THE BARING FOUNDATION

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

Company number 950696
Charity number 258583

THE BARING FOUNDATION

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Status	The organisation is a charitable company limited by guarantee, incorporated on 25 March 1969 and registered as a charity on 31 July 1969.
Governing Document	The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed by its articles of association.
Company Number	950696
Charity Number	258583
Registered Office and Operational Address	8-10 Moorgate London EC2R 6DA

Honorary officers		
	Lucy de Groot CBE	Chair (to June 2025)
	Victoria Amedume MBE	Chair (from June 2025)
	Dr Rob Berkeley MBE	Vice Chair (to June 2025)
	Judith Robertson	Vice Chair (from June 2025)
	Ashley Coombes	Treasurer
	David Cutler OBE	Secretary
Principal Staff	David Cutler OBE	Director
	David Sampson OBE	Deputy Director

Bankers	Royal Bank of Scotland Bolton Customer Services P.O. Box 2027 Parklands De Havilland Way Bolton BL6 4YU
Solicitors	Bates Wells 10 Queen Street Place London EC4R 1BE
Auditors	HaysMac LLP 10 Queen Street Place London EC4R 1AG
Investment Managers	Baillie Gifford & Co. Calton Square 1 Greenside Row Edinburgh EH1 3AN
	Rathbones Asset Management 30 Gresham Street London EC2V 7QN
	Legal & General (Unit Trust Managers) Limited One Coleman Street London EC2R 5AA
	Charities Property Fund Savills Investment Management 33 Margaret Street London W1G 0JD
	Blackrock Fund Managers Ltd Inc. PO Box 545 Darlington DL1 9TQ

The trustees present their report and the audited financial statements for the year ended 31 December 2025. The trustees who served during the year and up to the date of this report were as follows:

Asif Afridi	
Victoria Amedume MBE	Chair of the Board (from June 2025) Chair of the Nominations Committee (from June 2025) Chair of the Arts Committee (to June 2025)
Dr Rob Berkeley MBE (to June 2025)	
Nick Capaldi OBE (from June 2025)	Chair of the Arts Committee (from June 2025)
Ashley Coombes	
Lucy de Groot CBE (to June 2025)	Chair of the Board and Chair of the Nominations Committee (to June 2025)
Hilary Hodgson (from June 2025)	
James Jenkins	
Shauneen Lambe (to June 2025)	Chair of the Strengthening Civil Society Committee (to June 2025)
Dipuo Virginia Magwaza	
Pontso Mafethe	Chair of the International Committee
Toby Nangle	Chair of the Investment Committee
Jillian Popkins	
Rhys Pullen	Chair of the Audit Committee
Judith Robertson	Chair of the Strengthening Civil Society Committee (from June 2025)
Aaliya Seyal (from June 2025)	
Sam Thorne	
Emebet Wuhib-Mutungi	

Reference and administrative information set out on page one forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice, Accounting and Reporting by Charities (Second Edition, effective 1 January 2019), and the Companies Act 2006.

Purpose and values

The Baring Foundation was set up in 1969. It is a registered charity and company limited by guarantee governed by its memorandum and articles of association. It may use its capital and income to make grants "to such charities or for such charitable purposes" as trustees determine. The Foundation derives its income from a diversified investment portfolio.

The following purpose and values statement was adopted by trustees in December 2018. This is reviewed annually and remains valid today:

We are an independent foundation which protects and advances human rights and promotes inclusion. We believe in the role of a strong, independent civil society nationally and internationally. We use our resources to enable civil society to work with people experiencing discrimination and disadvantage and to act strategically to tackle the root causes of injustice and inequality.

- We use our funds to strengthen civil society, responding creatively, flexibly and pragmatically.
- We add value to our work by encouraging the development and communication of knowledge and evidence.
- We aim to be as accessible as possible within clear programme guidelines, treating grant-seekers and grant recipients with courtesy and respect.
- We help to create enduring change both in the lives of those served by the work we are funding and by building the capacity of organisations to become more sustainable and resilient. The UN Sustainable Development Goals (SDGs) provide a framework for our work.
- We believe in the importance of 'speaking truth to power' and use the independence and influence we have to amplify the views of civil society and the people it serves.

Structure, governance and management

The trustees of the charity are members of the Board of the Foundation and are directors under the Companies Act 2006. The current members appoint new trustees. Every three years trustees retire from office at the AGM but are eligible for re-election, currently subject to a maximum term of 12 years.

At the Board in June 2025 Pontso Mafethe, Dipuo Virginia Magwaza, Rhys Pullen, Judith Robertson and Emebet Wuhib-Mutungi retired by rotation and were re-elected as Members of the Board. Nick Capaldi, Hilary Ruth Hodgson and Aaliya Mahmood Seyal were appointed as Members of the Board. Lucy de Groot, Rob Berkeley and Shauneen Lambe retired as members of the Board.

A trustees' skills audit is undertaken from time to time to identify ways in which the Board could be strengthened. On appointment trustees are given an induction pack and are offered one or more briefing meetings with the Director and/or Chair.

