundation will have sufficient resources to enable them to continue in operation for the foreseeable future, being a period of no less than one year from the date of approval of these Financial Statements. Accordingly, the going concern basis has been adopted in the preparation of the financial statements.

THE RUMI FOUNDATION

NOTES TO THE ACCOUNTS FOR THE YEAR 31 MARCH 2025 (continued)

2 Accounting policies (continued)

(c) Basis of consolidation

The group financial statements incorporate the financial statements of the Foundation and entities controlled by the Foundation (its subsidiaries) prepared to 31 March each year. Control is achieved where the Foundation has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities.

The results of subsidiaries acquired during the year are included in the Statement of Financial Activities from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the group.

All intra-group transactions and balances and any unrealised gains and losses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.

The Foundation has taken advantage of the exemption under section 408 of the Companies Act 2006 from publishing its individual income statement, statement of other comprehensive income and related notes.

(d) Business combinations and goodwill

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the group.

The cost of a business combination is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the group in exchange for control and the costs directly attributable to the business combination. The consideration transferred includes the estimate of any asset or liability resulting from a contingent consideration arrangement where the transfer of further consideration is probable and can be measured reliably. Identifiable assets acquired and liabilities and contingent liabilities assumed in the business combination are measured initially at their fair values at the acquisition date. Contingent liabilities are only recognised where the fair value can be measured reliably.

The group measures goodwill at the acquisition date as the excess of the cost of the business combination over the acquirer's interest in the net amount of the identifiable assets, liabilities and contingent liabilities recognised. Subsequently goodwill is amortised on a straight line basis over its useful life of three years.

When the excess is negative, the negative goodwill arising is recognised separately on the face of the balance sheet and released up to the fair value of the non-monetary assets as the non-monetary assets are recovered and otherwise in the periods expected to be benefited.

THE RUMI FOUNDATION

NOTES TO THE ACCOUNTS FOR THE YEAR 31 MARCH 2025 (continued)

2 Accounting policies (continued)

(e) Income

All income is included in the Statement of Financial Activities when the Group is entitled to the income and the amount can be quantified with reasonable accuracy and the receipt is considered to be probable.

Voluntary income is received by the way of donations and is included in full in the Statement of Financial Activities when receivable.

Investment income relates to interest on bank deposits, rental income arising from investment properties and interest on long term secured debt. Investment income is recognised on an accruals basis. Rental income is recognised as earned with the cost of any lease incentives being spread equally over the lease term. Any rental income relating to future periods is recognised in deferred income.

Other trading income relates to sales of development properties and other miscellaneous income.

(f) Expenditure

Expenditure is recognised on an accruals basis, as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which relates.

- Grants are recognised at the earlier of payment and when a constructive obligation to the recipient is created. Any grant recognised but unpaid, is recognised as a creditor.
- Raising funds comprise the costs associated with attracting voluntary income.
- Real estate management comprise property management costs, financing costs and the cost of developments sold.
- Charitable expenditure comprises those costs incurred by the Group in the delivery of its activities and the services. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- Governance costs are allocated between expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource.

(g) Taxation

The tax expense represents the sum of the tax currently payable and any deferred tax.

The current tax charge is based on the taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date. The Group's activities are charitable and therefore, to the extent that any surpluses are applied to its charitable objects, the Group is not liable to tax. In addition, its subsidiaries incur no current tax charge as all their profits, which would otherwise be taxable, are distributed to the Foundation by way of Gift Aid and thus no tax liability arises.

THE RUMI FOUNDATION

NOTES TO THE ACCOUNTS FOR THE YEAR 31 MARCH 2025 (continued)

2 Accounting policies (continued)

(h) Taxation (continued)

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date, and where it is probable that a tax liability will arise. Deferred tax on investment property revaluation gains are not recognised where it is probable that the crystallised profits will be donated to the Group such that no tax liability will ultimately arise.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to the Statement of Financial Activities, except when it relates to items charged or credited directly to other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

Whilst the tax expense is immaterial, it is recognised as a part of the cost of the relevant activity, rather than being disclosed separately in the Statement of Financial Activities.

(i) Tangible Fixed Assets

Tangible fixed assets are valued using the cost model and are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing an asset to the condition necessary for it to operate in the manner intended for it by the trustees.

Other than freehold land, depreciation is charged on assets so as to allocate their cost less their residual value over their estimated useful lives, using the straight line method.

