

THE GATSBY CHARITABLE FOUNDATION

ANNUAL REPORT

5 APRIL 2023

The Peak
5 Wilton Road
LONDON SW1V 1AP

THE GATSBY CHARITABLE FOUNDATION
5 April 2023

CONTENTS		PAGE
1	Report of the Trustees	2-21
2	Independent Auditor's Report	22-24
3	Statement of Financial Activities	25
4	Balance Sheet	26
5	Cash Flow Statement	27
6	Notes to the Accounts	28-38

THE GATSBY CHARITABLE FOUNDATION

5 April 2023

REPORT OF THE TRUSTEES

Legal and Administrative

The Gatsby Charitable Foundation (Gatsby) was established under a Trust Deed dated 17 March 1967 and is registered with the Charity Commission under No. 251988.

Settlor	Lord Sainsbury of Turville
Trustees	Mr J C Burns Sir Andrew Cahn KCMG to 22 March 2023 Miss J S Portrait OBE Ms A L Sainsbury Price from 22 March 2023
Registered Office	The Peak, 5 Wilton Road London SW1V 1AP
Principal Officers	Mr P Hesketh Chief Executive Officer Mr J Highstead Executive Mr J Searancke Head of Finance Mr N Thomas Executive Mr G Wilson Executive
Bankers	Royal Bank of Scotland, 119-121 Victoria Street, London SW1E 6RA
Solicitors	From 1 August 2022: BDB Pitmans LLP 1 Bartholomew Close London EC1A 7BL To 31 July 2022: Portrait Solicitors 21 Whitefriars Street London EC4Y 8JJ
Auditor	Crowe U.K. LLP 55 Ludgate Hill, London EC4M 7JW
Investment Advisers	Sarabaite Limited Lower Mill, Kingston Road, Ewell, Surrey KT17 2AE
Investment Managers	Troy Asset Management Limited Brookfield House, 44 Davies Street, London W1K 5JA Cooke & Bieler, L.P. 1700 Market Street, Suite 3222, Philadelphia, USA Tweedy Browne Company LLC 350 Park Avenue, New York, NY 10022, USA Devon Equity Management Limited 123 Victoria Street, London, SW1E 6DE

THE GATSBY CHARITABLE FOUNDATION

5 April 2023

REPORT OF THE TRUSTEES (continued)

Legal and Administrative (continued)

Investment Powers

The Trust Deed empowers the Trustees to appoint investment advisers, who have discretion to invest the funds of Gatsby within guidelines established by the Trustees.

Objects

The objects of Gatsby as given in the Trust Deed are for general charitable purposes.

Organisation

Gatsby is one of the Sainsbury Family Charitable Trusts (SFCT), which share a common administration. The remuneration of the senior staff (including key management personnel) is reviewed by the Trustees on an annual basis taking into account the requirements of their role and performance during the year. From time to time the SFCT Management Committee benchmarks pay levels against the comparable positions in similar organisations.

Objectives

The Trustees' objectives within their current fields of interest are:

- **Plant Science**, to develop basic research in fundamental processes of plant growth and development and molecular plant pathology, and to encourage young researchers in the field of plant science in the UK.
- **Neuroscience**, to support world-class research in the area of neural circuits and behaviour and theoretical neuroscience, and to support activities which enhance understanding in these fields.
- **Science and Engineering Education**, to strengthen science and engineering skills in the UK by developing and enabling innovative programmes and informing national policy.
- **Africa**, to promote economic development in East Africa that benefits the poor through supporting the growth and sustainability of key sectors.
- **The Arts**, to support the fabric and programming of institutions with which Gatsby's founding family has connections.
- **Public Policy**, to support: the Institute for Government as an independent centre available to politicians and the civil service focused on making government more effective; the Centre for Cities, which provides practical research and policy advice that helps cities understand how they can succeed economically; and independent research organisations which provide evidence based advice to policy makers.

The Trustees occasionally support other charitable work which falls outside their main fields of interest.