Structure, governance and management (con't)

Trustees are responsible for all decisions on the Foundation's policy and grants. In 2025 the Board had seven subcommittees; three for grant programmes, Investment, Audit, Remuneration and Nominations.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 6 to the accounts.

Trustees have carefully considered the Charity Governance Code, concluding that they satisfactorily comply with its advice overall though choosing to depart from it on two issues. Firstly, they retain a maximum board strength of 15 (rather than the recommended maximum of 12) as they believe the many different fields requiring expertise merit a larger board. Secondly, they retain an upper limit of 12 years tenure in renewable three year periods for trustees (rather than the recommended maximum of 9 years). This is due to the belief that the turnover on a large board is sufficient and the long time scale of our grant programmes and investment strategy benefits from this potential longevity.

The Foundation employs six staff who adopt a hybrid working approach working from office accommodation in central London generously provided pro bono by ING bank and home locations.

Objectives and activities

The Foundation is a member of 360 Giving and a Living Wage Funder, as part of an ongoing review of our ways of working as a grantmaker.

Our approach to grant making is bespoke to each grant programme and the opportunities which we see as available in each field. These circumstances change over time, and our approach will continue to evolve. This means that we do not have a default approach, such as always funding core costs or projects, short or long term, restricted or unrestricted, but carefully consider specific needs in liaison with civil society organisations.

The main focus of our Arts programme continued to be creative opportunities for and by people living with mental health problems. Although the amount allocated to this fund remained the same, we spent much less than in previous years. The main reason for this was a need to earmark a sum of £1million to match fund the Arts Council England in order to make funding available over four years to the National Centre for Creative Health to employ arts experts across Integrated Care Boards, a programme similar to one in Wales. It was not possible to finalise this arrangement until February 2026. Otherwise, we funded activity the length and breadth of the UK, including 23 new grants in a joint fund with the Arts Council Northern Ireland and a series of joint grants with Museums and Galleries Scotland. In Wales we continued our partnership with the Arts Council to fund arts organisations to work with children and young people. We launched four new reports and a series of good practice events with partners such as conferences in Glasgow, Walsall and Manchester. Having researched the under representation of men in creative mental health, our programme of 25 grants to arts organisations addressing this was in operation. We also received a positive independent five-year evaluation of the creatively minded programme.

Secondly the Foundation maintains a smaller legacy programme on creative ageing seeking to maintain gains in this field that the Foundation achieved between 2010 and 2019. We launched an International Creative Ageing Network with Finnish partners that quickly attained over 300 members. After a consultation it was decided that national advocacy to improve creative provision in all care homes in England should be a priority and a competition was launched for this objective.

Our international Development programme since 2014 has focussed on the rights of Lesbian Gay Bisexual Trans and Intersex (LGBTI) people in sub-Saharan Africa. We have a particular focus on women in all their diversity.

During 2025, the Foundation’s partners have faced an extremely challenging funding landscape, with dramatic cuts in overseas aid from donor governments. New grants have been awarded to current partners to reflect funding deficits and to support the development of new fundraising strategies. Reductions in funding from government and other donors are likely to continue in future years and the Foundation will remain responsive to the shifting context.

Central to our work is the Equal Safe and Free Fund, inaugurated in 2023 and operational for the first time in 2024. The Fund is constituted of £20 million from the Foreign, Commonwealth and Development Office combined with £5 million from the Foundation and other independent funders. It extends beyond our traditional geographical focus on Africa to include the Caribbean and Pacific, but retains our approach of funding activists on the ground through grants to LGBTI led, regional grant making organisations. In 2025 this led to our first partnership with Fondo de Accion Urgente Para America Latina y el Caribe to support LGBTI organisations in the Caribbean.

Beyond the Equal, Safe and Free Fund, we have continued to award new grants and to develop new partnerships. This has included a major new partnership with the International Trans Fund and ongoing support for the development of the Home Fund. Led by the German Foundation Dreilinden, the Home Fund is a new mechanism for supporting property purchases for LGBTI organisations in East Africa. We also continue to work with LGBTI activists in Central Africa on options for further grantmaking and institutional development in the region.

Objectives and activities (con't)

Recognising the importance of partnership and collective action, the Foundation has supported conferences and convening, including the Pan Africa ILGA Conference in November 2025.

The Strengthening Civil Society programme has now focused on supporting UK civil society organisations to use the law and human rights based approaches to tackle discrimination and disadvantage and work towards wider social change for ten years (2015-2025). Following a period of research and consultation during 2025, the Foundation is, as of Spring 2026, in the final stages of developing a new but related focus for the programme – supporting UK civil society to use the law to tackle corporate harm.

