The Hallé Endowment Trust

Financial Statements

For the year ended 31 December 2025

Charity registration number: 286145

The Hallé Endowment Trust

FINANCIAL STATEMENTS 31 DECEMBER 2025

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The Hallé Endowment Trust

Trustees and independent advisers

Board of Trustees
Mr J Schultz CBE – Chair – resigned April 2025
Mr J Eckersley – Chair – from July 2025
Mr D McKeith
Ms E Shepherd
Ms D Francis
Mr S Shelbourn
Ms C Dwyer

Nominated by Manchester City Council:
Mr T Seagrave

Bankers
The Royal Bank of Scotland plc
St Ann Street
Manchester M60 2SS

Solicitors
CMS LLP
1 The Avenue
Spinningfields
Manchester M3 3AP

Investment Managers
CCLA Investment Management Limited
One Angel Lane
London EC4R 3AB

Auditor
Crowe U.K. LLP
3rd Floor
St George's House
56 Peter Street
Manchester
M2 3NQ

Principal office

The Bridgewater Hall
Manchester M1 5HA

REPORT OF THE TRUSTEES

The Trustees present their annual report and the audited financial statements for the year ended 31 December 2025, in compliance with the Trust Deed.

Reference and administrative details

The Hallé Endowment Trust (the 'Trust') is a registered charity, number 286145, governed by a trust deed dated 30 December 1982, as amended in a deed of consolidation and amendment dated 19 August 2021. The details of the Trustees, their advisers and other relevant information given on page 1, form part of this report.

Structure, Governance and Management

The governing body is the Board of Trustees whose members are non-executive and unpaid. All the Trustees are appointed by the Board of the Hallé Concerts Society (the Society'), other than one Trustee nominated by Manchester City Council. The Trustees delegate the day-to-day management and administration of the Trust's affairs to the Executive of the Hallé Concerts Society. Appropriate induction is given to all Trustees.

Objectives and activities of the Trust

The objective and principal activity of the Trust is to maintain a capital endowment fund and to apply the annual income of that fund in perpetuity towards the education of the general public in the study, appreciation and practice of music and the allied arts by furthering and supporting the objects and work of the Society.

With effect from 1 January 2017, for the Main Fund and from 1 January 2023 for the Catalyst Fund, the Trustees have adopted the total return approach to investment under the powers granted in Section 4 of the Trusts (Capital and Income) Act 2013. This allows the Funds to be invested to optimise the overall return, no matter whether it takes the form of capital or income. The Trustees then decide how much of that overall return should be allocated to meet the current charitable objectives whilst balancing their decision with the maintenance of the long-term capital value of the Funds.

The Hallé Endowment Trust holds the Catalyst Endowment Fund as a separate endowment fund within its accounts, following the Society's successful application to the Arts Council's Catalyst Endowment programme in 2011. The income only from the Catalyst Endowment Fund was previously used to support the Society's educational activity at Hallé St Peter's and ambitious artistic projects not funded by other funding agreements. The Arts Council approved the Total Return approach to be applied to the Catalyst Fund from 1 January 2023, since then allowing the trustees to decide how much of the overall return should be allocated to meet the charitable objectives of this Fund.

Further information is provided in the Financial Review section below and in the Notes to the Accounts.

Public Benefit

The Trustees have considered the Charity Commission's guidance on public benefit, and they believe that the support provided to the Hallé Concerts Society allows the objectives above to benefit a wide section of the public. The Society's Hallé Connect education ensembles and outreach programmes reach over 47,000 people each year, of which over 40,000 are children and young people. Membership of the Society's youth and children's ensembles is free. A full review of the Society's outreach work is given in its own statutory accounts, and further details are available on the Hallé website: www.halle.co.uk. The Society's facilities at Hallé St Peter's and St Michael's are enabling its education and community programme to extend to an even broader cross section of the community, and the return generated by the Catalyst Endowment Fund referred to below facilitates this work.

Achievements and performance

An Investment Committee (of which the Trustees are members, along with the Finance Director), established by the Hallé Concerts Society, reviews the investment strategy and performance of the Trust and all the Society's other related entities. Working within the Investment Policy described below, the Investment Managers are given investment discretion which is then reported upon by them to the Investment Committee.

REPORT OF THE TRUSTEES (continued)

Achievements and performance (continued)
The investment portfolio's objective is to generate a total return of CPI+4% per annum over the long term, without distinguishing between capital return and income return. Both the Main Endowment Fund and the Catalyst Fund have been invested in the CCLA Ethical Investment Fund for the full financial year.

Annual CPI for December 2025 was reported as 3.4%, resulting in a target for the financial year of 7.4%. The total return achieved by the CCLA Ethical Investment Fund at -2.2% was therefore below this target. The gross return was -1.3%.
It is important to note that there have been significant market movements since the balance sheet date, due to the impact on investment markets caused by the war in the middle east.