THE GATSBY CHARITABLE FOUNDATION

5 April 2023

REPORT OF THE TRUSTEES (continued)

Within these categories the Trustees make grants in support of work which they judge to have particular merit. Many of their grants fund projects which Gatsby has helped to initiate. It is the policy of the Trustees to evaluate programmes and projects rigorously and carefully, and to assess when the evaluations should most usefully take place.

Generally, the Trustees do not make grants in response to unsolicited applications or to individuals.

Statement on Public Benefit

Trustees are aware of the Charity Commission's guidance on Public Benefit and confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have regard to it. They consider that the information set out in this annual report about the objects, activities and achievements in the many areas of interest that Gatsby supports demonstrates the benefit to its beneficiaries, and through them to the public.

Charity Governance

Trustees are aware of the Charity Governance Code published in 2017 (refreshed in 2021) which sets out the principles and recommended practice for good governance within the sector. The Charity has reviewed its governance arrangements against the principles within the code and believes that it is compliant with the code whilst maintaining its need to operate its governance efficiently.

Trustees make sure that decision-making processes are informed, rigorous and timely, and that effective delegation, control, risk-assessment, and management systems are set up and monitored. Except for those matters specifically reserved for Trustees, decisions concerning the day to day operation of the Charity are delegated to the Principal Officers, who have implemented suitable financial and related controls and reporting arrangements to make sure Trustees oversee delegated matters.

The Charity's Trustees are also trustees of other charities. Details about other charities for which the Trustees also act as trustee may be found on the Charities Commission website.

Appointment and Powers of Trustees and Management

As per the Gatsby Charitable Foundation Trust Deed, the statutory powers of appointing Trustees are vested in the Settlor during his life. The Trust Deed enables the Trustees to delegate certain powers. Trustees are provided with relevant information relating to their responsibilities as Trustees.

Financial overview of the past year

Gatsby's annual expenditure in the financial year exceeded its income by £68.2 million, with a consequent decrease in the Charity's expendable endowment for grant making from £604.4 million to £536.2 million.

Total expenditure for the year was £156.4 million, an increase of £74.0 million in comparison with the previous year. The Charity's grant expenditure increased to £134.5 million compared to £69.0 million in 2021-22. Charitable programme costs increased by £7.0 million from the previous year to £15.8 million.

Gatsby incurred other operating expenditure of £3.3 million, foreign exchange losses of £1.9 million and investment management fees of £0.8 million.

THE GATSBY CHARITABLE FOUNDATION

5 April 2023

REPORT OF THE TRUSTEES (continued)

Gatsby received total income of £89.7 million during the year, including further gifts from the Settlor of £75.3 million. Gatsby received £14.4 million of dividends and interest income from its investment portfolio, an increase of £9.1 million in comparison to the £5.3 million of investment income received in the previous year.

Gatsby held other investments of £310.4 million, short term deposits of £286.8 million and cash at bank of £70.4 million at year end. A net loss of £1.5 million was incurred on the investment portfolio in comparison with the previous year. Trustees remain concerned about the uncertain macro-environment caused in particular by rising inflation and the continuing war in Ukraine. In view of such conditions emphasis remains in preserving capital, achieving competitive real returns, and managing cash.

Trustees approved grants amounting to £140.6 million during the year and made payments of £59.5 million covering some of these grants and other grants approved in earlier years. In addition, payments of £15.8 million were made in relation to directly managed charitable programmes. Gatsby has significant unpaid grant commitments at year end totalling £138.8 million, of which £128.3 million is due to be paid within one year.

It is the intention of the Trustees to spend out the assets of Gatsby, with grant making over the next two to three years likely to be maintained at a significant level.

Trustees met three times during the year and used virtual communication tools as necessary to approve grants.

Future plans

For the immediate future Trustees expect to continue to support long standing major beneficiaries and to continue making grants throughout the year in the areas in which they are interested, as detailed in the objectives section earlier in this report.

Reserves policy

The Trustees treat their expendable endowment and unrestricted funds totalling £536.2 million as a single resource for grant-making, and do not consider it necessary to maintain a particular level of income reserves.

