THE FORSTER FOUNDATION CIO

(Registered Charity No. 1153779)

REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

RAWLINSON & HUNTER

THE FORSTER FOUNDATION CIO

REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

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THE FORSTER FOUNDATION CIO

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2025

The Trustees present their report and the independently examined financial statements of The Forster Foundation CIO (the "Foundation" or the "CIO"), for the year ended 31 December 2025. These have been prepared in accordance with the accounting policies set out on pages 8 and 9 and comply with applicable charity law.

1. REFERENCE AND ADMINISTRATIVE DETAILS

The Foundation, registered charity number 1153779, is based and administered in the United Kingdom. The principal office is Eighth Floor, 6 New Street Square, London, EC4A 3AQ.

Trustees:
The names of the trustees who served throughout the period and continue to serve at the date of the report's approval are:

- Paul Hay Forster
- Tonia-Cara Forster
- Meldt Van Der Spuy

Bankers:
Rothschild & Co Bank International Ltd, St Julian's Court, St. Peter Port, Guernsey, GY1 3BP

Investment Managers:
Rothschild Wealth Management (UK) Limited, New Court, St Swithin's Lane, London, EC4N 8AL

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

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

Independent Examiner:
Christopher Hawley FCA, Eighth Floor, 6 New Street Square, London EC4A 3AQ

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

The Foundation was established by a Constitution dated 20 August 2013 and registered with the Charity Commission on 12 September 2013 as a Charitable Incorporated Organisation governed by the proper law of England and Wales. The trustees of the Foundation who are also the members have no liability for the Foundation's debts.

The management of the Foundation is conducted solely by the trustees.

The trustees' investment powers are unrestricted.

The number of trustees shall be a minimum of three and not more than twelve at any one time. Future trustees shall be appointed by majority resolution by the existing trustees.

THE FORSTER FOUNDATION CIO

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Statement of Trustees' Responsibilities

The trustees 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).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Foundation and of the incoming resources and application of resources of the Foundation 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 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Foundation will continue in operation.

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the Foundation and enable them to ensure that the financial statements comply with the Charities Act 2011, where relevant the Charities Act 2022, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the governing document. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In accordance with trust law, as charity trustees, we certify that:

- in so far as we are aware, there is no relevant information of which the Foundation's Independent Examiner is unaware; and
- we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant information and to establish that the Foundation's Independent Examiner is aware of that information.

Internal Controls

The trustees have overall responsibility for ensuring that the Foundation has appropriate systems of internal controls. They are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Foundation and enable them to ensure that the financial statements follow best practice and all applicable law, regulation and guidance. The trustees are also responsible for safeguarding the Foundation's assets and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The system of internal controls is designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

THE FORSTER FOUNDATION CIO

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Risk Management

A risk assessment has been undertaken which comprises:

- An annual review of the risks the Foundation may face;
- The establishment of systems and procedures to mitigate those risks; and
- The implementation of procedures designed to minimise any potential impact on the Foundation should those risks materialise.

This continuing process will identify risk areas to which the Foundation is vulnerable and highlight any necessary safeguards that will need to be put in place. No major risks were identified at the date of these financial statements.

The trustees have signed fit and proper declarations in line with HMRC guidance.

3. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The Foundation is established for general charitable purposes and will operate as a grant making charity, supporting charitable projects, organisations and individuals with grants of varying sizes and durations.

The trustees may use the income and the capital of the Foundation in promoting the objects.

Grant Making Policy

The trustees' grant making policy has been to generally consider making donations by way of direct funding and grants to charitable organisations, recognised as such in their respective jurisdiction. The recipient projects must be seen as 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.

Statement of Public Benefit

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 Charity's aims, activities and achievements in the areas of interest that the Charity supports and demonstrates the benefit to its beneficiaries and through them to the public, that arise from those activities.

