THE MCLAIN FOUNDATION LIMITED

(Registered Charity No. 1139841 and Company No. 07463093)

ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

RAWLINSON & HUNTER

THE MCLAIN FOUNDATION LIMITED

ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

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THE MCLAIN FOUNDATION LIMITED

ANNUAL REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2025

The Trustees present their report and the independently audited financial statements of The McLain Foundation Limited ("the Foundation" or "the charitable company"), for the year ended 31 December 2025. These have been prepared in accordance with the accounting policies set out on pages 14 to 16 and comply with applicable charity law.

The financial statements comply with the Charities Act 2011 and where applicable, the Charities Act 2022, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("Charities SORP FRS 102"), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

1. REFERENCE AND ADMINISTRATIVE DETAILS

The McLain Foundation Limited (registered charity number 1139841 and company number 07463093) is based and administered in the United Kingdom. The registered address is Eighth Floor, 6 New Street Square, New Fetter Lane, London, EC4A 3AQ.

Directors and Trustees:
The Directors and Trustees of the Foundation who held office during the year and continue to serve at the date of this report are:

- Bruce Hardy McLain
- Helle McLain
- Ian Terry
- Chelsea McLain

The Trustees did not hold any beneficial interest in the Foundation at 31 December 2025 or at any time during or since that period.

Banker:
Barclays 1 Churchill Place, London E14 5HP
Barclays 25 Circular Road, Douglas, Isle of Man IM1 1AD

Solicitors:
Withers LLP, 20 Old Bailey, London, EC4M 7AN

Investment Custodians:
Pershing Advisor Solutions LLC, One Pershing Plaza, Jersey City, NJ 07399, USA
Banque Pictet & Cie SA, Route des Acacias 60, 1211 Geneve 73, Switzerland

Accountants:
Rawlinson & Hunter LLP,
Eighth Floor, 6 New Street Square, New Fetter Lane, London, EC4A 3AQ

Independent Auditor:
Rawlinson & Hunter Audit LLP,
Eighth Floor, 6 New Street Square, New Fetter Lane, London, EC4A 3AQ

THE MCLAIN FOUNDATION LIMITED

ANNUAL REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

The Foundation is a private limited company governed by its Memorandum and Articles of Association and is registered as a charity with the Charity Commission for England and Wales.

The Trustees are based in the United Kingdom and overseas but meet regularly to discuss and develop the Foundation's goals and strategy and to review grant proposals and requests.

The number of Trustees shall be a minimum of two at any one time and new Trustees shall be appointed by ordinary resolution by the existing Trustees. The range of skills represented on the Trustee Board will be kept under review as the Foundation develops over time.

Induction and Training

New Trustees are provided with an induction programme which includes the Foundation's governing documents, recent financial statements, relevant Charity Commission guidance and information concerning their legal duties and responsibilities as charity trustees. Trustees are encouraged to maintain an awareness of developments in charity law, governance and investment management relevant to the Foundation's activities.

Statement of Trustees' Responsibilities

The Trustees (who are also Directors for the purposes of company law) are responsible for preparing the Annual Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the 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 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to Auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

THE MCLAIN FOUNDATION LIMITED

ANNUAL REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Internal Controls

The Trustees have overall responsibility for ensuring that the Foundation maintains appropriate systems of internal control and risk management.

The system of internal controls is designed to provide reasonable, but not absolute, assurance against material misstatement or loss. The Trustees regularly review the effectiveness of these systems, including financial controls, delegated authorities, conflict management procedures and the monitoring of grants awarded.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the Foundation and enable them to ensure that the financial statements comply with applicable charity and company law. The Trustees are also responsible for the Foundation safeguarding its assets and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Corporate Governance

The Trustees have signed fit and proper person declarations in accordance with HMRC guidance.

The Trustees have given due consideration to the Charity Governance Code and believe that the Foundation's governance arrangements remain appropriate for a charity of its size, activities and complexity. In particular, the Trustees have had regard to the principles relating to organisational purpose, leadership, ethics and culture, decision-making, management of resources and risk, equality, diversity and inclusion, and board effectiveness.