The Main Fund saw a decrease of £222,171 in investment value (2024: increase of £116,001) whilst the Catalyst Fund saw a decrease of £162,446 (2024: increase of £84,817). When investment income is taken into account, the overall return for the 12 months to 31 December 2025, net of fees, is -2.2% (2024: 5.7%) for the Main Fund and -2.2% (2024: 5.7%) for the Catalyst. This compares to the target return of CPI+4% which is 7.4% for 2025.

Financial Review
Main Endowment Fund overview - During the year the Main Fund received donations and legacies of £nil (2024: £nil), investment income of £118,196 (2024: £123,304) and short-term deposit interest of £2,722 (2024: £1,375). There was an unrealised loss on investments of £197,290 (2024: gain of £116,001). A grant of £256,600 was given to the Society (2024: £244,430). The grant in 2025 to the Society reflects the power to distribute cumulative investment gain as well as investment income under the total return approach.

On 31 December 2025, the endowment fund of the Main Fund stood at £3,986,319 (2024: £4,361,479) and the restricted funds of the Main Fund stood at £nil (2024: £nil).

Catalyst Fund overview - Regular donations are normally received into the Catalyst Fund rather than the Main Fund. The Catalyst Fund received donations and legacies of £65,610 (2024: £77,694). Investment income for the Catalyst Fund amounted to £101,585 (2024: £90,157) and short-term deposit interest of £nil (2024: £nil). A grant was made to the Society of £88,200 (2024: £86,320)

On 31 December 2025 the endowment fund of the Catalyst Fund stood at £3,194,837 (2024: £3,279,594) and the restricted funds of the Catalyst Fund stood at £Nil (2024: £Nil). The grant in 2025 to the Society reflects the power to distribute cumulative investment gain as well as investment income under the total return approach.

Total fund balances at the year-end were £7,181,156 (2024: £7,641,073).

Total return approach to investment
Both the Main Fund and Catalyst Fund adopt the total return approach to accounting. This is in order to enable increased flexibility in the financial support provided by the Endowment to the Hallé Concerts Society. The total return approach enables the focus to be on overall best return for the investment portfolio rather than focusing on investments to produce investment income. It also facilitates a more planned approach to grant making because the impact of year-to-year variation in investment income can be smoothed.

through the application of part of the Unapplied Total Return fund (UTR). It is important to note that although the total return approach provides more flexibility, the Trustees are mindful of their legal responsibility to take a sustainable approach in determining the way that investment returns are allocated between current and future needs. The Trustees will therefore retain resources in the UTR fund to support the future needs of the Society and furthering the objectives of the Hallé Endowment Trust. Further details are provided in note 12.

Investment Policy

The investment strategy reflects the investment focus on total investment return rather than investment income.

The target return of the investment strategy is CPI +4% per annum for both funds, by definition without distinguishing between capital return and income return. The investment objective is to maintain the real capital value of the investment portfolio above inflation whilst generating a sustainable and reliable income.

Investment risk:

The key risk to the long-term sustainability of the funds is inflation, and the strategy is that assets should be invested to mitigate this risk over the long term. The trustees understand that this is likely to mean that investment will be concentrated in real assets and that the capital value will fluctuate. The trustees are able to tolerate volatility of the capital value of the funds as long as they are able to meet current expenditure from investment returns. The trustees acknowledge that they accept some investment risk in order to maximise total return and refer to this as a “balanced attitude towards risk”.

Restrictions on the Trustees’ power to invest:

- There are currently no restrictions on the Trustees’ power to invest.
- The Trustees believe that Environmental, Social and Governance (ESG) related risks, including climate change risks, are an important component of investment risk and that organisations that soundly manage these risks are more likely to be financially sustainable over time. Consideration of ESG risks will therefore form a financially material component of the investment framework.
- The Trustees require the Investment Manager to integrate analysis of relevant ESG issues into their investment processes. The Trustees will monitor how the Investment Manager takes ESG issues into account in practice on a regular basis.
- The Trustees acknowledge that a greater focus on ESG could also have a potentially negative impact on financial returns. Performance will therefore be monitored as outlined below, alongside the wider overall aims, objectives and principles of the Hallé Concerts Society.
- The Trustees continue to monitor the evolving ESG landscape and current thinking on best practice.

Benchmark and Performance Measurement:

- Performance will be measured against a benchmark of CPI plus 4%.
- In addition, the Investment Manager will report on a quarterly basis on the performance of the investment portfolio against appropriate composite and comparable indices.

REPORT OF THE TRUSTEES (continued)

Investment Committee:

- The Investment Committee of the Hallé Concerts Society supports the trustees in setting and monitoring investment policy, strategy and performance benchmarks.
- The Committee is appointed by the Hallé Concerts Society Board and trustees of the Hallé Endowment Trust will normally be members.
- The Investment Committee is responsible for identifying and monitoring suitable Investment Managers and performance.