4. ACHIEVEMENT AND PERFORMANCE

Investments

The Foundation's assets consist principally of investments and cash and these are reported on the Balance Sheet and in the supporting notes at their market value at 31 December 2025. At 31 December 2025 the value of the trustees' investments was £64,770,489 (2024 - £58,349,570). The unrealised gain for the year was £7,121,671 (2024 - £8,239,404). Net realised gain on investment disposals in the year totalled £58,548 (2024 - £294,969).

THE FORSTER FOUNDATION CIO

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

4. ACHIEVEMENT AND PERFORMANCE

Charitable Activities

During the year, seven charitable donations totalling £618,576 were pledged and paid. These included:

- £500,000 to Kettle's Yard, University of Cambridge, supporting the Jim & Helen Ede Fund Endowment Campaign; and
- £100,000 grant to The Hepworth Wakefield in support of its campaign to acquire an artistically significant Barbara Hepworth artwork

The trustees' grant making policies are set out in section 3 of this report.

Governance costs of £11,641 (2024 - £10,147) were incurred in the year, and are included in charitable activities.

5. FINANCIAL REVIEW

The balance of reserves at 31 December 2025 was £65,169,318 (2024 - £58,716,471).

Reserves Policy

The trustees have no outstanding commitments or cash demands. The net assets of the Foundation are regarded as free reserves and the funds at 31 December 2025 will be retained to make grants in accordance with the Foundation's charitable objects. The trustees consider that the freely expendable funds are appropriate and adequate taking into account plans for grants to be awarded in future and have at present therefore not designated any specific reserves. However, the trustees will keep this under constant review. In future years a specific reserves policy may be required.

Investment Policy

The trustees continue to be invested in the iShares Core MSCI World UCITS ETF, which represents the majority of the Foundation's investments. The trustees are content that the fund provides sufficient diversification both geographically and from a sector perspective. The investment policy and returns will continue to be kept under constant review.

6. PLANS FOR THE FUTURE

The trustees do not propose to deviate from the current objectives and activities of the Foundation as detailed in section 3 of this report but will further develop and refine their strategies, policies and procedures in future. During the year the charity made an early-stage impact investment in Undo Holdings Ltd via convertible loan notes, providing exposure to potential equity upside while supporting climate-focused activities.

..... Trustee

..... 22 OCT 2026 Date

REPORT OF THE INDEPENDENT EXAMINER TO THE TRUSTEES

OF THE FORSTER FOUNDATION CIO

I report on the accounts of the CIO for the year to 31 December 2025, which are set out on pages 6 to 11.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act') and where relevant, the Charities Act 2022 ("the Act").

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent Examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or

2. the accounts do not accord with those records; or

3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....

28/10/2026.

Christopher Hawley FCA
Chartered Accountant and Independent Examiner
Eighth Floor
6 New Street Square
New Fetter Lane
London
EC4A 3AQ

Date

THE FORSTER FOUNDATION CIO

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2025

	Page	Unrestricted Funds 2025 £	Unrestricted Funds 2024 £
Income:			
Bank interest (note 3)	10	1,057	4,104
Total Income		1,057	4,104
EXPENDITURE ON:			
Charitable activities (note 2)	9	630,217	1,107,021
Cost of raising funds (note 4)	10	70,106	64,418
Total expenditure		700,323	1,171,439
Net expenditure before net gains on assets		(699,266)	(1,167,335)
Net gains on investments (note 7)	10	7,180,219	8,534,373
Net (loss) / gains on revaluation of cash		(28,106)	63
Net gains		7,152,113	8,534,436
Net movement in funds		6,452,847	7,367,101
Reconciliation of funds:			
Total funds brought forward at 1 January 2025		58,716,471	51,349,370
Total funds carried forward at 31 December 2025		£ 65,169,318	£ 58,716,471

There are no recognised gains or losses other than those included in the statement of financial activities.

All incoming resources and resources expended derive from continuing activities.