The Trustees recognise that effective governance is fundamental to the long-term success of the Foundation and confirm that these principles underpin the leadership, direction and management of the charity.

No Trustee received remuneration or any other financial benefit from the Foundation during the year.

Risk Management

The Trustees have undertaken a review of the principal risks facing the Foundation. Given the nature of the Foundation's activities and the significant investment assets under management, the Trustees consider the principal risks and corresponding mitigations to be as follows.

Investment Portfolio Risk
The Foundation's ability to fund future charitable activities depends substantially on the long-term performance of its investment portfolio. Adverse movements in investment markets, economic conditions, interest rates and foreign exchange rates could affect both capital values and levels of investment income.

Mitigation
The Trustees maintain a diversified investment portfolio managed with the support of professional investment advisers. Investment performance, liquidity and risk exposure are reviewed regularly and the Foundation maintains sufficient liquid resources to meet both current grant commitments and anticipated future obligations.

THE MCLAIN FOUNDATION LIMITED

ANNUAL REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Grant Due Diligence and Application of Funds
There is a risk that grant recipients may not apply funds in accordance with the Foundation's charitable objectives or may encounter governance, operational or financial difficulties.

Mitigation
The Trustees undertake proportionate due diligence before approving grants and may impose conditions and reporting requirements where appropriate. Additional monitoring procedures are undertaken for significant, overseas or otherwise higher-risk grants.

Reputational Risk
The Foundation may be exposed to reputational risk through its association with organisations that receive funding or support.

Mitigation
The Trustees assess reputational considerations as part of their grant approval process and retain discretion not to proceed with grants where concerns are identified. The activities and governance arrangements of major grant recipients are reviewed before funding is approved.

Governance and Key Person Risk
The Foundation relies upon the knowledge and experience of the Trustees and its professional advisers.

Mitigation
Trustee succession planning, delegation arrangements and governance policies are subject to periodic review. Where appropriate, external professional advice is obtained to assist Trustees in discharging their responsibilities.

The Trustees consider that the Foundation's risk management framework remains appropriate and provides reasonable assurance that significant risks are identified and managed effectively.

3. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The objects of the Foundation are such exclusively charitable purposes as the Trustees may in their absolute discretion determine. The Foundation operates as a grant-making charity, supporting charitable projects and organisations with grants of varying sizes and durations.

The Trustees have developed a solid framework for future grant-making activities and have refined their grant-making focus areas. The Trustees have pursued a broad strategy of ensuring proper due diligence in the assessment of potential grants and ensuring that grants are made subject to appropriate terms and conditions.

Fundraising

The Trustees have referred to the Charities (Protection and Social Investment) Act 2016 ("the Act") and the Guidance on Charities and Fundraising issued by the Charity Commission ("CC20"). They confirm that the Act and CC20 have no impact on the Foundation as it does not engage in any public fundraising activities.

THE MCLAIN FOUNDATION LIMITED

ANNUAL REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

3. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT (continued)

Statement of Public Benefit

As a grant-funder, the Foundation's activities will provide public benefit to the individuals and communities who are beneficiaries of the Foundation's funded projects. The Foundation's public benefit is not limited with reference to geography or otherwise. The Trustees are aware of the Charity Commission guidance on Public Benefit and confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to it. They consider the information which follows in this annual report, about the Foundation's aims, activities and achievements in the areas of interest that the Foundation supports demonstrates the benefit to its beneficiaries and through them to the public, that arise from those activities.

Grant Making Policies

The Trustees' grant making policy has been to generally consider making donations by way of direct funding and also by way of grants to charitable organisations recognised as such in their respective jurisdictions for projects that are exclusively charitable under English law. The Foundation has begun to put in place sound grant arrangements so that it can continue to properly select appropriate grantees and impose prudent terms on grants, including, as appropriate, monitoring and evaluation of the way in which funds are applied by grantees.

4. ACHIEVEMENT AND PERFORMANCE

Investments

The Trustees seek to preserve and enhance the real value of the Foundation's assets over the long term whilst generating sufficient income and capital growth to support current and future charitable activities.