Alongside this, the programme spent just over £1.2 million awarding grants supporting a range of work. This included a contribution to the pooled fund, the Justice Together Initiative, to support migrants' rights work. We also ran an open funding call for work using legal tools to address racial injustice in the criminal legal system, awarding eight grants to organisations working on a range of issues from joint enterprise legislation to tech harms. Finally, we awarded a grant to the British Institute of Human Rights for their proactive work defending human rights frameworks.
The programme also commissioned JustRight Scotland and the Legal Services Agency to run a residential for the programme's recent grant holders in Glasgow, enabling participants to network, learn from each other, and consider shared challenges and goals. This was the last in a series of three commissioned residentials (2023-2025).

Full details of the Foundation's programmes and of the grants agreed during 2025 are published on the Foundation's website (www.baringfoundation.org.uk)

Achievements and performance in the delivery of public benefit

The trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

The Foundation has a broad social objective and employs a range of monitoring and evaluation techniques in an attempt to assess its impact. These range from a light touch self-assessment for a small grant to an independent expert assessment for large grants or programmes of grants. The results of all evaluations are reported to the trustees.

The trustees are satisfied from this information that the work funded by the Foundation remains highly in demand and serves important needs in strengthening voluntary organisations which support people experiencing discrimination and disadvantage.

In addition to the activities reported above, the Foundation seeks to be an engaged grantmaker by finding ways it can add value to the work of the organisations which it funds. The lessons derived through grantmaking are regarded as a major outcome in their own right. The Foundation frequently commissions or writes publications on areas relating to its grant

Investment Performance

The Trustees follow a total return strategy both for the management of the Foundation's investment portfolio and for determining the amount available each year to fund the grants programmes and meet expenses. This amount includes both income arising from the portfolio and an element of capital growth. The objective is to at least sustain the real value of grant distributions and the long-term real value of the investment fund. To that end we budget income each year on the basis of a distribution from the portfolio equal to a percentage of the rolling average value of the investment funds over the preceding 12 quarters.

The Baring Foundation's investment portfolio registered good positive returns in calendar year 2025 that exceeded the Foundation's long-term objective of CPI +4%. But the aggregate annual investment return of +8.2% lagged both charity peers, as represented by the ARC Steady Growth peer group, and the portfolio's strategic asset allocation (SAA) that trustees have set for its investment managers.

The MSCI All Country World index of global stocks had another strong year, registering an investment return of 14.4% in sterling. Unlike recent years, US markets underperformed most of the rest of global stock markets. This was in part due to dollar weakness that has accompanied the US administration's erratic economic policy platform.

Bond yields were largely range-bound over the year, though yields ended slightly lower. This helped the IA UK Corporate Bond Sector to record a return of 7.0% for the year, and the Foundation's passive gilt holdings to return 4.9%.

The Foundation's investment managers delivered mixed results. The investment in L&G Future World returned 13.1%, marginally ahead of its ESG tilted index of global stocks. But the Foundation has three equity portfolios with Baillie Gifford portfolios, all of which delivered returns that failed to hit performance benchmarks. The growth-tilted Paris-Aligned Global Alpha returned 10.3% for the year, lagging its index by 4.1%. Positive Change lagged the same benchmark by 5.8%, delivering a positive return of 8.8% for the year. And the Baillie Gifford Responsible Global Equity Income strategy recorded a very poor positive return of only 1.9%.

Investment Performance (con't)

The Charities Property Fund's investment return was a steady 6.3% for the year, comfortably ahead of its index, maintaining its good track record. The Rathbone Ethical Fund outperformed the sector with an investment return of 7.6%.

Net assets at the 2025 year-end were £113.0 million (2024: £108.1 million).

Responsible Investment Policy

In 2022 the trustees revised their statement on this, retaining established principles but further elaborating on these in the interests of transparency. These are published in full on our website but the core of our approach is as follows:

The Foundation takes a responsible and long-term approach to investment, investing predominantly through external investment managers. The Board of Trustees has overall responsibility for the Foundation's investment policy. It has an Investment Committee chaired by a Trustee with relevant experience. The majority of the endowment is invested through investment managers who have signed up to, and adhere to, the FRC UK Stewardship Code. We expect them to invest responsibly and to be proactive in considering environmental, social and governance issues. We aim to invest in responsible companies which operate with fairness and integrity, and companies that offer positive solutions to global challenges such as climate change, resource constraints and loss of biodiversity. We try to avoid exposure to underlying companies which are associated with human rights violations or engage in activities that cause social harm. We work closely with our investment managers to understand the underlying investment frameworks they use to help us monitor how well aligned their approach is with our values. We believe this approach will enable the Foundation to continue to generate attractive long-term

Financial Review

The Foundation agreed a total of 39 new grants during the year to the value of £2,570,434 (see note 8). These were: 13 Arts programme grants totalling £290,434; 8 International Development grants totalling £680,000; 1 International Equal Safe and Free grant for £300,000, 4 Strengthening Civil Society programme grants totalling £495,000; 10 Strengthening Civil Society Racial Justice grants totalling £720,000, 2 grants for work to defend civic space and promote the role of civil society totalling £85,000 and a grant at the behest of the Baring Family for £20,000 from a discrete fund.

Of those 39 grants agreed during 2025, £1,185,434 had been paid by the end of the year; a further £2,857,934 was paid as a result of grant decisions made in previous years.