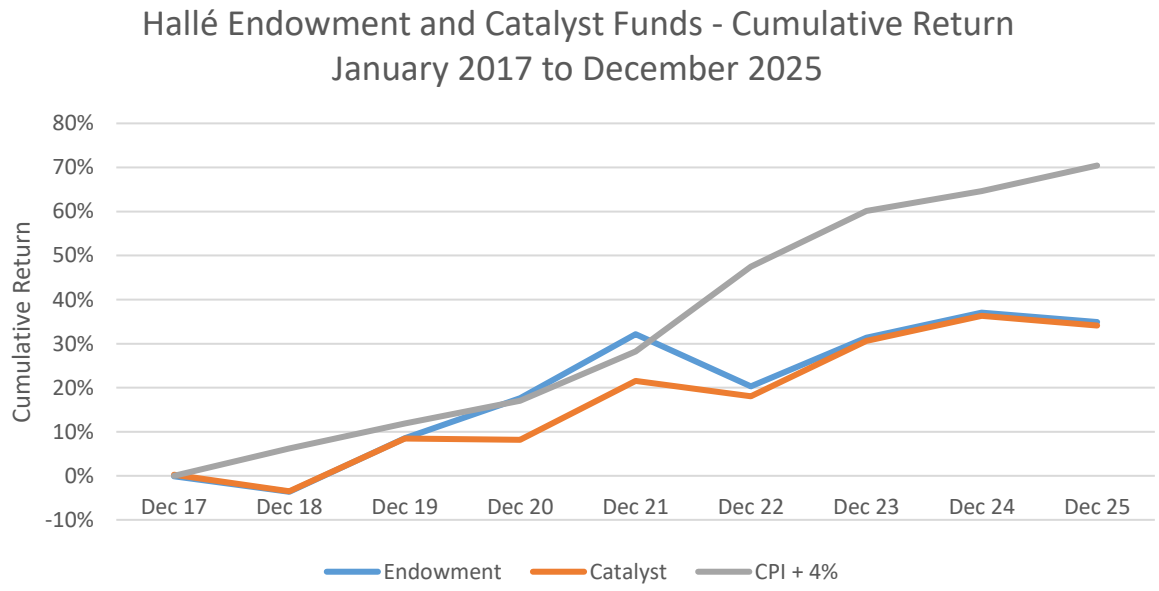
The trustees will work with their Investment Manager to review the Investment Policy and Strategy with the overall intention of maintaining the current target return of CPI +4% aligned with a robust and transparent ESG focused approach.

Investment Performance

For the Financial Year to December 2025, both the Main Fund and Catalyst Funds have been invested on a total return basis with all assets under management with CCLA and invested in the COIF Charities Ethical Investment Fund.

The overall investment return, including unrealised gains/ losses and distributions for the year, was negative 2.2% net of charges (2024 5.7%). This is compared to a target of CPI + 4% - which in 2025 was 7.4%.

It should be noted, however, that the target return of CPI+4% is an average target per annum over the longer term and the graph below illustrates performance compared to this target, on a cumulative basis, since January 2018. There can be annual periods where the returns achieved by the Funds are lower or higher than the target of CPI +4%.



The large difference between cumulative actual returns achieved and the target return is a result of a significant uplift in inflation following the COVID pandemic (with the annual rate of increase peaking at 11.1%), combined with disappointing relative returns achieved by the Investment Managers.

The priority for the Trustees remains the longer-term performance of the investments to provide support for the Society in the future. The Trustees are confident that the investment policy provides a good basis to achieve the investment objective over the medium and longer term and to secure this outcome.

Reserves policy

Main Fund: the Trustees have considered their reserves policy in respect of the Main Endowment Fund with regard to their responsibility to adopt a sustainable balance between the current and future needs of the Society.

The Trustees consider that reserves should be maintained as protection for the Endowment Trust against a fall in the value of investments which would impact the ability of the Endowment Trust to support the Society and its objectives in future periods. On the basis of information from the Investment Managers the trustees have set the target level for this “buffer reserve” at 20% of the market value of investments and this will be reviewed at least annually. The Unallocated Total Return (UTR) Fund provides this “buffer reserve”. At 31 December 2025 the UTR stood at £1,049,915(2024: £1,409,075) which is 26% of investment value (2024: 32%) and therefore achieves the reserves target. In addition, the current level of reserves is considered reasonable to enable the Trustees to smooth the pattern of grant making to the Society in years when investment returns may be low. The indicative annual grant level to the Society from the Main Endowment is £200,000 (at 2020 level) plus CPI and the UTR at this level enables the Trustees to provide assurance to the Society that the annual grant can be relied upon for planning purposes.

The Trustees will also take account of the sufficiency of the Catalyst Fund UTR and its ability to support the indicative level of grant to the Society in any particular year and will consider providing a shortfall of the indicative grant from the UTR of the Main Fund, thus re-balancing the grant to the Society between the two funds.

In making decisions on grant making to the Society, the Trustees will take account of the return on investment for the year, the long-term sustainability of the investment fund after considering various levels of transfer to income and the income needs of the Society. As part of this review the trustees will also consider whether a transfer of the UTR to the original Endowment is appropriate. Under the regulations (Section 4 of the Trusts (Capital and Income) Act 2013) charities have the power to add part of the UTR to the original endowment. The amount that can be added annually is capped and is calculated by reference to the increase in inflation and the value of the original endowment. The purpose of such a transfer is to maintain the real value of the original endowment fund. The Trustees have agreed that they will consider on an annual basis whether to make such a transfer and that the appropriate inflation index to use is CPI. Although it is important for the value of the original endowment to be protected, the trustees would not expect to use this option in a situation where market values had fallen, as this would seem to be inconsistent with the underlying general intention of a total return approach. Given the fall in market values for the current year, the Trustees have decided not to make the inflationary transfer from the UTR.