The Foundation's assets are invested across a diversified portfolio comprising quoted securities, private equity investments, alternative investments and cash deposits. In managing the portfolio, the Trustees seek to balance investment return, risk, liquidity and the long-term funding requirements of the Foundation's grant-making programme.

Investment performance is monitored throughout the year by the Foundation's professional investment advisers and investment managers and is reviewed regularly by the Trustees. Clarfeld Financial Advisors LLC and Banque Pictet & Cie SA provide investment management and reporting services and report to the Trustees on a regular basis regarding portfolio performance and strategy.

At 31 December 2025, the Foundation's investment portfolio marketable investments with a fair market value of £12,194,461 (*2024: £10,945,046*), together with a number of private and alternative investment holdings.

In addition to its marketable investment portfolio, the Foundation held investments in HILP-C Investco LLC, Pacific Hotel Florida LLC and CVC Capital Partners VIII Associates L.P, Makena Endowment, and CVC Private Credit Funds Class C. During the previous year the Foundation disposed of its investment in Riverhawk Fund III LLC for proceeds of £1,464,978, settlement of which was received on 2 January 2025.

4. ACHIEVEMENT AND PERFORMANCE (continued)

Charitable Activities

During the year the Foundation continued its charitable activities through the provision of grants to a range of charitable organisations and institutions operating in the United Kingdom and overseas.

A total of £904,226 (*2024: £405,615)* was awarded by way of grants during the year. Grants supported a broad range of charitable purposes, including education, cultural heritage, scientific research, humanitarian relief and programmes supporting women and vulnerable communities.

Significant grants awarded during the year included support for Princeton University, the Smithsonian Institution, Women for Women International, educational initiatives and cultural institutions in both the United Kingdom and overseas.

The Trustees believe that the grants awarded during the year have furthered the Foundation's charitable objects and delivered public benefit through the support of charitable organisations operating for the advancement of education, the relief of need and the wider benefit of society. The Trustees continue to monitor the effectiveness of the Foundation's grant-making activities and remain committed to ensuring that charitable funds are applied efficiently and in furtherance of the Foundation's purposes.

A full list of grants made during the year is shown on page 17.

5. FINANCIAL REVIEW

The Statement of Financial Activities on page 11 shows total incoming resources for the year of £2,519,879 (*2024 - £2,829,974*) derived from donations received and gift aid thereon and income from investment assets. Expenditure on charitable activities amounted to £987,897 (*2024: £479,486*), comprising grants of £904,226 (*2024: £405,615*) and support costs of £83,671 (*2024: £73,871*)

The balance of reserves at 31 December 2025 is £27,824,317 (*2024 - £24,645,334).*

Reserves Policy

The Foundation is primarily funded through contributions from the Founders of the Foundation and is supplemented through investment returns derived from its investment portfolio.

The Trustees' policy is to maintain sufficient liquid resources to enable the Foundation to meet its existing grant commitments, operating costs and anticipated future charitable expenditure whilst preserving the long-term value of the Foundation's capital.

At 31 December 2025 the Foundation held unrestricted funds of £27,824,317, substantially all of which are available to support the Foundation's charitable activities.

Given the scale of the Foundation's assets and the nature of its funding arrangements, the Trustees do not consider it necessary to maintain a fixed reserves target. Instead, reserves are reviewed regularly in the context of anticipated grant commitments, forecast expenditure, investment performance and future funding requirements. The Trustees are satisfied that the Foundation's reserves remain adequate to support its current activities and future charitable objectives.

THE MCLAIN FOUNDATION LIMITED

ANNUAL REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

6. PLANS FOR THE FUTURE

The Trustees intend to continue supporting charitable organisations and projects that further the Foundation's charitable purposes in the United Kingdom and internationally.

The Trustees will continue to review and refine the Foundation's grant-making strategy and associated due diligence procedures in order to ensure that charitable funds are applied effectively and achieve maximum public benefit.

The Trustees will also continue to monitor the performance of the Foundation's investment portfolio with a view to preserving and enhancing the Foundation's long-term financial resources and maintaining its capacity to support future charitable activities.

The Foundation remains well placed financially to pursue its charitable objectives and to respond to future funding opportunities as they arise.