The total income generated on restricted funds was £Nil (2024: £4,362,728). The decrease from 2024 was £4,362,728. The total income generated on unrestricted fund was £2,208,304 (2024: £2,331,666). This was from Investments £2,047,032 and Donated Services £161,272. The decrease from last year was £123,362. The net expenditure of the Restricted Funds totalled £300,000 (2024: £1,315,387). The decrease in the Unrestricted funds during the year was £1,368,738 (2024: £4,015,329).

Reserves Policy

The Foundation's reserves effectively correspond to its investment portfolio which is managed on a total return basis with the intention of providing an annual income that will enable the Foundation to at least maintain in perpetuity the real value of the annual grants it makes. To that end the aim is to achieve a minimum average annual return on investments of 4% plus CPI net of management fees. In addition to holding the major part of its investments in readily marketable quoted securities the Foundation aims to keep cash balances sufficient to meet short-term grant commitments and ongoing expenses. The Trustees consider that the current level of unrestricted funds of £113.2 million at 31 December 2025 meets this reserves policy.

Social investments

The Foundation holds a social investment in Charity Bank valued at £66,000 31 December 2025 (2024: £62,500)

Plans

In 2026 the Foundation will continue to fund work in three fields working with many partners and with an engaged approach to grant holders: LGBTI civil society in Africa and, in the UK the use of the law by civil society for social change and arts for and by people with mental health problems. Trustees have agreed to spend £3 million additional to our standard portfolio allocation on racial equity work over five years in our Arts and SCS programmes. The Arts programme will have partnerships with all four national Arts Councils, including a major match funding programmes for arts experts to be employed in health systems across England. A legacy creative ageing programme will fund national advocacy work around arts in care homes. The International programme will be a mixture of independent funding as well as pooled funding using the mechanism of the Equal Safe and Free Fund with the FCDO. Trustees will consider an independent evaluation of the international programme. After a careful strategic review, it is planned that the SCS programme will begin to support voluntary sector organisations to use the law and human rights in effecting corporate responsibility in relation to discrimination and disadvantage. At least five new publications will be launched as well as a series of online and in person events mainly involving our grant partners. We hope to continue to benefit from accommodation and other services generously donated by ING Bank since its acquisition of Baring Bros Bank in 1995.

Risk assessment

During the course of the year, the trustees considered the major risks to which the Foundation is exposed and the systems which it has to mitigate them.

The following areas of risk are considered most important :

1. Return from investments falls short of targeted levels.

Investments are diversified between asset classes in line with professional advice from Stanhope who monitor performance of overall portfolio and individual managers. The Investment Committee routinely reviews the performance of investments and asset mix.

2. Programme strategies or funding criteria unclear.

Programmes are explained in detail on website and open round funding guidelines are put in place for each new call. Staff publicise funding opportunities and respond to queries from applicants.

The Foundation has policies, procedures and systems in place to address the identified risks.

Remuneration policy

The Foundation's policy is to provide remuneration that will attract and retain able and suitably qualified and experienced individuals who will effectively deliver the Foundation's objects and supplemented where appropriate by independent experts on a consultancy basis. As far as is practicable, salaries are set by reference to the median pay for comparable positions within the charitable sector. The pay of each member of staff is reviewed annually by a committee of Trustees having regard to the financial resources and commitments of the Foundation, the impact of inflation on the real value of pay, and any recommendations of the Director. Our commitment to transparency is shown in disclosing the remuneration of senior staff in full in this report.

Fundraising policy

The Foundation's income is from its investment portfolio and partnerships with other grant makers. No fundraising activity is carried out by the charity.

Statement of trustees' responsibilities

The trustees (who are also directors of The Baring Foundation for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 Foundation and of the incoming resources and application of resources, including the income and expenditure, 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;
- make judgments and accounting 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 Foundation will continue in operation.

The trustees are responsible for keeping proper 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 Companies Act 2006. 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.

As far as the trustees are aware:

- there is no relevant audit information of which the Foundation's auditors are unaware; and
- the trustees have taken all necessary steps to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2025 was 15 (2024 –15). The trustees are the members of the charity. This entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Approved by the trustees on 17 June 2026 and signed on their behalf by



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Victoria Amedume - Chair Date 19 June 2026

Opinion

We have audited the financial statements of The Baring Foundation for the year ended 31 December 2025 which comprise the Statement of Financial Activities, 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 the charitable company's net movement in funds, including the income and expenditure, for the year then ended; and
- 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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' 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' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates 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 by the charitable company; or
- the 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities statement set out on page 6, 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:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to data protection legislation and employment (including taxation) and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, SORP 2019 and other factors such as tax and payroll.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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.