Catalyst Fund:

The Trustees have considered the reserves policy in respect of the Catalyst Endowment Fund with regard to their responsibility to adopt a sustainable approach between the current and future needs of the Society. The Fund is held as a permanent endowment until 29 October 2037 with its own particular charitable purposes. Thereafter, the Fund – both capital and interest – is available to the Society for the furtherance of its own charitable purposes. Until then, the objective is to maintain a positive UTR fund on the basis that, on average and with target investment returns, it should be possible to fund the target grant level to the Society. A specific target reserves level has not been set for the Catalyst Fund. At 31 December 2025 the UTR stood at £357,310. (2024: £507,677)

REPORT OF THE TRUSTEES (continued)

Reserves policy (continued)
In making their decisions on grant making to the Society, the Trustees will take account of the return on investment for the year, the long-term sustainability of the investment fund after considering various levels of transfer to income and the income needs of the Society. The Trustees will also take account of the sufficiency of the Main Fund UTR to cover any shortfall in the ability of the UTR of the Catalyst Fund

to support the indicative level of grant to the Society in any particular year, thus re-balancing the grant to the Society between the two funds.

At the end of the Catalyst Fund's 25-year term in 2037, the Fund will become expendable for both capital and income, at the discretion of the trustees. In April 2024, the trustees agreed that the priority for the Catalyst Fund would be to build up its Unallocated Total Return (UTR) and therefore not to increase the endowment capital by an amount calculated with reference to the rise in the CPI index as a matter of course. This policy has been continued for 2025. This reflects the fact that the Catalyst, as a newer fund, has not had the opportunity to build up a significant UTR.

The current level of reserves is considered reasonable to enable the Trustees to smooth the pattern of grant making to the Society in years when investment returns may be low. The indicative annual grant level to the Society from the Catalyst Fund is £80,000 (at 2023 level when total return commenced for Catalyst Fund) plus CPI.

Fundraising Practices
The Endowment Trust's fundraising is delegated by the Trustees to the Hallé Concerts Society Development Team which also fundraises more widely on behalf of the Hallé Concerts Society as a whole. Regular reports are received from the Development Team with assurance that fundraising activity is conducted in compliance with the Fundraising Regulator Code of Fundraising Practice and all relevant regulations. Implementation of the Society-wide fundraising strategy is mainly delivered by the in-house fundraising team with support from a professional fundraiser on bids to charitable trusts and foundations. This person does not carry out fundraising with the general public on behalf of the Hallé Concerts Society or the Endowment Trust.

The Trustees acknowledge that as part of the wider fundraising strategy of the Halle Concerts Society, there is currently little active fundraising specifically for the Hallé Endowment Trust. This reflects the focus of the Society on raising funds, without restrictions, to fund core activities. The main source of funds is legacies where the gift is specifically allocated to the Trust by the donor. In the financial year to 31st December 2025 no donation or legacies were received attributable to the Main Fund and £65,610 were received for the Catalyst Fund.

Plans for future periods

The Trustees will continue to work with the Investment Managers in maintaining the investment strategy to reflect ESG challenges and opportunities, whilst achieving the target return.

Risk management
A risk management strategy has been implemented for the Hallé Concerts Society group, of which the Hallé Endowment Trust is a part. A review of overall financial controls is undertaken annually by the Society's Audit Committee. The last risk review was completed in July 2025. A more detailed explanation is contained in the accounts of the Hallé Concerts Society.

The Halle Endowment Trust

Statement of Trustees' responsibilities in respect of the Trustees' annual report and the financial statements

Under the Trust Deed of the charity and charity law, the Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations. The Trustees have elected to prepare the financial statements in accordance with FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the excess of income over expenditure for that period.

In preparing these financial statements, generally accepted accounting practice requires that the Trustees:

• select suitable accounting policies and then apply them consistently.
• make judgements and estimates that are reasonable and prudent.
• state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements.
• state whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements; and
• prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are required to act in accordance with the Trust Deed of the charity, within the framework of trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the Trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

Disclosure of information to independent auditor
The Trustees who held office at the date of approval of this Trustees' report confirm that, so far as they are each aware, there is no relevant audit information of which the Trust's auditor is unaware; and each Trustee has taken all the steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the trust's auditor is aware of that information.

Auditor
Crowe U.K. LLP is the appointed auditor and has indicated its willingness to continue in office.