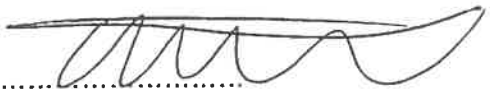
7. AUDITOR

A resolution will be proposed at the Trustees' Meeting that Rawlinson & Hunter Audit LLP be appointed as auditor of the Foundation for the ensuing year.

8. SMALL COMPANIES NOTE

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by Section 415A of the Companies Act 2006.

Approved by the Trustees and signed on their behalf by:



Chelsea McLain
Trustee

28/09/2026
Date

THE MCLAIN FOUNDATION LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

OF THE MCLAIN FOUNDATION LIMITED

Opinion

We have audited the financial statements of The McLain Foundation ('the charitable company') for the year ended 31 December 2025 which comprise the Statement of Financial Activities (including Income & Expenditure Account), the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 charitable company's affairs as at 31 December 2025, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 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 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 Trustees are responsible for the other information. The other information comprises the information included in the Annual Report of the Trustees and Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

THE MCLAIN FOUNDATION LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS (continued)

OF THE MCLAIN FOUNDATION LIMITED

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 Annual Report of the Trustees (incorporating the Strategic Report and Directors' Report) for the financial year for which the financial statements are prepared is consistent with the Financial Statements; and
- the Strategic Report and Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' 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 accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records; or
- certain disclosures of directors' 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 Statement of Trustees' Responsibilities set out on page 2, the Trustees (who are also the directors of the 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 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 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

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.

Our assessment of the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur, is considered to be low. This conclusion was reached after the consideration of the following:

THE MCLAIN FOUNDATION LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS (continued)

OF THE MCLAIN FOUNDATION LIMITED

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

- due to the relatively simple business model and a low number of transactions within the charitable company there are comparatively few unexpected fluctuations in the reported results and balances and any such unexpected items would be specifically enquired into by us; and
- there are a number of individuals which comprise "management" and therefore there is no single individual who is likely to be able to override controls to effect a fraud.

We designed our audit procedures to respond to identified audit risks, including non-compliance with laws and regulations (irregularities) that are material to the financial statements. Some of the specific procedures performed to detect irregularities, including fraud, are detailed below:

- the review of control accounts and journal entries for large, unusual or unauthorised entries;
- the analytical review of the detailed statement of financial activities for variances that are either unexpected or felt not to be in accordance with our understanding of the charitable activities during the year;
- obtaining and reviewing for completeness a list of entities and persons considered to be related parties (as defined by Financial Reporting Standard 102) and reviewing the ledgers of the Foundation for previously unreported related party transactions;
- review of transactions and journals for any indication of fraud or management override; and
- review of Trustees' meeting minutes for unrecorded transactions.

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

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

Use of our report

This report is made solely to the 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 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Rawlinson & Hunter Audit LLP

Yueling Wei (Senior Statutory Auditor)
For and on behalf of
Rawlinson & Hunter Audit LLP
28 September 2026

Statutory Auditor and Chartered Accountants
Eighth Floor
6 New Street Square
New Fetter Lane
London
EC4A 3AQ

THE MCLAIN FOUNDATION LIMITED

STATEMENT OF FINANCIAL ACTIVITIES

(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 DECEMBER 2025

	Page	Unrestricted Funds 2025 £	Unrestricted Funds 2024 £
Income from:			
Donations (note 2)	16	2,187,500	2,505,058
Investments (note 3)	16	332,379	324,916
Total income		2,519,879	2,829,974
Expenditure on:			
Charitable activities (note 4)	17	987,897	479,486
Raising funds (note 5)	17	54,435	64,167
Total expenditure		1,042,332	543,653
Net gain on investments (note 14)	20	1,844,471	1,856,706
Net income		3,322,018	4,143,027
Other gains and losses			
Realised (loss)/gain on foreign currency transactions		(143,035)	9,273
Net movement in funds	13	3,178,983	4,152,300
Reconciliation of funds:			
Total funds brought forward at 1 January 2025		24,645,334	20,493,034
Total funds carried forward at 31 December 2025	12	£ 27,824,317	£ 24,645,334

All amounts relate to continuing operations.