Depreciation is provided on the following basis:

| | |
|-----------------------|---------------------|
| Freehold buildings | - 4% straight line |
| Fixtures and fittings | - 20% straight line |

(j) Investments

Investments are initially recognised at cost and subsequently at fair value, if this can be measured reliably; or if fair value cannot be measured reliably, at cost less impairment. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

(k) Social Investments

Programme related investments are held at fair value, if this can be measured reliably; or if fair value cannot be measured reliably, at cost less impairment. Where a decision is taken that a programme related investment should be held to generate a financial return and that the primary motivation for holding it is no longer to further the objects of the Foundation, it will be transferred to the main investment portfolio and measured accordingly.

THE RUMI FOUNDATION

NOTES TO THE ACCOUNTS FOR THE YEAR 31 MARCH 2025 (continued)

2 Accounting policies (continued)

(l) Investment properties

Investment properties which are properties held to earn rentals and / or capital appreciation are initially measured at cost and subsequently at fair value. Revaluation surpluses and deficits are recognised as part of the Statement of Financial Activities.

Where there is a mixed use property, the fair value of the investment element is included in Investment Properties and the cost is included in Tangible fixed assets, in accordance with FRS 102.

(m) Financial instruments

Financial assets and financial liabilities are recognised in the balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Trade (including rental) and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the Group will not be able to collect all amounts due.

Loans which meet the criteria to be classified as basic financial instruments are initially recorded at the present value of cash payable to the bank, which is ordinarily equal to proceeds received net of direct issue costs. These liabilities are subsequently measured at the amortised cost, using the effective interest rate method.

The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial asset or liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

(n) Cash and cash equivalents

Cash and cash equivalents includes cash in hand and bank deposits with maturities of three months or less.

(o) Recognition of liabilities

All expenditure is recognised once there is a legal or constructive obligation committing the Group to the expenditure.

(p) Funds structure

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group. Restricted funds are subject to restrictions on their expenditure imposed by the donor; currently there are no restricted funds.

(q) Prior year restatement

This year, in order to simplify the financial statements, management has reviewed the presentation of the reserves. Historically management recognised any movements in revaluation of investment properties within a revaluation reserve held separate from Accumulated Funds. However on the basis that such a separation had no benefit to the users of the financial statements given the Foundation does not need to consider its distributable reserves like a non-charitable corporate entity would, management have chosen to change their accounting policy and instead maintain one single reserve. This change in accounting policy has led to a restatement of the Consolidated and Parent Charitable Company Balance Sheets however there has been no impact on Net Assets.

THE RUMI FOUNDATION

NOTES TO THE ACCOUNTS FOR THE YEAR 31 MARCH 2025 (continued)

(r) Foreign currency transactions

All transactions denominated in foreign currencies are translated at the rate of exchange ruling at the time of the transaction. All foreign exchange differences are taken to the Statement of Financial Activities in the period in which they arise. At the balance sheet date, monetary assets and liabilities denominated in foreign currencies are translated using the closing rate.

3 Key sources of estimation uncertainty and judgements

The preparation of the financial statements requires the use of estimates and assumptions that affect the amounts reported for the assets and liabilities as at the balance sheet date and the amounts reported for income and expenses for the year. Although these estimates and associated assumptions are based on historical experience and management's best knowledge of current events and actions, the actual results may ultimately differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Significant management judgements

Financial instruments classification

The classification of financial instruments as "basic" or "other" requires judgement as to whether all applicable conditions as basic are met. This includes consideration of the form and its return.

Recognition of grants payable

Grants payable are recognised at the earlier of payment or when a constructive obligation to the grant recipient arises. The point at which this occurs requires the exercise of judgement in the cases of conditional grants which have been advised to the recipients.

Significant management estimates

Valuation of investment property

Investment properties are included in the financial statements at their value at the year end, as required by FRS 102. Fair value is estimated based on expected future net income from the properties and market yield rates. The value of the investment properties is detailed in note 14.

Valuation of Programme Related Investments

The Trustees make a judgement in relation to the classification of investments between those made primarily for financial return and those held for non-financial objectives. Impairments to programme related investments are charged to Charitable Activities.

Programme related investments form a portfolio managed separately from the Group's other investments. These investments are held primarily to further the charitable aims of the Group rather than to provide a financial return. They are held at fair value, if this can be measured reliably; or if fair value cannot be measured reliably, at cost less impairment.