Approved on behalf of the Trustees on 27 October 2026:



J Eckersley

Independent Auditor's Report to the Trustees of Halle Endowment Trust

Opinion

We have audited the financial statements of Halle Endowment Trust for the year ended 31 December 2025 which comprise Statement of Financial Activities, Balance Sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, including financial reporting legislation and the Charities SORP (FRS 102), and tax regulations. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be necessary to the charity's ability to operate or to avoid a material penalty. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

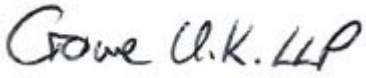
We also considered the opportunities and incentives that may exist within the charity for fraud. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within management override of control. Our audit procedures to respond to these risks included enquiries of management and the Trustees about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Crowe U.K. LLP

Statutory Auditor

Manchester

27 October 2026

Crowe U.K. LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

The Hallé Endowment Trust

Statement of Financial Activities
for the year ended 31 December 2025

	Note	Endowment Funds	Catalyst Endowment Funds	2025 Total	2024 Total
		£	£	£	£
Income					
Grants		-	-	-	-
Donations and legacies	3	-	65,610	65,610	77,694
Investment income		118,196	101,585	219,781	213,460
Short-term deposit income		2,722	-	2,722	1,375
Total incoming resources		120,918	167,195	288,113	292,530
Expenditure					
Charitable Expenditure					
Investment management costs	4	(24,881)	(18,193)	(43,074)	-
Governance and support costs	4	(1,306)	(1,306)	(2,612)	(3,827)
Depreciation		(16,000)	-	(16,000)	(16,000)
Grant to Hallé Concerts Society	5	(256,600)	(88,200)	(344,800)	(330,750)
Total expenditure		(298,787)	(107,699)	(406,486)	(350,577)
Net (expenditure)/income and net movement in funds before gains and losses on investments		(177,870)	59,496	(118,374)	(58,047)
Net (losses)/gains on investments		(197,290)	(144,253)	(341,543)	200,818
Net (expenditure)/income before transfers		(375,160)	(84,757)	(459,917)	142,771
Transfers between funds		-	-	-	-
Net movement in funds		(375,160)	(84,757)	(459,917)	142,771
Fund balances brought forward at 1 January 2025		4,361,479	3,279,594	7,641,073	7,498,302
Fund balances carried forward at 31 December 2025		3,986,319	3,194,837	7,181,156	7,641,073

The notes on pages 14-24 form part of the financial statements.

All of the above results are derived from continuing activities.

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

The Hallé Endowment Trust

Balance Sheet
at 31 December 2025

	Notes	2025 Total £	2024 Total £
Fixed assets			
Instruments	6	256,000	272,000
Investments			
Investments at market value	7	7,134,151	7,518,768
Current assets			
Short-term bank deposits		82,211	194,683
Debtors and Accrued income	8	56,404	111,487
Income Tax Recoverable	8	2,329	1,207
		140,944	307,376
Current Liabilities			
Due from/(to)			
Hallé Concerts Society		(347,358)	(454,178)
Other creditors and accruals		(2,582)	(2,894)
	9	(349,940)	(457,072)
Net current assets/(liabilities)		(208,996)	(149,695)
Net assets		7,181,155	7,641,073
Represented by:			
Endowment Fund		3,986,319	4,361,479
Catalyst Endowment Fund		3,194,836	3,279,594
		7,181,155	7,641,073

The notes on pages 14-24 form part of the financial statements.
The accounts on pages 12-24 were approved by the Trustees on 27 October 2026.

J Eckersley - Trustee
The Hallé Endowment Trust

NOTES (forming part of the financial statements)

1 **Trust activities**

The Hallé Endowment Trust was established to further the education of the general public in the study, appreciation and practice of music and the allied arts by endowing, furthering and supporting the work of the Hallé Concerts Society and the Hallé Orchestra.

The Trust is a subsidiary of the Hallé Concert Society which includes the Trust in its consolidated and aggregated financial statements. The consolidated and aggregated financial statements of the Hallé Concert Society are prepared in accordance with FRS 102 and are available to the public and may be obtained from Hallé Concerts Society, The Bridgewater Hall, Manchester M1 5HA. The Hallé Endowment Trust is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosure:

Cash Flow Statement and related notes: The Trust proposes to continue to adopt the reduced disclosure framework of FRS 102 in its next financial statements.

2 **Accounting policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Trust's accounts.

Basis of preparation

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011 and the Trust Deed.
The Trust constitutes a public benefit entity as defined by FRS 102.

Cash flow statement

The charity is exempt from the requirement to prepare a cash flow statement as it is a qualifying entity under FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Income

Donations are recognised when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the charity being notified of an impending distribution, the grant of probate where known or the legacy being received. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor’s intention to make a distribution.
Investment income is accounted for in the period in which the Trust is entitled to receipt.

Expenditure

Expenditure is accounted for on an accruals basis.

Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised and valued at historic cost. Depreciation is provided in order to write off tangible fixed assets over their expected useful lives in equal instalments as follows: Musical instruments – 25 years.

Investments

There are no restrictions on the Trust’s powers to invest. Investments are included at fair value at the balance sheet date. The Statement of Financial Activities (SOFA) includes the net gains and losses arising on valuations and disposals throughout the year.

NOTES (continued)

2 **Accounting policies (continued)**

Funds structure

The charity has two permanent endowment funds. The principal activity of the Trust is to maintain a capital endowment fund and to apply the annual income of that fund in perpetuity towards the education of the general public in the study, appreciation and practice of music and the allied arts by furthering and supporting the objects and work of the Hallé Concerts Society.