There were no recognised gains and losses for the years ended 31 December 2024 and 2025 other than those included in the Income and Expenditure Account.

THE MCLAIN FOUNDATION LIMITED

(Registered Charity No. 1139841 and Company No. 07463093)

BALANCE SHEET

AT 31 DECEMBER 2025

	Page	2025 £	2024 £
Fixed assets:			
Investments and cash under management (note 14)	20	24,288,903	20,955,954
Total fixed assets		24,288,903	20,955,954
Current assets:			
Cash at bank (note 15)	20	2,333,514	2,287,435
Debtors (note 16)	20	1,248,197	1,473,643
Total current assets		3,581,711	3,761,078
Current liabilities:			
Creditors - amounts falling due within one year (note 17)	21	(46,297)	(71,697)
Total assets less current liabilities		£ 27,824,317	£ 24,645,335
The funds of the charity:			
Share capital		1	1
Unrestricted funds		27,824,316	24,645,334
	11	£ 27,824,317	£ 24,645,335

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

.....
Chelsea McLain
~~**Trustee**~~

28/09/2026
Date

THE MCLAIN FOUNDATION LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

	Page	2025 £	2024 £
Cash flows from operating activities			
Net movement in funds for the year	11	3,178,983	4,152,300
Adjustments for:			
Income from investments and deposits		(332,379)	(324,916)
Net gain on investment assets		(1,844,471)	(1,856,706)
Decrease/(increase) in debtors		225,446	(1,473,642)
(Decrease)/increase in creditors		(25,400)	(46,393)
Loss/(gain) on foreign currency		143,035	(9,273)
Net cash provided by operating activities		1,345,214	441,370
Cash flows from investing activities			
Income from investments		138,937	216,718
Deposit interest		193,442	108,198
Payments to acquire investments		(7,334,763)	(4,345,156)
Receipts from sales of investments		5,825,901	5,684,707
Net cash (outflow)/inflow from investing activities		(1,176,483)	1,664,467
Net change in cash and cash equivalents for the year		168,731	2,105,837
Cash and cash equivalents at 1 January 2025		2,315,579	200,469
Loss on foreign currency		(143,035)	9,279
Cash and cash equivalents at 31 December 2025		£ 2,341,275	£ 2,315,579
Cash and cash equivalents consist of:			
Cash held with investment managers (note 7)	18	7,761	28,144
Cash held at bank (note 15)	20	2,333,514	2,287,435
		£ 2,341,275	£ 2,315,579

THE MCLAIN FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

1. ACCOUNTING POLICIES

Basis of Preparation of Financial Statements
The McLain Foundation Limited (registered charity number 1139841 and company number 07463093) is based and administered in the United Kingdom, whose principal object is to support charitable purposes in whatever manner the Trustees, at their discretion, deem appropriate. The registered address is Eighth Floor, 6 New Street Square, New Fetter Lane, London, EC4A 3AQ.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("Charities SORP FRS 102"), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and where relevant, the Charities Act 2022, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The Foundation constitutes a public benefit entity as defined by Charities SORP FRS 102.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

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

In applying the financial reporting framework, the Trustees are required to make certain judgements, estimates and assumptions. Estimates and judgements are continually evaluated and are based on historical experience together with other factors, including expectations of future events considered reasonable in the circumstances.

The principal area requiring the use of estimation relates to the valuation of private equity and other unquoted investments. Such valuations are based upon information supplied by investment managers and underlying investment entities and may differ from amounts ultimately realised upon disposal.

The Trustees do not consider there to be any other significant judgements affecting the financial statements.

The financial statements are presented in GBP which is the functional currency of the Foundation.

Income Recognition
Investment income is derived from interest and dividends receivable from investments and is accounted for in the period in which the Foundation is entitled to receipt. Interest from bank accounts are included when receivable only.

All incoming resources, including donation income and investment income, are included in the SOFA when the Foundation is entitled to the income and the amount can be quantified with reasonable accuracy.

Gift Aid Tax Relief is recognised as a tax credit on donations and treated as income in the period in which the donations are made.

THE MCLAIN FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

1. ACCOUNTING POLICIES (continued)

Resources Expended
All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation committing the Trustees to the expenditure.