THE FORSTER FOUNDATION CIO

BALANCE SHEET

AT 31 DECEMBER 2025

	Page	Unrestricted Funds 2025 £	2024 £
Fixed Assets			
Investments and cash at market value (notes 7 & 8)	10-11	64,770,489	58,349,570
USV Climate Fund 2022 (note 10)	11	150,590	154,014
Loan (note 11)	11	148,754	-
		65,069,833	58,503,584
CURRENT ASSETS			
Cash at bank (note 5)	10	113,915	220,447
		65,183,748	58,724,031
CURRENT LIABILITIES			
Creditors - amounts falling due within one year (note 6)	10	(14,430)	(7,560)
TOTAL NET ASSETS		£ 65,169,318	£ 58,716,471
Represented by:			
Unrestricted funds		£ 65,169,318	£ 58,716,471

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

.....
Trustee

22 OCT 2026
.....
Date

THE FORSTER FOUNDATION CIO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

1. ACCOUNTING POLICIES

Basis of accounting

These financial statements have been prepared on a going concern basis under the historical cost convention, modified to include the revaluation of investments. The Foundation constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ("Charities SORP FRS 102") published October 2019, the Charities Act 2011, where relevant the Charities Act 2022 and UK Generally Accepted Practice. The principal accounting policies adopted are as follows:

The Foundation has applied FRS 102 Update Bulletin 1 and does not include a cash flow statement on this basis.

Fixed Asset Investments

Investments are included at closing mid-market value at the Balance Sheet date. Realised gains and losses on investments are recognised as they arise and any gain or loss on revaluation is taken to the Statement of Financial Activities ("SOFA"). The determination of any gains and losses is calculated by reference to the value of such assets at the beginning of the accounting period.

Income recognition

Voluntary donations include donations under Gift Aid with the associated tax relief included when receivable. Interest from deposit accounts is included when receivable. All incoming resources are included in the Statement of Financial Activities ("SOFA") when the Foundation is entitled to the income and the amount can be quantified with reasonable accuracy.

Expenditure recognition

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.

Charitable activities comprise grants and donations made during the year and are expended through the SOFA when the offer is conveyed to the recipient. The trustees have made the decision not to discount grants committed for future periods.

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

Status of funds

The entire resources of the Foundation are unrestricted and the trustees have complete discretion for their use in pursuance of their 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.

THE FORSTER FOUNDATION CIO

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.

Taxation

The Foundation is not subject to any taxes on its charitable activities.

Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The current uncertainty in the global economy, including cost inflating factors, have increased financial pressure on charities. The Trustees have considered the level of funds held, the expected level and security of income and committed expenditure for twelve months from the date of signing of these financial statements. The Trustees are satisfied the forecast income and reserves are sufficient to cover all of the budgeted expenditure to be able to continue as a going concern. The Trustees therefore consider the adoption of the going concern basis in preparing these financial statements continues to be appropriate.

2. CHARITABLE ACTIVITIES

	Page	Unrestricted Funds 2025 £	2024 £
UK grants awarded:			
Kettle's Yard – Cambridge University		510,353	-
Hepworth Wakefield (Reg charity no: 1138117)		100,000	-
Serpentine Trust (Reg charity no: 298809)		760	760
Fitzwilliam College (Reg charity no: 1137496)		-	1,000,000
US grants awarded:			
Swim Across America ($10,000)		7,463	-
Chatham Rock Island Inc. ($100,000)		-	76,052
Memorial Sloan Kettering Cancer Center ($25,000)		-	20,062
	6	618,576	1,096,874
Governance costs			
Accountancy and administration fees		5,250	8,800
Legal fee		4,663	-
Independent examination fees		1,620	1,260
Bank charges		108	87
	6	11,641	10,147
		£ 630,217	£ 1,107,021