In accordance with the terms of the Trust Deed, transfers of income can be made to the Trust's Main Fund at the discretion of the Trustees.

Following the Society's successful application to the Arts Council's Catalyst Endowment programme, the Hallé Endowment Trust is the recipient of the Catalyst Endowment Fund and holds that fund as a separate endowment fund within its accounts, the income from which will be used to support the Society's educational activity at Hallé St Peter's and its undertaking of more ambitious large-scale artistic projects not funded by other funding agreements.

The Catalyst Endowment Fund is held as a segregated fund, separate from the Main Fund, within the overall Hallé Endowment Trust under the terms of a Trust deed dated 29 October 2012 between the Hallé Concerts Society and Arts Council England.

The Trustees have adopted the total return approach to investment accounting for the Main Endowment Fund, under the powers granted in Section 4 of the Trusts (Capital and Income) Act 2013. Permission was given by Arts Council England to adopt the total return approach for the Catalyst Fund from 1st January 2023. This allows any increase in the value of an investment to be treated as income.

Preparation of accounts on a going concern basis

Taking into account the position on reserves (as explained in the Trustees' report), the current cash balances, ability to liquidate investments in a timely manner and forecast income and expenditure flows, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. They therefore consider the going concern basis to be appropriate for the preparation of these financial statements.

Accounting estimates and judgements

In the application of the Trust's accounting policies, which are described above, the Trustees are required to make judgements, estimates and assumptions concerning the future. The resulting estimates will, by definition, seldom equal the related actual results. The estimates and associated assumptions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Trustees consider that there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Taxation

The Hallé Endowment Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore to meet the definition of a charitable trust for UK income tax purposes. Accordingly, the charity is potentially exempt from taxation of income or capital gains received within categories covered by Part 10 Income Tax Act 2007 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

NOTES (continued)

3. Donations and Legacies

	2025 Main Funds £	2025 Catalyst Funds £	2025 Total Funds £	2024 Total Funds £
Donations	-	10,653	10,653	19,694
Legacies	-	54,957	54,957	58,000
	-	65,610	65,610	77,694

In 2025 total donations and legacies amounted to £65,610 which comprised donations of £10,653 and legacies of £54,957 for the Catalyst Funds.

4. Investment Management & Governance/Support Costs

	2025 Main Funds £	2025 Catalyst Funds £	2025 Total Funds £	2024 Total Funds £
Investment Management	24,881	18,193	43,074	-
Governance/Support Costs	1,306	1,306	2,612	3,826
	26,187	19,499	45,686	3,826

In 2025, investment management costs are separated out from the total performance of the fund to provide greater transparency. CCLA stated that the notional fund charge for 2024 was 0.7% pa, producing an estimated cost for 2024 of £54,168.

In 2024 governance and support costs were allocated as follows: £1,913 was attributable to the Main fund and £1,913 to the Catalyst fund.

Allocation of governance and support costs
Directly attributable costs are allocated to the restricted charitable activities of the Main or Catalyst Main as incurred. Other costs are apportioned equally between the two funds.

	2025 Main Funds £	2025 Catalyst Funds £	2025 Total Funds £	2024 Total Funds £
Audit fees	1,075	1,075	2150	2,862
Bank charges	183	183	366	354
Sundry expenses	48	48	96	610
	1,306	1,306	2,612	3,826

NOTES (continued)

5 **Expenditure on charitable activities**

	2025 Main Funds £	2025 Catalyst Funds £	2025 Total Funds £	2024 Total Funds £
Grants to the Hallé Concerts Society	256,600	88,200	344,800	330,750

6 **Fixed assets**

	Musical Instruments £
Cost	
At 1 January 2025	400,000
At 31 December 2025	400,000
Depreciation	
At 1 January 2025	128,000
Charge for period	16,000
At 31 December 2025	144,000
Net Book Value	
At 31 December 2025	256,000
At 31 December 2024	272,000

The Hallé senior management team valued the musical instrument to £400,000 at 1 January 2017 by reference to the Coutts index. It was agreed that the fee for a professional valuation was not an effective use of charitable funds, particularly given the volatility of this market over recent years.

All tangible assets are used for direct charitable purposes.

Depreciation amounted to £16,000 (2024: £16,000) and is allocated to the Main Fund.

7 **Investments**

	Main Fund Market Value £	Catalyst Market Value £	**Combined Market Value** £
Balance at 1 January 2025	4,343,153	3,175,615	7,518,768
Net additions / (disposals)	-	-	-
Investment management fee	(24,881)	(18,193)	(43,074)
Change in market value	(197,290)	(144,253)	(341,543)
Balance at 31 December 2025	4,120,982	3,013,169	7,134,151

NOTES (continued)

7 **Investments (continued)**

The following table shows the valuation and asset allocation of assets at 31 December 2025, followed by a table showing the split of the total fund by asset class percentages.