Grants payable are recognised when approved by the Trustees, communicated to the recipient and where any conditions attached to the grants have been satisfied.

Multi-year grants are recognised when the recipient has a reasonable expectation of receipt and any remaining conditions attached to the grant are outside of the control of the Foundation.

Grants are recognised as expenditure within charitable activities in the Statement of Financial Activities.

Governance costs relate to the general running of the Foundation, as opposed to the management functions inherent in generating funds.

Cost of raising funds relate to the costs incurred by the Foundation in managing its investments.

Status of Funds
The entire resources of the fund are unrestricted and the Trustees have complete discretion for their use in pursuance of its objectives.

Debtors and creditors receivable/payable within one year
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised as expenditure.

Financial Instruments and Investments
The Foundation only has financial assets and financial liabilities of a kind that qualify as basic financial instruments, except for its investment portfolio which is measured at fair value through the Statement of Financial Activities.

Basic financial assets and financial liabilities are initially recognised at transaction value and subsequently measured at amortised cost.

Quoted investments are measured at bid market value at the balance sheet date. Unquoted investments are measured at fair value using valuations provided by investment managers or other appropriate valuation methodologies. Cash held for investment is included within the Fixed Assets Investments in accordance with the applicable statement of Recommended Practice

Realised and unrealised gains and losses arising on investments are recognised in the Statement of Financial Activities in the year in which they arise.

Private equity investments are held at fair market value based on Partner's Capital account analysis, or as returned in Schedule K-1 (Form 1065) to the Department of Treasury Internal Revenue Services, USA, with any revaluation accounted through the SOFA.

Cash and cash equivalents
In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the entity's cash management. Also included is cash held under management by the investment broker.

THE MCLAIN FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

1. ACCOUNTING POLICIES (continued)

Provisions
Provisions are recognised when the Foundation has an obligation at the Balance Sheet date as a result of a past event, it is probable that an outflow of economic benefit will be required in settlement and the amount can be reliably estimated.

Foreign Currency
Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the Balance Sheet date. Transactions denominated in foreign currencies are converted at the rate of exchange ruling at the date of the transaction. All translation differences are taken to the Statement of Financial Activities as they arise.

Taxation
The Foundation is not subject to any taxes on its charitable activities. Irrecoverable VAT is charged to the SOFA against the category of resources expended for which it was incurred.

Going Concern

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

In assessing the appropriateness of this basis, the Trustees have considered the Foundation's available reserves, liquidity, committed expenditure, anticipated grant commitments and expected investment income for a period of at least twelve months from the date of approval of these financial statements.

Having undertaken this review, the Trustees are satisfied that the Foundation has adequate resources to continue its activities for the foreseeable future and accordingly continue to adopt the going concern basis in preparing these financial statements.

2. DONATION INCOME

	Page	2025 £	2024 £
Donations received		1,750,000	2,004,046
Gift Aid Tax Relief		437,500	501,012
	11	£ 2,187,500	£ 2,505,058

3. INVESTMENT INCOME

UK and overseas securities income		138,937	216,718
Deposit interest		193,442	108,198
	11	£ 332,379	£ 324,916

THE MCLAIN FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

4. CHARITABLE ACTIVITIES

		Page	2025 £	2024 £
UK Grants Awarded:				
Donmar Warehouse	(Reg. Charity No. 284262)		100,000	100,000
Felix Project	(Reg. Charity No. 1168183)		50,000	50,000
V&A – Museum of Childhood	(Reg. Charity No. 1144508)		5,000	-
Women for Women International (UK)	(Reg.Charity No. 1115109)		-	10,000
			155,000	160,000
US Grants Awarded:				
Princeton University ($650,000) *(2024: $100,000)*			485,945	79,707
Smithsonian Museum ($100,000) *(2024: $100,000)*			74,030	76,144
Women for Women International ($200,000) *(2024: $75,000)*			150,444	59,023
Liger Charitable Foundation ($20,000) *(2024: $30,000)*			15,340	23,154
Jumby Bay Foundation ($10,000) *(2024: $10,000)*			7,425	7,587
Middle East Children's Institute ($20,000) *(2024: $nil)*			16,042	-
			749,226	245,615
Total grants awarded			904,226	405,615
Support Costs				
Administration fees			26,473	29,395
Financial advisors' fees			19,339	16,201
Accountancy fees			16,140	12,073
Audit fees			11,280	11,980
Tax filing fees			439	622
Other fees			10,000	3,600
			83,671	73,871
Total Charitable Activities		11	£ 987,897	£ 479,486