A transfer of £141.1 million has been made from the expendable endowment to unrestricted funds to cover the deficit of income that arises as a result of grant and operating expenditure charged against unrestricted income.

Risk assessment

The Trustees have examined the major strategic, business, and operational risks to which Gatsby may be exposed. Risks considered by Trustees included processes in place to mitigate fraud, the disclosure of related party transactions, and non-financial risks including reputational risk. Through the joint office of the Sainsbury Family Charitable Trusts, adequate systems are in place to meet such potential risks as the Trustees have identified in the context of their grant-making.

THE GATSBY CHARITABLE FOUNDATION

5 April 2023

REPORT OF THE TRUSTEES (continued)

The Trustees have evaluated that a major risk faced by Gatsby is that grant payments may not be applied for the charitable purposes for which they were awarded. To mitigate this risk the Trustees have implemented a rigorous, proportionate set of governance procedures which considers whether programmes and activities of the organisation which are to be the recipients of payments are aligned with the charitable objectives of Gatsby. During implementation of these programmes there is a series of performance reviews which checks, amongst other matters, that the funding paid has been or continues to be applied to programme objectives and outcomes approved when the grant was awarded originally.

The Trustees, in consultation with and on the advice of their Investment Advisers, maintain a diverse and balanced portfolio to mitigate so far as possible against adverse risks affecting the overall value of the investment portfolio so that Gatsby can continue to pay approved grants to its beneficiaries. In particular, a high proportion of the investment portfolio is held in cash, and the diversified investment portfolio is professionally managed.

The Trustees regularly review investment strategy and monitor financial performance.

Fundraising

The Charity and its Trustees are fully aware of the requirements and duties set out in the Charities (Protection and Social Investment) Act 2016. Gatsby does not raise funds from the public and as such has no fundraising activities requiring disclosure.

Investment policy and performance

The Trustees maintain a diverse and balanced investment portfolio. The Trustees hold cash and near cash investments that equate approximately to at least three years of grant expenditure, which should avoid a forced sale of investments should investment markets deteriorate.

Active investment and cash management ensured that a return above normally available market rates was achieved in the previous financial year. Trustees seek to maximise yields received from cash deposits throughout the year.

Trustees met formally once during the year with its investment advisers to discuss strategy and review the performance of the investment portfolio. Trustees are in close contact with its investment advisers throughout the year, assessing the performance of investment portfolio continuously.

CHARITABLE ACTIVITIES

Gatsby was established in 1967 by David Sainsbury (Lord Sainsbury of Turville). Gatsby acts as the enabler for projects, developing, overseeing and, in some cases, delivering activities across a small number of focus areas where the Trustees believe charitable funding can secure significant impact. Gatsby's commitment to these areas dates back many years, as Trustees understand that long-term investment and development are often needed to secure significant, sustainable change. Each of Gatsby's focus areas presents different challenges and each demands different models of support, intervention and evaluation. However, some common characteristics can be identified across the different areas.

THE GATSBY CHARITABLE FOUNDATION

5 April 2023

REPORT OF THE TRUSTEES (continued)

Across all of Gatsby's programmes the Trustees aim to secure maximum impact with a minimum of bureaucracy. To this end, as well as limiting itself to a small range of fields, Gatsby also adopts a tight focus within each programme area. Trustees are very aware that across even narrowly-defined fields such as plant science or neuroscience research there will never be a shortage of need, and spreading support too thinly risks a disproportionate reduction in impact.

Gatsby takes a proactive approach to both grant-making and directly managed programmes in its respective areas of focus. Rather than awaiting proposals from third parties, Gatsby identifies areas for action and builds hypotheses for action which can then be tested in the field. Where such tests are successful the intention is that such action is then scaled up and rolled-out. Such hypotheses are informed both by knowledge of the field in question (drawing on the experience of Trustees, expert advisers and staff) and by previous experience of what type of intervention is most likely to work. Where available, independent evaluation evidence is also fed into this process.