Asset class	Main Fund £	%	Catalyst Fund £	%	Total £
CCLA Ethical Investment Fund	4,120,982	100	3,013,169	100	7,134,151
Balance at 31 December 2025	4,120,982	100	3,013,169	100	7,134,151

Asset class	**2025 (%)**	**2024 (%)**
Equities	71.76%	71.81%
Fixed interest	10.83%	7.83%
Infrastructure & operating assets	4.68%	8.46%
Private equity & other	4.48%	4.24%
Property	4.44%	3.8%
Cash and near cash	2.95%	2.39%
Contractual & other income	0.86%	1.47%
Total	**100.00%**	**100.00%**

All investments are held at fair value.
Investments are held in a single common investment fund and valued at a single, mid-price.

8 **Other debtors and accrued income**

	Total Funds 2025	Total Funds 2024 £
Investment income	56,404	53,487
Legacies	-	58,000
Income Tax Recoverable	2,329	557
	58,733	112,044

9 **Other Creditors and Accruals**

	Total 2025 £	Total 2024 £
Audit Fee	(2,552)	2,862
Bank Charges	(30)	30
HCS Intercompany	(347,357)	454,178
	(349,940)	457,070

NOTES (continued)

10 **Analysis of net assets between funds**

	Main Funds	Catalyst Funds	Total Funds
	£	£	£
Balances at 31 December 2025 represented by:			
Tangible assets	256,000	-	256,000
Investments	4,120,982	3,013,169	7,134,151
Current assets	38,943	102,001	140,944
Current liabilities	(429,606)	79,666	(349,940)
	3,986,319	3,194,836	7,181,155

Analysis of net assets between funds

	Main Funds	Catalyst Funds	Total Funds
	£	£	£
Balances at 31 December 2024 represented by:			
Tangible assets	272,000	-	272,000
Investments	4,343,153	3,175,615	7,518,768
Current assets	215,236	92,140	307,376
Current liabilities	(468,909)	11,839	(457,070)
	4,361,479	3,279,594	7,641,073

NOTES (continued)

11 **Statement of Funds**

	At 1 January 2025 £	Income £	Expenditure £	Transfers, Gains and Losses £	At 31 December 2025 £
Main endowment					
Restricted funds	-	-	-	-	-
Main funds	4,361,479	120,918	(298,788)	(197,290)	3,986,319
Total main endowment funds	4,361,479	120,918	(298,788)	(197,290)	3,986,319
Catalyst endowment					
Catalyst restricted funds	-	-	-	-	-
Catalyst endowment funds	3,279,594	167,195	(107,699)	(144,253)	3,194,837
Total Catalyst endowment funds	3,279,594	167,195	(107,699)	(144,253)	3,194,837
Total funds	7,641,073	288,113	(406,487)	(341,543)	7,181,156

The purpose of the Main Endowment is to maintain a capital endowment fund and to apply the annual income of that fund in perpetuity towards the education of the general public in the study, appreciation and practice of music and the allied arts by furthering and supporting the objects and work of the Hallé Concerts Society.

The purpose of the Catalyst Endowment Fund is to apply the income from the endowment to support the Society's educational activity at Hallé St Peter's and its undertaking of more ambitious large-scale artistic projects not funded by other funding agreements.

Both funds are now accounted for on a total return basis.

NOTES (continued)

12 **Total return investment**

With effect from 1 January 2017 for the Main Fund and 1 January 2023 for the Catalyst Fund, the Trustees have adopted the total return approach to investment, under the powers granted in Section 4 of the Trusts (Capital and Income) Act 2013.

The Trustees identified the value of the gifts of permanent endowment received since the establishment of both funds and this set the baseline value of the gift component of the endowment to which any subsequent gifts of endowment are added. Within each of the Main Fund and the Catalyst Fund this is referred to as the “original endowment” and forms the initial “Investment Fund”. The difference between the total value of endowment funds and the value of the gift component at the point when total return was adopted represents the opening balance of Unapplied Total Return (UTR) for each fund. The UTR is classed as part of the Endowment fund until it is allocated to income.

The Trustees are now empowered to invest the permanently endowed funds of the Main Fund and the Catalyst Fund to maximise total return and to apply an appropriate portion of the UTR to income each year. Until the power is exercised to transfer a portion of UTR to income, the UTR remains invested as part of the permanent endowment.

The Trustees decide annually how much of the UTR is transferred to income funds and so available for expenditure as grants to the Society. In 2025 the Trustees made a transfer of £256,600 (2024: £244,430) from the Main Fund and £88,200 (2024: £86,320) from the Catalyst Fund from the respective UTR in each fund to unrestricted income funds, enabling the making of grants to the Society of £256,600 from the Main Fund and £88,200 from the Catalyst Fund. In making this decision the Trustees have taken account of the return on investment for the year, the long-term sustainability of the investment funds after considering various levels of transfer to income and the income needs of the Society.