5. COST OF RAISING FUNDS

Investment management and admin fees			44,306	45,605
Internal Revenue Service (note 6)		18	10,042	18,491
Bank charges			87	71
		11	£ 54,435	£ 64,167

THE MCLAIN FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

6. TAXATION

	Page	2025 £	2024 £
Internal Revenue Service (note 5)	17	£ 10,042	£ 18,491

7. FIXED ASSET INVESTMENTS

	2025 £	2024 £ *Restated
Marketable securities and Cash under management		
Investments at market value at 1 January 2025	10,916,902	10,644,961
Additions at cost	4,569,164	3,316,284
Disposals at carrying value	(4,511,016)	(4,220,629)
	10,975,050	9,740,616
Realised gain on disposals	232,491	95,304
Unrealised gain on revaluation	979,159	1,080,976
Net gain on Investment Assets (20)	1,211,650	1,176,280
Market value at 31 December 2025	12,186,700	10,916,896
Cash (13)	7,761	28,144
Net asset value at 31 December 2025 (20)	£ 12,194,461	£10,945,040
Historic costs as at 31 December 2025	£ 8,548,561	£ 8,086,813

*investments of £4,035,742 in Makena Endowment in 2024 and their valuation movement were moved from marketable securities and correctly presented separately as a non-listed investment in Note 13.

8. RIVERHAWK FUNDING III LLC

Investment value at 1 January 2025		-	1,327,530
Additions		-	115,358
Disposals		-	(1,464,078)
Realised/(unrealised) gain/(loss) on currency translation	20	-	21,190
Net asset value at 31 December 2025	20	£ -	£ -

One of the Trustees, Chelsea McLain is a participant in the LLC.

THE MCLAIN FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

9. HILP-C INVESTCO LLC

	Page	2025 £	2024 £
Investment value at 1 January 2025		844,095	734,447
Additions		43,342	51,328
Unrealised (loss)/gain on currency translation	20	(57,221)	58,320
Net asset value at 31 December 2025	20	£ 830,216	£ 844,095

The Foundation has committed a total of $750,000 which is fully called *(2024: fully called).* The 2025 additions represent income which has been accumulated in the fund value.

10. PACIFIC HOTEL FLORIDA LLC

Investment value at 1 January 2025		269,997	266,484
Additions		22,257	-
Unrealised (loss)/gain on currency translation	20	(18,385)	3,513
Net asset value at 31 December 2025	20	£ 273,869	£ 269,997

In June 2025 the Trustees agreed to increase their capital commitment by $59,849. As at year end the outstanding commitment was $29,924 (*2024: $nil).* One of the Trustees, Chelsea McLain is a shareholder in the LLC.

11. CVC Capital Partners VIII Associates L.P.

Investment value at 1 January 2025		4,541,668	3,401,491
Additions at cost		-	862,186
Disposals at carrying value		(81,950)	-
Unrealised gain on revaluation	20	483,972	277,991
Net asset value at 31 December 2025	20	£ 4,943,690	£ 4,541,668

Bruce Hardy McLain, a Trustee, is the co-founder of CVC Capital Partners which manages the investment. Chelsea McLain is a limited partner of the investment.

A capital commitment of €488,186 (*2024: €445,617*) remains outstanding at year end. The increase is as a result of recallable distributions being issued. No provision is made for these amounts due to the uncertain timing of when these funds will be called.

12. CVC Private Credit Fund Class C Oct 2025

Investment value at 1 January 2025		-	-
Additions at cost		2,700,000	-
Unrealised gain on revaluation		44,131	-
Net asset value at 31 December 2025	20	£2,744,131	£ -

Bruce Hardy McLain, a Trustee, is the co-founder of CVC Capital Partners which manages the investment. Chelsea McLain is a minority investor in the fund.