While rigorous research from the outset can greatly reduce the chance of failure, underlying Gatsby's approach is an acceptance that not all projects will be successful if innovation is to be fostered. This is especially true of proof-of-principle initiatives which seek novel solutions to stubborn problems. Trustees are therefore willing to take calculated risks with their charitable expenditure in situations where there clearly exists significant potential for positive impact.

This report describes Gatsby's aims in its main areas of interest and gives an indication of how Gatsby pursued them over the last 12 months. More detailed information can be found at www.gatsby.org.uk

PLANT SCIENCE

"To develop basic research in fundamental processes of plant growth and development and molecular plant pathology, and to encourage young researchers in the field of plant science in the UK."

Gatsby's work in support of plant science seeks to nurture, sustain and increase the number of high-quality researchers for fundamental studies in plant biology. The programme aims to inspire an interest and excitement in plant science at all levels – from school students to graduate researchers – while also attracting world class talent to the UK by creating centres of excellence in the field.

Sainsbury Laboratory Cambridge University (SLCU)

Gatsby's largest ever commitment in plant science funded the building of a state-of-the-art research institute, the Sainsbury Laboratory Cambridge University (SLCU), which opened in 2011. Set within the inspirational grounds of the University's Botanic Garden, the aim of the Laboratory is to elucidate the regulatory systems underlying plant growth and development. Over the past year, previous Career Development Fellow, Dr Sarah Robinson, has secured a Group Leader position to continue and expand her group's work at the forefront of investigating mechanics and cell division in plants by developing novel experimental techniques and combining these with computational modelling. Several Group Leaders, Drs James Locke, Edwige Moyroud and Sebastian Schornack were reviewed and successfully renewed for a further five years to continue their work on dynamic gene regulation, pattern formation in petals, and intracellular plant-microbe interaction mechanisms respectively. In addition, Dr Locke was elected to the Professorship of Quantitative Plant Development. SLCU leadership continues an active international recruitment search for a further Professor.

REPORT OF THE TRUSTEES (continued)

As part of the Cambridge Festival, SLCU hosted a public engagement event to explore the fascinating relationship between *Plants and their Best Fungi Friends (BFFs)*. The session included practicing scientific skills and undertaking experiments on real lab equipment to generate data to analyse with SLCU scientists.

The Sainsbury Laboratory (TSL)

Since 1987 Gatsby has supported The Sainsbury Laboratory (TSL) at the Norwich Research Park to investigate how plants defend themselves against microbes that cause disease, and conversely how microbes manipulate host plants and cause disease. Over these three decades TSL has built an outstanding international reputation for scientific excellence. During the reporting period, TSL researchers were part of an international collaboration across seven countries (UK, Japan, Bangladesh, Zambia, Mexico, Switzerland and USA) to better understand wheat blast, a devastating fungal disease that has rapidly extended its range in recent years. The group found that genomic surveillance is not only crucial to tracking and monitoring the wheat blast fungus on a global scale and identifying variants of concern as soon as they emerge, but has the potential to help plant breeders more effectively select traits to develop disease-resistant lines. Following an international search, TSL has recruited Dr Tatsuya Nobori who will join as a new group leader next year. Currently, at the Salk Institute in San Diego, Dr Nobori has a strong background in molecular plant-microbe interactions, and brings expertise in the use of spatial technologies to better understand how individual cells of plants and microbes interact. TSL hosted its first T-level placements for two students from City College Norwich in their second year of Laboratory Sciences. The students quickly integrated into the TSL community and the laboratory's scientific support groups valued hosting these enthusiastic new minds and experiencing fresh perspectives. The sustainability of technical skills, for which T-levels will play a valuable role, is one of the key areas TSL committed to improve upon when signing the Technician Commitment in 2017.