Under the regulations (Section 4 of the Trusts (Capital and Income) Act 2013) charities have the power to add part of the UTR to the Investment Fund. The amount that can be added annually is capped and is calculated by reference to the increase in inflation and the value of the Investment Fund. The purpose of such a transfer is to maintain the real value of the Investment Fund. The Trustees have agreed that they will consider on an annual basis whether to make such a transfer and that the appropriate inflation index to use is CPI. For 2025 the trustees agreed not to make such a transfer from the UTR of the Main Fund to the Endowment Investment Fund of the Main Fund nor to make a transfer from the Catalyst UTR to the Catalyst Investment Fund. The former decision reflects negative total return achieved during 2025 and the latter decision reflects in part the same conclusion but additionally takes account of the differing reserves policies of the Main and Catalyst Funds – in turn arising from their different duration and background.

With in-year donations to the Main Fund of £nil, the balance of the Investment Fund at 31 December 2025 is £3,027,538 of which £256,000 is the net book value of the Amati violin at 31 December 2025. (£120,000 original gift value £136,000 revaluation less depreciation). The violin is accounted for and revalued separately and shown in the following table to reconcile the overall value of the Endowment Fund.

With in-year donations and legacies to the Catalyst Fund of £65,610, the balance of the Endowment Investment Fund at 31 December 2025 is £2,837,527.

NOTES (continued)

12 **Total return investment – Main Endowment (continued)**

The investment fund and application of total return to permanent endowment funds	Trust for investment	Unapplied Total Return	Total Endowment
	£	£	£
Opening value of endowment:			
Gift component of permanent endowment (incl. £120k instrument)	2,800,405	-	2,800,405
Unapplied total return	-	1,409,075	1,409,075
Total	2,800,405	1,409,075	4,209,480
Revaluation reserve – Instrument	152,000	-	152,000
Total Endowment 01/01/2025	2,952,405	1,409,075	4,361,480
Movement in unapplied total return and endowment in the year:			
Gifts received	-	-	-
Investment return: dividends and interest	-	120,918	120,918
Investment return: recognised and unrecognised gain / (loss)	-	(197,290)	(197,290)
Investment / management costs	-	(26,188)	(26,188)
Allocations of Unallocated Total Return (UTR) in the year: -			
Unapplied total return allocated to income	-	(256,600)	(256,600)
Unapplied total return allocated to Investment Fund	-	-	-
Net movement in the reporting period	-	(359,160)	(359,160)
Revaluation reserve – Instrument	(16,000)	-	(16,000)
Total Endowment movement in year	(16,000)	(359,160)	(375,160)
Gift component of permanent endowment Investment Fund	2,800,405	-	2,800,405
Unapplied total return	-	1,049,915	1,049,915
Total	2,800,405	1,049,915	3,850,320
Revaluation reserve – Instrument	136,000	-	136,000
Total Endowment 31/12/2025	2,936,405	1,049,915	3,986,320

12 Total return investment – Catalyst (continued)

The investment fund and application of total return to permanent endowment funds	Trust for investment	Unapplied Total Return	Total Endowment
	£	£	£
Opening value of endowment:			
Gift component of permanent endowment	2,771,918	-	2,771,918
Unapplied total return	-	507,677	507,677
Total Endowment 1/1/2024	2,771,918	507,677	3,279,595
Movement in unapplied total return and endowment in the year:			
Gifts received	65,610	-	65,610
Investment return: dividends and interest	-	101,585	101,585
Investment return: recognised and unrecognised gain/(loss)	-	(144,253)	(144,253)
Investment management costs	-	(19,499)	(19,499)
Allocations of Unallocated Total Return (UTR) in the year:-			
Unapplied total return allocated to income	-	(88,200)	(88,200)
Unapplied total return allocated to Investment Fund	-	-	-
Total Endowment movement in year	65,610	(150,367)	(84,757)
Gift component of permanent endowment Investment Fund	2,837,528	-	2,837,528
Unapplied total return	-	357,310	357,310
Total Endowment 31/12/2024	2,837,528	357,310	3,194,838

13 **Financial instruments**

	2025	2024
Financial assets measured at amortised cost	140,944	307,376
Financial assets measured at fair value	7,134,151	7,518,768
Financial liabilities measured at amortised cost	(349,940)	(457,070)

Financial assets measured at amortised cost are cash, trade and other debtors. Impairment losses charged to financial assets measured at amortised cost in the year amounted to £nil (2024: £nil).

Financial assets measured at fair value are the investments. Financial liabilities measured at amortised cost are trade creditors, other creditors and accruals.

NOTES (continued)

14 **Remuneration of the Trustees and employees**

The Trustees received no remuneration nor reimbursement of expenses and derived no financial benefit from their services to the Trust.

No staff were employed by the Trust during the year (2024: none).

15 **Related Parties**

The Hallé Endowment Trust is a subsidiary of the Hallé Concerts Society and is aggregated in the group accounts of the Society. The Society is a registered charity (number 223882) and a company limited by guarantee (number 62753), incorporated in the UK.

The Hallé Concerts Society's registered office is: The Bridgewater Hall, Manchester M1 5HA and consolidated accounts can be obtained from this address.

The Trustees have taken advantage of the exemption in FRS 102 and have not disclosed related party transactions with fellow group undertakings.

There have been no individual donations by Trustees to the Hallé Endowment Trust during the year.