THE MCLAIN FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

13. MAKENA ENDOWMENT

	Page	2025 £	2024 £
Investment value at 1 January 2025		4,355,148	4,035,742
Disposals at carrying value		(1,232,936)	-
Unrealised gain on revaluation	20	180,324	319,412
Net asset value at 31 December 2025	20	£ 3,302,536	£ 4,355,154

14. INVESTMENT SUMMARY

Market Value			
Marketable securities and cash under management	18	12,194,461	10,945,040
HILP-C Investco LLC	19	830,216	844,095
Pacific Hotel Florida LLC	19	273,869	269,997
CVC Capital Partners VIII Associates L.P.	19	4,943,690	4,541,668
CVC Private Credit Fund Class C	19	2,744,131	-
Makena Endowment	20	3,302,536	4,355,154
	12	£ 24,288,903	£ 20,955,954
Net gains and losses (realised and unrealised)			
Gain on marketable securities	18	1,211,650	1,176,280
Gain on Riverhawk Funding III LLC	18	-	21,190
Loss on HILP-C Investco LLC	19	(57,221)	58,320
Loss on Pacific Hotel Florida LLC	19	(18,385)	3,513
Gain on CVC Capital Partners VIII	19	483,972	277,991
Gain on CVC Private Credit Fund Class C	19	44,131	-
Gain on Makena Endowment	20	180,324	319,406
	11	£ 1,844,471	£ 1,856,706

15. CASH AT BANK

Barclays International Business Reserve Account GBP		884,130	1,540,588
Barclays International Business Reserve Account USD ($1,749,889)		1,301,518	686,141
Barclays International Business Reserve Account EUR (€169,241)		147,758	60,601
Barclays MFL Account		107	104
Barclays International Reserve Account ($1)		1	1
	12/13	£ 2,333,514	£ 2,287,435

16. DEBTORS

Investment proceeds in the course of collection		1,232,936	1,464,079
Prepayment		9,873	-
FX forwards		5,387	7,054
Amount owed by parent undertaking		1	1
Internal Revenue Service tax refund		-	2,509
	12	£ 1,248,197	£ 1,473,643

THE MCLAIN FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

17. CREDITORS - amounts falling due within one year

	Page	2025	2024
Administration fees		-	29,395
Financial advisors' fees		19,338	16,201
Audit fees		11,500	11,500
Accountancy fees		11,000	10,500
Investment management fees		4,459	4,101
	12	£ 46,297	£ 71,697

18. FINANCIAL INSTRUMENTS

Financial assets measured at fair value (a)	26,622,417	23,243,389
Financial assets measured at amortised cost (b)	1,248,197	1,471,134
Financial liabilities measured at amortised cost (c)	46,297	71,697

a) Financial assets measured at fair value through SOFA consist of the fixed asset quoted investments, private equity investments at fair value and cash under management and at the bank.

b) Financial assets measured at amortised cost consist of debtors at year end.

c) Financial liabilities measured at amortised cost consist of the creditors at year end.

19. RELATED PARTY TRANSACTIONS

One of the trustees made donations to the Foundation during the year which totalled £1,750,000 *(2024: £2,004,046)* on which Gift Aid Tax relief of £437,500 has been claimed (*2024: £501,012*).

£16,560 was charged by 8 Strands Ltd in respect of administration costs incurred on behalf of the Foundation (*2024: £29,395*) covering the period to 30 May 2025. 8 Strands Ltd was owned and controlled by a Trustee of the Foundation until April 2025 at which point their control ceased.

Any actual or potential conflicts of interest are managed in accordance with the Foundation's conflicts of interest policy. All transactions entered into during the year were undertaken on an arm's length basis.

No Trustee received any remuneration during the year to 31 December 2025.

20. ULTIMATE CONTROLLING PARTY

The immediate parent undertaking is The McLain Foundation (US), formerly The McLain 8 Strands Foundation (US), a Delaware Corporation not for profit and without capital stock.

The Trustees consider that the Foundation is jointly controlled by the Trustees and that there is no ultimate controlling party.