THE FORSTER FOUNDATION CIO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

		Page	Unrestricted Funds 2025 £	2024 £
3.	**BANK INTEREST**			
	Rothschild Guernsey Call Account		1,057	1,119
	Rothschild GBP Income Account		-	2,985
		6	£ 1,057	£ 4,104
4.	**COST OF RAISING FUNDS**			
	Investment management fees	6	£ 70,106	£ 64,418
5.	**CASH AT BANK**			
	Rothschild Guernsey Call Account		76,196	173,064
	Rothschild GBP Capital Account		36,564	44,398
	Rothschild Guernsey Call Account USD ($1,554)		1,155	-
	Rothschild GBP Income Account		-	2,985
		7	£ 113,915	£ 220,447
6.	**CREDITORS - Amounts falling due within one year**			
	Accountancy and administration fees		11,550	6,300
	Independent Examination fees		2,880	1,260
			£ 14,430	£ 7,560
7.	**INVESTMENTS AND CASH UNDER MANAGEMENT**			
	Investments at market value at 1 January 2025		58,349,570	51,172,040
	Additions at cost		-	999,997
	Disposals at carrying value		(759,300)	(2,356,840)
			57,590,270	49,815,197
	Unrealised gains on revaluation		7,121,671	8,239,404
	Realised gains on disposal		58,548	294,969
	Quoted investments		63,463,016	57,042,097
	Unquoted investments (note 8)	11	1,307,473	1,307,473
	Market value at 31 December 2025	7	£ 64,770,489	£ 58,349,570
	Historic cost at 31 December 2025		£ 26,345,956	£ 26,636,323
	Unrealised gains on revaluation		7,121,671	8,239,404
	Realised gains on disposal		58,548	294,969
	Net gain on investment assets	6	£ 7,180,219	£ 8,534,373

All investments are held within the United Kingdom.

THE FORSTER FOUNDATION CIO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

8. UNQUOTED INVESTMENTS

In 2021, the Foundation invested £2 million in exchange for 2,365,203 shares of the limited company The (Global) Future Forest Company Ltd ("FFC"), company No. 11111043. As an unquoted investment the shareholding is initially accounted for at cost, with an annual impairment review. It will subsequently be recorded at fair market value once a valuation is formally conducted with any revaluation gain or loss being recorded through the SOFA. An option agreement for 40,000 shares with a nominal value of £0.0000001 per share was granted on 22 September 2021.

On 9 September 2022, FFC demerged and shareholders were issued with 2,365,203 shares in a new limited company UNDO Holdings Ltd ("UHL"), company No. 14079678. UHL shares were issued to shareholders for nil consideration and have been valued based on the approved HM Revenue & Customs price of £0.13 per share.

On 15 October 2024, the Foundation invested £999,997 in exchange for 43,365 shares in Monument Therapeutics Ltd, company No. 11798829. As a recently purchased unquoted investment the shareholding is accounted for at cost. It will subsequently be recorded at fair market value, with any revaluation gain or loss being recorded through the Statement of Financial Activities.

9. TRANSACTIONS WITH TRUSTEES AND CONNECTED PERSONS

No trustee received any remuneration or refund of expenses during the period to 31 December 2025 (2024 – Nil). A Trustee is Director of UNDO Holdings Ltd. It has been agreed that any remuneration received on behalf of the company will be directed to the Foundation.

10. UNION SQUARE VENTURES 2022 CLIMATE FUND LP

In July 2022, the trustees approved a commitment of $368,125 to a Limited Partnership, Union Square Ventures 2022 Climate Fund.

On 24 February 2023 the trustees contributed $184,062.50 (£136,900) representing a 50% drawdown of the total commitment.

On 21 November 2025, a further $18,406 (£13,690) was invested bringing the total invested to $202,468.50 (£150,590) as at 31 December 2025, as reported on the Balance Sheet on page 7.

11. LOAN NOTE TO UNDO HOLDINGS LTD

In 2025, the Foundation subscribed for US$200,000 (£148,754) of unsecured convertible loan notes issued by Undo Holdings Ltd ("UHL"), company No. 14079678. The notes were issued at US$1 per note and do not carry any interest.

The loan notes may convert into equity shares in UHL upon the occurrence of specified events. If not converted, the notes are repayable in accordance with their terms and may, in certain circumstances, be redeemed at a premium to their principal value.

The loan notes are recognised initially at cost and are subsequently measured at fair value where this can be reliably determined, with any gains or losses recognised through the SOFA.