Richard Weaver (Senior Statutory Auditor)
For and on behalf of HaysMac LLP, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 22 June 2026

THE BARING FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	Restricted Funds £	Unrestricted Fund £	Total 2025 £	Total 2024 £
INCOME FROM:					
Donations					
- Contributions to programmes	2	-	-	-	4,362,728
- Legacy		-	-	-	2,000
- Donated services	3	-	161,272	161,272	79,032
Investments	4	-	2,047,032	2,047,032	2,252,634
Total income		-	2,208,304	2,208,304	6,696,394
EXPENDITURE ON:					
Raising Funds					
- Investment Management		-	393,302	393,302	436,698
Charitable Activities					
- Strengthening Civil Society programme		-	1,578,460	1,578,460	3,267,367
- Arts programme		-	579,828	579,828	2,384,797
- International Development programme		300,000	834,102	1,134,102	3,109,768
- Special initiative		-	20,000	20,000	91,812
- Other charitable work		-	171,352	171,352	105,894
Total expenditure	5	300,000	3,577,044	3,877,044	9,396,336
Net (expenditure) before investment gains		(300,000)	(1,368,738)	(1,668,738)	(2,699,942)
Net gains on investments	10, 11	-	6,743,138	6,743,138	5,544,899
Net (expenditure)/income and net movement in funds	17	(300,000)	5,374,400	5,074,400	2,844,957
Total funds brought forward		2,590,728	105,351,969	107,942,697	105,097,740
Total funds carried forward		2,290,728	110,726,369	113,017,097	107,942,697

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 16 to the financial statements.

The statement of financial activities includes the income generated by the assets held in the investment portfolio and the net gains or losses on those investments.

THE BARING FOUNDATION

COMPANY NUMBER 950696

BALANCE SHEET
AS AT 31 DECEMBER 2025

	Note	2025		2024	
		£	£	£	£
FIXED ASSETS					
Investments	10		112,887,168		108,069,797
Social investments	11		66,000		64,500
			112,953,168		108,134,297
CURRENT ASSETS					
Debtors	12	3,624,597		4,547,321	
Cash at bank and on deposit		2,619,052		1,611,796	
		6,243,649		6,159,117	
LIABILITIES					
Creditors: amounts due within one year	13	(4,478,163)		(3,672,950)	
NET CURRENT ASSETS			1,765,487		2,486,167
TOTAL ASSETS LESS CURRENT LIABILLITIES			114,718,655		110,620,464
Creditors: amounts due after more than one year	14		(1,701,560)		(2,677,767)
NET ASSETS	16		113,017,095		107,942,697
FUNDS	17				
Restricted funds			2,290,728		2,590,728
Unrestricted funds					
- Revaluation fund			61,082,801		54,506,390
- General funds			49,643,566		50,845,579
Total funds			113,017,095		107,942,697

Approved by the trustees and signed on 17 June 2026 on their behalf by:

.....
Victoria Amedume
Chair

.....
Ashley Coombes
Treasurer

THE BARING FOUNDATION
STATEMENT OF CASH FLOWS
YEAR ENDED 31 DECEMBER 2025

	2025 £	2024 £
Cash used in operating activities	(3,062,191)	(4,949,385)
Cashflows from investing activities		
Dividends and interests	2,047,032	2,252,634
Purchase of investments	(7,046,017)	(41,271,420)
Proceeds from sale of investments	9,068,433	43,316,907
Net cash provided by investing activities	4,069,448	4,298,121
Change in cash and cash equivalents in the reporting period	1,007,257	(656,260)
Cash and cash equivalents at the beginning of the reporting period	1,611,796	2,268,055
Cash and cash equivalents at the end of the reporting period	2,619,052	1,611,796

NOTES TO THE CASH FLOW STATEMENT

	2025 £	2024 £
Reconciliation of net expenditure to net cash outflow from operating activities		
Net Income for the reporting period	5,074,398	2,844,957
Decrease/(Increase) in debtors	922,724	(2,986,321)
(Decrease)/Increase in creditors	(170,994)	2,989,512
Dividends and interest	(2,047,032)	(2,252,634)
(Gains) on investments	(6,743,138)	(5,544,899)
Net cash (used in) operating activities	(3,062,191)	(4,949,385)
Analysis of cash and cash equivalents		
Cash at bank and on deposit	2,619,052	1,611,796
	2,619,052	1,611,796

Changes in net debt	**At 1 January 2025** **£**	**Cash Flows** **£**	**At 31 December 2025** **£**
Cash at bank and on deposit	1,611,796	1,007,257	2,619,052

1 **Principal Accounting Policies**

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

(a) **Basis of accounting**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice for Charities (Second Edition, effective 1 January 2019), and the Companies Act 2006.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

(b) **Donations and donated services**

Income from donations is included in full in the statement of financial activities when receivable. Donated services and facilities are recognised as income where the benefit to the Foundation is quantifiable and measurable, and are valued at the estimated cost the Foundation would at present, pay for an equivalent service or facility in the open market. Donated premises and facilities are received from ING Bank N.V. London Branch.

(c) **Investment income & grants Received**

Income from investments is included in the financial statements when it becomes receivable. All income is included in the statement of financial activities when the charity is legally entitled to the income, the amount can be measured with reasonable accuracy and its receipt is probable.