Gatsby Plant Science Research Network

Gatsby further supports excellence in plant science in the UK through a suite of activities overseen by the Gatsby Plant Science Advisers. The Gatsby Plant Science Network consists of Gatsby-funded undergraduates, postgraduates, postdocs and alumni, with mentors chosen from UK universities with teaching and research interests in plant science. The 2022 network meeting was held in person in Oxford in September. The evening lecture, "*Science, power and people: why scientific evidence matters, and what else matters too*", was given by Dr Claire Craig, Provost of The Queen's College, Oxford, and member of the UK Government's AI Council. All Sainsbury-funded PhD students gave talks on their work and results from the previous year. The Sainsbury undergraduate students gave poster presentations on their summer internship projects. Gatsby's undergraduate studentship scheme aims to identify excellent penultimate year undergraduates with an interest in plant science, and supports students to continue in the subject through summer internship research projects in laboratories outside their place of study. During the reporting period Gatsby supported seven Sainsbury undergraduates based at Bath, Dundee, Durham, Glasgow, Imperial, Oxford and Sheffield, with internships at Birmingham, Bristol, Exeter, John Innes Centre, Max Planck Institute for Plant Breeding Research, and TSL. Two new Sainsbury-funded PhD students started this year their research training: Henrietta Patterson, at the John Innes Centre, will work on unravelling the effector triggered immunity landscape in divergent plant lineages. Arran Horne, supervised by John Christie at University of Glasgow, will investigate an evolutionary perspective on the mutational landscape of the rice blast fungus.

THE GATSBY CHARITABLE FOUNDATION

5 April 2023

REPORT OF THE TRUSTEES (continued)

Gatsby Plant Science Education Programme (GPSEP)

The GPSEP aims to improve the teaching and learning of plant science at all ages, engaging and inspiring the next generation of plant scientists through projects in both schools and higher education. The programme is overseen by SLCU and the Cambridge University Botanic Garden. The end of June 2022 saw the return of the in-person Gatsby Plant Science Summer School, the first since 2019. 79 students from across 30 UK universities attended the event held in North Yorkshire, with five keynote talks, three tutorials, four practical sessions, next steps and careers talks, and a networking session. At a six-month survey, 71% of responders have chosen a plant science module as a result of their experience at the summer school. To engage 17 more students from across the network, GPSEP organised a two-day plant science communication training event in July, called Rootstock. Attendees learned how to communicate plant science effectively while also networking with notable plant scientists, visiting SLCU and the Botanic Garden, and gaining further insights into plant science research. For over 30 years, Gatsby has supported Science and Plants for Schools (SAPS) to create opportunities for teachers, technicians and students to find out more about plants and to become more interested in plant science. In the first half of reporting period, GPSEP launched a fully redeveloped SAPS website, a core asset comprising 306 individual web pages and more than 600 resource documents. In March 2023 GPSEP ran a face-to-face Train the Trainer event for Initial Teacher Educators (ITE) for 23 ITE tutors and 4 ITE technicians, representing 19 HEI institutions from all four UK regions. Attendees spent time in the laboratory exploring SAPS practicals, gaining a good grounding in the full SAPS offering, along with time to network with Biology ITE colleagues.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £11,432,000

University of Cambridge - £7,010,000

Towards research activities and core costs at the Sainsbury Laboratory; the provision of Gatsby Fellowships to Principal Investigators at the Sainsbury Laboratory; and start-up funding for new lecturers in the Department of Plant Sciences.

Sainsbury Laboratory - Norwich - £4,200,000

Towards core and research support; and the temporary accommodation and associated costs for the Executive Director, Professor Nick Talbot.

2Blades Foundation - £222,000

Towards core and project costs.

TOTAL DIRECT PROGRAMME EXPENSES paid this year: £3,199,000

University of Cambridge – The Sainsbury Laboratory - £2,290,000

Towards Gatsby Fellowships to Principal Investigators at the Sainsbury Laboratory and the costs of the peer review.

Science & Plants for Schools (SAPS) and the Gatsby Plant Science Summer School - £254,000

Towards the Gatsby Plant Science Education Programme, including SAPS and the Undergraduate Summer School.

Sainsbury PhD Studentships - £265,000

Towards the Sainsbury PhD studentships in plant science.

THE GATSBY CHARITABLE FOUNDATION

5 April 2023

REPORT OF THE TRUSTEES (continued)

Intellectual Property Maintenance - £214,000

To cover the costs of maintaining patents on wheat stem rust resistance.