THE RUMI FOUNDATION

NOTES TO THE ACCOUNTS FOR THE YEAR 31 MARCH 2025 (continued)

| 4 Voluntary income | Group | | Company | |
|--------------------|------------------|------------------|------------------|------------------|
| | 2025 | 2024 | 2025 | 2024 |
| | £ | £ | £ | £ |
| Donations | <u>1,070,000</u> | <u>1,165,214</u> | <u>1,070,000</u> | <u>1,165,214</u> |

The income from donations was £1,070,000 (2024: £1,165,214) for the group.
All income was unrestricted.

In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

| 5 Investment income | Group | | Company | |
|-----------------------------|------------------|------------------|------------------|------------------|
| | 2025 | 2024 | 2025 | 2024 |
| | £ | £ | £ | £ |
| Rental income | 7,721,689 | 6,914,115 | 7,721,689 | 6,914,115 |
| Interest on debt securities | - | 144,453 | - | 144,453 |
| Bank interest | 130,466 | 329,244 | 130,466 | 329,244 |
| | <u>7,852,155</u> | <u>7,387,812</u> | <u>7,852,155</u> | <u>7,387,812</u> |

| 6 Other trading income | Group | | Company | |
|------------------------|----------------|---------------|----------------|---------------|
| | 2025 | 2024 | 2025 | 2024 |
| | £ | £ | £ | £ |
| Other income | 109,347 | 88,185 | 109,347 | 88,185 |
| Gain on exchange | 7,611 | - | 7,611 | - |
| | <u>116,958</u> | <u>88,185</u> | <u>116,958</u> | <u>88,185</u> |

THE RUMI FOUNDATION

NOTES TO THE ACCOUNTS FOR THE YEAR 31 MARCH 2025 (continued)

7 Total Expenditure - Group

| | Basis of allocation | Raising funds | | Real Estate Management | | Charitable activities | | Total | |
|---|---------------------|---------------|----------------|------------------------|------------------|-----------------------|------------------|------------------|-------------------|
| | | 2025 £ | 2024 £ | 2025 £ | 2024 £ | 2025 £ | 2024 £ | 2025 £ | 2024 £ |
| Costs directly allocated to activities | | | | | | | | | |
| Grants | Direct | - | - | - | - | 560,616 | 923,740 | 560,616 | 923,740 |
| Other charitable activities | Direct | - | - | - | - | 237,500 | - | 237,500 | - |
| Disposal of investment property | Direct | - | - | - | 296,213 | - | - | - | 296,213 |
| Investment property expenses | Direct | - | - | 2,465,436 | 2,303,200 | - | - | 2,465,436 | 2,303,200 |
| Provision for doubtful debts | Direct | - | - | 25,223 | 108,119 | - | - | 25,223 | 108,119 |
| | | <u>-</u> | <u>-</u> | <u>2,490,659</u> | <u>2,707,532</u> | <u>798,116</u> | <u>923,740</u> | <u>3,288,775</u> | <u>3,631,272</u> |
| Support costs allocated to activities | | | | | | | | | |
| Accountancy | Direct | - | - | 99,923 | 67,188 | - | - | 99,923 | 67,188 |
| Bank charges and fees | Direct | - | - | 2,116 | 77,401 | - | - | 2,116 | 77,401 |
| Interest on bank loans | Direct | - | - | 6,065,525 | 6,610,589 | - | - | 6,065,525 | 6,610,589 |
| | | <u>-</u> | <u>-</u> | <u>6,167,564</u> | <u>6,755,178</u> | <u>-</u> | <u>-</u> | <u>6,167,564</u> | <u>6,755,178</u> |
| Governance costs allocated to activities | | | | | | | | | |
| Audit fees | Apportioned | 20,867 | 16,666 | 20,867 | 16,667 | 20,867 | 16,667 | 62,601 | 50,000 |
| Legal and professional | Direct | - | - | 98,855 | 106,732 | - | - | 98,855 | 106,732 |
| Other | Apportioned | 74,548 | 88,750 | 74,548 | 88,750 | 74,548 | 88,750 | 223,644 | 266,250 |
| | | <u>95,415</u> | <u>105,416</u> | <u>194,270</u> | <u>212,149</u> | <u>95,415</u> | <u>105,417</u> | <u>385,100</u> | <u>422,982</u> |
| Total expenditure | | <u>95,415</u> | <u>105,416</u> | <u>8,852,493</u> | <u>9,674,859</u> | <u>893,531</u> | <u>1,029,157</u> | <u>9,841,439</u> | <u>10,809,432</u> |