(d) **Grants payable**

The full costs of grants are included in the statement of financial activities in the year in which they are approved. If grants that are approved during the year are payable by instalments or have not been paid, in part or in full, by the end of the year, any unpaid amounts are included as creditors in the balance sheet if the conditions attached to the grant are accepted by the beneficiary before the accounts are signed.

This policy reflects the Foundation's experience that it is highly probable that any further instalments will be paid as it is unlikely that circumstances will arise in which conditions attached to such grants are not met. The trustees consider that the Foundation has a constructive obligation in respect of such unpaid grants and therefore believe it prudent to treat these commitments as liabilities.

(e) **Other expenditure**

Support and governance costs consist of those office and administration costs which are not directly attributed to a grant programme. The majority of these are the estimated costs of the premise and facilities donated by ING Bank N.V. London Branch. (See note 1b).

Total support costs are allocated to the main grant programmes based on the estimated percentage of time spent by the staff on each activity. In 2025, on this basis, the support costs were apportioned as follows:

	2025	**2024**
Governance	12%	12%
Investment management	5%	5%
Strengthening Civil Society programme	26%	30%
Arts programme	26%	28%
International Development programme	13%	11%
Other charitable work	18%	14%

(f) **Restricted funds**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund together with a fair allocation of management and support costs.

1. **Principal Accounting Policies (continued)**

(g) **Unrestricted funds**

Unrestricted funds are income receivable or generated for the objects of the charity.

(h) **Going concern**

The trustees consider that there are no material uncertainties regarding the charity's ability to continue as a going concern.

(i) **Critical accounting judgements and estimates**

In the application of the Charity's accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. The estimates, along with their underlying assumptions, are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following critical judgement has been made in the process of applying the Charity's accounting policies and that has the most significant effect on the amounts recognised in the financial statements:

Expenditure allocations: Expenditure is apportioned where it relates to more than one cost category as detailed within accounting policy (e).

The following is the key area of estimation uncertainty identified by management:

Valuation of donated services as detailed within accounting policy (b).

The revaluation reserve represents the difference between the historical cost of investments and their current market value.

(j) **Debtors**

Short-term debtors are measured at transaction price, less any impairment.

(k) **Creditors**

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

(l) **Financial instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments, including trade and other debtors and creditors are initially recognised at transaction value and subsequently measured at their settlement value.

(m) **Fixed asset investments**

Fixed asset investments are continuously revalued at bid price value and the value at the balance sheet date is the bid price value, as determined by the investment managers. The net gains or losses for the period are taken to the statement of financial activities.

(n) **Social investments**

Social investments are recognised at fair value. Any gains or losses are taken to the statement of financial activities

(o) **Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies have been translated into sterling at the relevant rates of exchange ruling at the balance sheet date, or where appropriate, the rates of exchange fixed under the terms of the relevant transaction.

1. **Principal Accounting Policies (continued)**

(p) **Pension costs**

Staff from the Baring Foundation receive a pension from the ING UK Pension Fund. For historic reasons one of the staff was an admitted member of a defined benefit scheme. The liability of the scheme is with ING Bank N.V. and not the Baring Foundation.

The pension cost represents contributions payable under the scheme by the Foundation to the fund. The Foundation has no liability under the scheme other than for the payment of those contributions.

(q) **Grants received**

Grant income is accounted for as the charity earns the right to consideration by its performance. Where the grant is received in advance of performance its recognition is deferred and included in creditors. Where entitlement occurs before the grant is received, it is accrued in debtors.

2. **Contributions to programmes**

Foundation for a Just Society

Restricted £Nil (2024: £787,576) joint funding, over four years, for the Equal Safe and Free Fund.

Foundation for a Just Society International

Restricted £Nil (2024: £1,575,152) joint funding, over four years, for the Equal Safe and Free Fund.

The Oak Foundation

Restricted £Nil (2024: £2,000,000) joint funding, over four years, for the Equal Safe and Free Fund.

Equal, Safe and Free is a multi-donor fund also supported by the UK Foreign, Commonwealth and Development Office. Equal, Safe and Free aims to build the capacity of and support grassroots LGBT+ human rights networks and organisations in sub-Saharan Africa, together with the Caribbean and the Pacific Islands, to increase their reach, effectiveness, and impact.

3. **Donated Services**

	2025	2024
	£	£
Services donated by ING Bank NV:		
Premises and facilities	161,272	79,032
	161,272	79,032

4. **Income from Investments**

	2025	2024
	£	£
Income from investments	2,016,876	2,181,119
Bank interest	30,156	71,515
	2,047,032	2,252,634

5. **Total Expenditure - 2025**

	Investment Management	Strengthening Civil Society programme	Arts Programme	International Programme	Special Initiative	Other charitable work	Governance	Support Costs	Total 2025
	£	£	£	£	£	£	£	£	£
Staff costs (note 7)	-	-	-	-	-	-	-	549,891	549,891
Grants payable (note 8)		1,280,000	290,434	980,000	20,000	-	-	-	2,570,434
Investment managers' fees	305,782			-	-	-	-	-	305,782
Auditors' remuneration (note 6)				-	-	-	18,720	-	18,720
Other support costs		70,156	61,090	39,950	-	-	-	217,406	388,602 *
Investment consultants' fees	43,615			-	-	-	-	-	43,615
	349,397	1,350,156	351,524	1,019,950	20,000	-	18,720	767,297	3,877,044
Allocated support costs	38,365	199,497	199,497	99,749	-	138,113	92,076	(767,297)	-
Allocated governance costs	5,540	28,807	28,807	14,403	-	19,943	(110,796)	-	-
Total expenditure	393,302	1,578,460	579,828	1,134,102	20,000	158,056 **		-	3,877,044

* **Note £161,272 (2024: £79,032) of the £217,406 (2024: £124,776) "Other support costs" represents services donated by ING, as set out in note 2.**

** **This category includes a range of charitable activity outside of the administration of our main grant programmes, including aspects of financial administration.**

5 a. **Total Expenditure - 2024**

	Investment Management	Strengthening Civil Society programme	Arts Programme	International Programme	Special Initiative	Other charitable work	Governance	Support Costs	Total 2024
	£	£	£	£	£	£	£	£	£
Staff costs (note 7)	-	-	-	-	-	-	-	534,519	534,519
Grants payable (note 8)	-	2,977,347	2,119,579	3,020,578	91,811	-	-	-	8,209,315
Investment managers' fees	356,205	-	-	-	-	-	-	-	356,205
Auditors' remuneration (note 6)	-	-	-	-	-	-	17,976	-	17,976
Other support costs	-	51,453	53,430	5,988	-	-	-	124,776	235,647 *
Investment consultants' fees	42,673	-	-	-	-	-	-	-	42,673
	398,878	3,028,800	2,173,009	3,026,566	91,811	-	17,976	659,295	9,396,336
Allocated support costs	32,965	197,789	184,603	72,522	-	92,301	79,115	(659,295)	-
Allocated governance costs	4,855	40,778	27,186	10,680	-	13,593	(97,091)	-	-
Total expenditure	436,698	3,267,367	2,384,798	3,109,768	91,811	105,894 **	-	-	9,396,336

* **Note £79,032 (2023: £84,508) of the £124,776 (2023: £129,905) "Other support costs" represents services donated by ING, as set out in note 2.**

** **This category includes a range of charitable activity outside of the administration of our main grant programmes, including aspects of financial administration.**

6 **Net Expenditure for the Year**

	2025	2024
	£	£
This is stated after charging:		
Trustees' reimbursed expenses	3,919	611
Auditors' remuneration		
- For audit of the financial statements	18,720	17,976
- Other services	21,000	19,860

2025 Audit Fee £18,720 (gross of VAT), £15,600 (net of VAT).

Trustees' reimbursed expenses represent the reimbursement of travel and subsistence costs of £3,919 (2024: £611) relating to attendance at meetings 6 Trustees (2024: 6 Trustees). No Trustees have been remunerated for their role.

7. **Staff Costs and Numbers**

	2025	2024
	£	£
Staff costs were as follows:		
Salaries and wages	428,690	422,352
Social security costs	55,063	48,215
Pension contributions	66,138	63,952
	549,891	534,519

Key management and salary pension
Key management personnel are considered to be Director and Deputy Director.

The total amount of employee benefits received by key management personnel is £213,642.

The following staff earned over £60K and their remuneration is as follows:
£110,000 - £119,999 - £118,351 (2024: £115,056). Number of people one (2024: one)
£90,000 - £99,999 - £90,271 (2024: £87,657). Number of people one (2024: one)
£60,000 - £69,999 - £64,100 (2024: £62,315). Number of people one (2024: one)

The average number of staff during the year was: 6 (2024: 6).

8. **Grants Payable**

	2025	2024
	£	£
The grants payable figure in 2025 comprises:		
Grants made in the year	2,570,434	8,218,815
Grants cancelled/written back	(87,000)	(9,500)
	2,483,434	8,209,315

All grants were made to institutions.

There is a full list of the grants made during the year on the Baring Foundation's website (www.baringfoundation.org.uk).

9. **Taxation**
The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

10. **Investments**

	2025	2024
	£	£
Market value of investments at 1 January	108,069,797	104,570,385
Disposals at market value	(15,568,695)	(43,316,907)
Additions at cost	7,048,552	41,271,420
Net gain on investments	13,337,514	5,544,899
Market value of investments at 31 December	112,887,168	108,069,797
Historical cost of investments at 31 December	102,337,219	102,170,493

Pooled Investments comprise	2025	2024
	£	£
UK	112,887,168	108,069,797
	112,887,168	108,069,797

11. **Social Investments**

	2025	2024
	£	£
Opening carrying value	64,500	59,505
Net gain on investments	1,500	4,995
Closing carrying value	66,000	64,500
Held as:		
Investments	66,000	64,500

£66,000 is invested with Charity Bank. Charity Bank provides loans to charities, social enterprises and community organisations to facilitate social change whilst earning a financial return.