THE RUMI FOUNDATION

NOTES TO THE ACCOUNTS FOR THE YEAR 31 MARCH 2025 (continued)

| 8 Grants and charitable expenditure | | 2025 | 2024 |
|-------------------------------------|--------------------------------------|---------|---------|
| | | £ | £ |
| Material Grants | Charitable Objective | | |
| Clinton Foundation | Education | 154,515 | 278,440 |
| Obama Foundation | Education | 154,515 | 278,440 |
| Royal Foundation | Education | 100,000 | 250,000 |
| Other Grants | | | |
| UK Education | Education | 59,371 | 72,906 |
| Equality Education | Education | 50,000 | 35,050 |
| Kotowari | Education | 24,715 | - |
| UK Creative Industries | Education - Promotion of the Arts | 15,000 | 8,904 |
| UK Healthcare | Relief of poverty | 2,500 | - |
| | | <hr/> | <hr/> |
| | | 560,616 | 923,740 |
| | | <hr/> | <hr/> |

All grants were made to institutions. Further details of the key grants made during the year can be found in the Trustees' Annual Report.

| 9 Auditor's remuneration | | 2025 | 2024 |
|---|--|--------------|--------------|
| | | £ | £ |
| Fees payable to the Group's auditor for the audit of the Group's financial statements. | | 48,530 | 50,000 |
| Accountancy and advisory fees | | <hr/> 17,310 | <hr/> 5,187 |
| | | <hr/> 65,840 | <hr/> 55,187 |
| | | <hr/> | <hr/> |

10 Trustees' remuneration and expenses

No trustees received any remuneration during the year (2024: £Nil). In line with its policy on reimbursing expenses, a trustee was reimbursed for their travel costs totalling £2,798 (2024: £3,695). During the year a company controlled by a trustee received £70,000 (2024: £62,533) for the provision of accountancy services to the group, as detailed in Note 19.

11 Corporation Taxation

The Foundation is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

THE RUMI FOUNDATION

NOTES TO THE ACCOUNTS FOR THE YEAR 31 MARCH 2025 (continued)

| 12 Tangible fixed assets | Group | | | Company | | |
|--------------------------|----------------------------|-------------------------|------------|----------------------------|-------------------------|------------|
| | Fixtures and Fittings £ | Land and Buildings £ | Total £ | Fixtures and Fittings £ | Land and Buildings £ | Total £ |
| Cost | | | | | | |
| At 1 April 2024 | 165,888 | 2,110,000 | 2,275,888 | 165,888 | 2,110,000 | 2,275,888 |
| Additions | 19,775 | - | 19,775 | 19,775 | - | 19,775 |
| At 31 March 2025 | 185,663 | 2,110,000 | 2,295,663 | 185,663 | 2,110,000 | 2,295,663 |
| Depreciation | | | | | | |
| At 1 April 2024 | 53,334 | 496,226 | 549,560 | 53,334 | 496,226 | 549,560 |
| Charge for the year | 36,506 | 84,400 | 120,906 | 36,506 | 84,400 | 120,906 |
| At 31 March 2025 | 89,840 | 580,626 | 670,466 | 89,840 | 580,626 | 670,466 |
| Net Book Value | | | | | | |
| At 31 March 2025 | 95,823 | 1,529,374 | 1,625,197 | 95,823 | 1,529,374 | 1,625,197 |
| At 31 March 2024 | 112,554 | 1,613,774 | 1,726,328 | 112,554 | 1,613,774 | 1,726,328 |

13 Investments

| | Unlisted | Program | Subsidiaries | Total |
|------------------|-------------|-------------|--------------|-----------|
| | Investments | Related | | |
| Group | £ | Investments | £ | £ |
| At 1 April 2024 | 3,394,091 | 117,500 | - | 3,511,591 |
| Additions | 595,119 | 250,000 | - | 845,119 |
| Impairment | - | (237,500) | - | (237,500) |
| Disposal | - | - | - | - |
| At 31 March 2025 | 3,989,210 | 130,000 | - | 4,119,210 |
| Company | | | | |
| At 1 April 2024 | 3,394,091 | 117,500 | 100 | 3,511,691 |
| Additions | 595,119 | 250,000 | - | 845,119 |
| Impairment | - | (237,500) | - | (237,500) |
| Disposals | - | - | - | - |
| At 31 March 2025 | 3,989,210 | 130,000 | 100 | 4,119,310 |

At 31 March 2025, the Foundation's investments were held in the UK and USA.

Programme related investments form a portfolio managed separately from the Foundation's other investments. These investments are held primarily to further the charitable aims of the Foundation rather than to provide a financial return. They are held at fair value, if this can be measured reliably; or if fair value cannot be measured reliably, at cost less impairment, which is the case in this year.

All Unlisted Investments are also held at cost less impairment.

THE RUMI FOUNDATION

NOTES TO THE ACCOUNTS FOR THE YEAR 31 MARCH 2025 (continued)

14 Investment properties

| Group | Freehold £ | Leasehold £ | Total £ |
|----------------------|---------------|----------------|-------------|
| At 1 April 2024 | 130,016,339 | 7,204,299 | 137,220,638 |
| Additions | 270,338 | - | 270,338 |
| Amortisation of fees | (39,724) | - | (39,724) |
| Revaluation gains | 858,697 | 40,101 | 898,798 |
| | <hr/> | <hr/> | <hr/> |
| At 31 March 2025 | 131,105,650 | 7,244,400 | 138,350,050 |
| | <hr/> | <hr/> | <hr/> |
| Company | Freehold £ | Leasehold £ | Total £ |
| At 1 April 2024 | 130,016,339 | 7,204,299 | 137,220,638 |
| Additions | 270,338 | - | 270,338 |
| Amortisation of fees | (39,724) | - | (39,724) |
| Revaluation gains | 858,697 | 40,101 | 898,798 |
| | <hr/> | <hr/> | <hr/> |
| At 31 March 2025 | 131,105,650 | 7,244,400 | 138,350,050 |
| | <hr/> | <hr/> | <hr/> |

Historical cost of freehold properties at 31 March 2025 amounted to £128,876,892 (2024: £128,876,892) for the Group and Foundation. Historical cost of leasehold properties at 31 March 2025 amounted to £7,194,164 (2024: £7,194,164) for Group and Foundation. Additions are comprised of improvements to some of the properties during the year.

Investment properties have been valued by the Trustees taking account of independent professional advice. Fair value is estimated based on expected future net income from the properties and market yield rates.

| 15 Debtors | Group | | Company | |
|-------------------|--------------|-----------|----------------|-----------|
| | 2025 £ | 2024 £ | 2025 £ | 2024 £ |
| Trade debtors | 447,465 | 293,054 | 447,465 | 293,054 |
| Other debtors | 2,374 | 132,419 | 2,374 | 132,419 |
| Accrued income | 354,887 | 287,625 | 354,887 | 287,625 |
| Prepayments | 183,068 | 163,968 | 183,068 | 163,968 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 987,794 | 877,066 | 987,794 | 877,066 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

THE RUMI FOUNDATION

NOTES TO THE ACCOUNTS FOR THE YEAR 31 MARCH 2025 (continued)

16 Operating leases with tenants

The Group leases out all its investment properties under operating leases. The future aggregate minimum rentals receivable under non-cancellable operating leases are as follows:

| Due: | Group | | Company | |
|---|-------------------|-------------------|-------------------|-------------------|
| | 2025 | 2024 | 2025 | 2024 |
| | £ | £ | £ | £ |
| Not later than one year | 3,902,282 | 3,903,331 | 3,902,282 | 3,903,331 |
| Later than one year but within five years | 8,593,871 | 5,956,359 | 8,593,871 | 5,956,359 |
| Later than five years | 4,504,144 | 4,991,664 | 4,504,144 | 4,991,664 |
| | <u>17,000,297</u> | <u>14,851,354</u> | <u>17,000,297</u> | <u>14,851,354</u> |

None of the leases entered into give tenants the right or option to purchase or contain contingent rents.

17 Creditors: Amounts falling due within one year

| | Group | | Company | |
|---------------------------------------|------------------|------------------|------------------|------------------|
| | 2025 | 2024 | 2025 | 2024 |
| | £ | £ | £ | £ |
| Trade creditors | 304,048 | 1,039,955 | 304,048 | 1,039,955 |
| Secured bank loan | - | 540,000 | - | 540,000 |
| Accruals and deferred income | 2,719,744 | 2,496,007 | 2,719,744 | 2,496,007 |
| Other creditors | 1,360,694 | 2,501,083 | 1,360,794 | 2,501,183 |
| Other taxes and social security costs | 251,863 | 1,638 | 251,863 | 1,638 |
| | <u>4,636,349</u> | <u>6,578,683</u> | <u>4,636,449</u> | <u>6,578,783</u> |