12. **Other Debtors and Accrued Income**

	2025	2024
	£	£
Accrued contributions to programmes and income in investment funds	3,505,232	4,449,172
Dividend Accrual	119,365	98,150
	3,624,597	4,547,321

13. **Creditors: Amounts due within one year**

	2025	2024
	£	£
Grants authorised but not yet paid	3,043,133	3,539,860
Other creditors	1,435,030	133,090
	4,478,163	3,672,950

14. **Creditors: Amounts due after more than one year**

	2025	2024
	£	£
1-2 years - grants authorised but not yet paid	1,701,560	2,677,765
	1,701,560	2,677,765

15. **Related party transactions**

As is usual in a grantmaking foundation, a number of the trustees, staff and advisers of the Baring Foundation are involved in other charities, either as staff or volunteers. The charity holds a record of all conflicts of interest and where trustees, staff and advisers have a conflict of interest they have no part in the decision-making process.

The following trustees and staff had conflicts of interest in 2025.

Nick Capaldi, in relation to the Arts Council of Wales where he had been Chief Executive until September 2021. A grant of £57,000 was agreed in 2025.

Jannat Hossain, in relation to Migrants Rights' Network, as the director of the organisation is a close friend. She did not take part in the assessment or recommendation of an application for a grant. A grant of £50,000 was agreed in 2025

Aaliya Seyal, in relation to JustRight Scotland and the Environmental Rights Centre for Scotland. She did not take part in the assessment or recommendation of an application for a grant as she is Chief Executive of the Legal Services Agency. A grant of £60,000 to JustRight Scotland was agreed in 2024 and paid in 2025 and a grant of £150,000 to the Environmental Rights Centre for Scotland was agreed in 2024 of which the second payment of £50,000 was paid in 2025.

16. **Analysis of Net Assets Between Funds - 2025**

	Restricted Fund £	Revaluation Fund £	General Fund £	Total 2025 £
Investments	-	61,082,801	51,870,367	112,953,168
Net current assets	2,290,728	-	(525,241)	1,765,487
Creditors: amounts due after more than one year	-	-	(1,701,560)	(1,701,560)
Net assets at the end of the year	2,290,728	61,082,801	49,643,566	113,017,095

Analysis of Net Assets Between Funds - 2024

	Restricted Fund £	Revaluation Fund £	General Fund £	Total 2023 £
Investments	-	54,506,390	53,627,907	108,134,297
Net current assets	2,590,728	-	(104,561)	2,486,167
Creditors: amounts due after more than one year	-	-	(2,677,767)	(2,677,767)
Net assets at the end of the year	2,590,728	54,506,390	50,845,579	107,942,697

17. **Net Movement in Funds - 2025**

	At the start of the year £	Income £	Expenditure/ gains on investments £	At the end of the year £
Restricted funds				
Strengthening Civil Society	-	-	-	-
International Programme	2,590,728	-	(300,000)	2,290,728
Total restricted funds	2,590,728	-	(300,000)	2,290,728
Unrestricted funds				
Revaluation reserve	54,506,390	-	6,576,411	61,082,801
General funds	50,845,579	-	(1,202,013)	49,643,566
Total unrestricted funds	105,351,969	-	5,374,398	110,726,367
Total funds	107,942,697	-	5,074,398	113,017,095

The revaluation reserve represents the difference between the historical cost of investments and their current market value.

17. **Net Movement in Funds - 2025 (con't)**

Purposes of restricted funds

Foundation for a Just Society
Restricted £nil (2024: £787,576) joint funding, over four years, for the Equal Safe and Free Fund.

Foundation for a Just Society International
Restricted £nil (2024: £1,575,152) joint funding, over four years, for the Equal Safe and Free Fund.

The Oak Foundation
Restricted £Nil (2024: £2,000,000) joint funding, over four years, for the Equal Safe and Free Fund.

Equal, Safe and Free is a multi-donor fund also supported by the UK Foreign, Commonwealth and Development Office. Equal, Safe and Free aims to build the capacity of and support grassroots LGBT+ human rights networks and organisations in sub-Saharan Africa, together with the Caribbean and the Pacific Islands, to increase their reach, effectiveness, and impact.

18 **Net Movement in Funds - 2024**

	At the start of the year	Income	Expenditure/ losses on investments	At the end of the year	
	£	£	£	£	
Restricted funds					
Strengthening Civil Society	1,275,341	9,500	(1,284,841)	-	
Arts Council	-	4,362,728	(1,762,500)	2,600,228	-
Total restricted funds	1,275,341	4,372,228	(3,047,341)	2,600,228	
Unrestricted funds					
Revaluation reserve	49,903,465	-	4,602,924	54,506,389	
General funds	53,918,934	2,333,665	(5,407,020)	50,885,627	
Total unrestricted funds	103,822,399	2,333,665	(804,096)	105,351,971	
Total funds	105,097,740	6,696,393	(2,342,095)	107,942,697	