18 Creditors: Amounts falling due after one year

| | Group | | Company | |
|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2025 | 2024 | 2025 | 2024 |
| | £ | £ | £ | £ |
| Secured loan | 19,500,000 | 20,000,000 | 19,500,000 | 20,000,000 |
| Secured bank loan | 61,216,037 | 60,811,037 | 61,216,037 | 60,811,037 |
| Other creditors | 1,747,016 | - | 1,747,016 | - |
| | <u>82,463,053</u> | <u>80,811,037</u> | <u>82,463,053</u> | <u>80,811,037</u> |

Bank loans

| | Group | | Company | |
|--------------------------------------|-------------------|-------------------|-------------------|-------------------|
| | 2025 | 2024 | 2025 | 2024 |
| | £ | £ | £ | £ |
| Amounts due within one year | - | 540,000 | - | 540,000 |
| Amounts due within two to five years | 61,216,037 | 60,811,037 | 61,216,037 | 60,811,037 |
| | <u>61,216,037</u> | <u>61,351,037</u> | <u>61,216,037</u> | <u>61,351,037</u> |

The secured bank loan is secured with a charge against the entirety of the properties to which the loan relates, the value of the properties offered as security is £140,406,000 (2024: £139,295,869). The loan is repayable in 2028, and interest on the loan accrues at 2.15% above SONIA.

The Secured loan is secured by a second charge against the security properties in the above note. The loan is repayable in 2026 and interest on the loan accrues at a fixed rate of 8%.

THE RUMI FOUNDATION

NOTES TO THE ACCOUNTS FOR THE YEAR 31 MARCH 2025 (continued)

19 Related party transactions and key management personnel

Key management are those persons having authority and responsibility for planning, controlling and directing the activities of the Foundation. In the opinion of the Trustees, key management are the board of Trustees. The Trustees appoint specialist advisors for professional support where necessary.

During the year Aristeia Accounting Limited, a company controlled by Stuart Malcolmson who is also a Trustee of the Foundation, invoiced £70,000 (2024: £62,533) for the provision of accountancy services, of which £10,000 (2024: £5,000) was unpaid at the year end.

During the year David Muriithi, a Trustee, received £2,798 (2024: £3,695) for his travel costs, which were wholly incurred whilst fulfilling his duties as a Trustee.

20 Financial instruments

| | Group | | Company | |
|---|-----------|-----------|-----------|-----------|
| | 2025 | 2024 | 2025 | 2024 |
| | £ | £ | £ | £ |
| Financial assets | | | | |
| Financial assets measured at fair value through the profit & loss | 3,989,210 | 3,511,591 | 3,989,310 | 3,511,691 |

All other financial assets and liabilities are measured at amortised cost.

21 Subsidiaries

Details of the company's subsidiaries at 31 March 2025 are as follows:

| Name of undertaking Registered | | Nature of business | Class of shares held | 2025 Held Direct | % | 2024 Held Direct | % |
|--------------------------------|-------------------------------|--------------------|----------------------|------------------|---|------------------|---|
| Hundred Squared Limited | 12602560 England and Wales | Dormant | Ordinary | 100 | | 100 | |

Summary financial information of the significant subsidiaries at 31 March 2025:

| | |
|-----------------|---------------------------------|
| | Hundred Squared Limited 2025 |
| Turnover | - |
| Fair value gain | - |
| Expenses | - |
| Loss | - |
| Assets | 100 |
| Liabilities | - |
| Net Assets | 100 |

THE RUMI FOUNDATION**NOTES TO THE ACCOUNTS FOR THE YEAR 31 MARCH 2025 (continued)****22 Analysis of changes in net debt**

| | At 1 April 2024 | Cash Flows | Non-Cash Movement | At 31 March 2025 |
|----------------------------------|---------------------|--------------------|----------------------|---------------------|
| Cash and cash equivalents | | | | |
| Cash and cash equivalents | 6,393,075 | (1,940,474) | - | 4,452,601 |
| | 6,393,075 | (1,940,474) | - | 4,452,601 |
| Borrowings | | | | |
| Debt due within one year | (540,000) | 135,000 | 405,000 | - |
| Debt due after one year | (80,811,037) | 500,000 | (405,000) | (80,716,037) |
| | (81,351,037) | 635,000 | - | (80,716,037) |
| Total Net Debt | (74,957,962) | (1,305,474) | - | (76,263,436) |

23 Post Balance Sheet Events

The Foundation completed the disposal of one of its investment properties in June 2025, receiving proceeds of £7,000,000. The Foundation used £3,500,000 of the proceeds to pay down part of its secured bank loan. The remaining proceeds have been used for working capital purposes.