Further direct programme expenses totalling £176,000 were also paid in the year.

NEUROSCIENCE

“To support world-class research in the areas of neural circuits and behaviour and theoretical neuroscience, and to support activities which enhance understanding in these fields.”

Understanding how the intricate anatomy of cells and circuits in the brain work together to generate complex behaviours is one of the most exciting challenges facing neuroscience today. Gatsby’s view, shared by many, is to work towards this by harnessing the efforts of a dynamic and multi-disciplinary group of scientists with a common interest in the workings of the brain. To this end, Gatsby is supporting a number of world-class research centres, programmes and activities.

Sainsbury Wellcome Centre for Neural Circuits and Behaviour (SWC)

Gatsby, in partnership with Wellcome and University College London (UCL), supports SWC where scientists are using state-of-the-art techniques to investigate how circuits in the brain process information to create neural representations and guide behaviour. It is directed by Professor Thomas Mrsic-Flogel. During the reporting period, Professor Tim Behrens was recruited as a part-time Group Leader, whilst maintaining a portion of his group at the Oxford Centre for Integrative Neuroimaging. His research focus is on how brains learn and represent knowledge about the world in service of flexible behaviour, using computational and experimental approaches across multiple species. Group leader, Professor Tiago Branco was selected as the 2023 recipient of the Royal Society’s very distinguished Francis Crick Medal and Lecture for making fundamental advances in the molecular, cellular and circuit bases of neuronal computation and for successfully linking these to animal behaviour. Dr Andrew Saxe, joint SWC/GCNU Group Leader, secured a prestigious Schmidt Science Polymaths Award, to begin an experimental component in his research programme investigating the links between modern deep learning systems and learning in the brain and mind. SWC launched a partnership with social mobility charity In2ScienceUK, supporting students from underrepresented backgrounds to progress to PhDs. SWC also piloted “*Neuronauts*,” a new summer camp for London secondary school students (ages 14-16) teaching fundamentals of engineering, computer science and neuroscience and running behavioural neuroscience experiments.

Gatsby Computational Neuroscience Unit (GCNU)

Gatsby founded GCNU at UCL over two decades ago to bring together a critical mass of theoreticians focusing on the computational theories of perception and action in neural and machine systems. GCNU is directed by Professor Maneesh Sahani. Dr Adam Tyson joined GCNU and SWC as Head Research Engineer in May 2022, leading a joint group to support development and public distribution of software implementing both neural data analytic and general machine learning algorithms. Dr Anna Sadnicka, a newly qualified consultant clinician, was awarded a Wellcome Early-Career Award to join GCNU to develop computational dynamical models that capture the kinematics of movement disorder, in collaboration with UCL’s Institute of Neurology; Dr Sadnicka’s work and expertise will add valuable new dimensions to the Unit’s composition and intellectual diversity.

THE GATSBY CHARITABLE FOUNDATION

5 April 2023

REPORT OF THE TRUSTEES (continued)

Four postdoctoral fellows finished their research and moved on to new roles – one as an assistant professorship at New York University, one was awarded a University of California President’s Postdoctoral Fellowship, one started a further postdoctoral fellow role at the Champalimaud Center for the Unknown in Lisbon, and one moved to industry. The Unit also welcomed four new postdoctoral fellows in theoretical neuroscience from UCL, the Crick Institute, UC Berkeley and Helmholtz-Centre Hereon. The 2022 PhD cohort of five students (from China, Iran, Netherlands and the UK) started their studies in the Autumn.

Stanford Optogenetics Moonshot for Autism (SOMA)

Gatsby is supporting SOMA under the direction of Professor Karl Deisseroth at Stanford University in the USA. During the reporting period SOMA continued its detailed work to elucidate the circuits and long-range connections involved in social function. A clinical trial has started based on results from previous years about gene and protein information, and recordings of neural activity at single cell resolution. The trial is using a currently available drug that targets identified social circuits to determine a novel therapy to impact the treatment landscape for Autism Spectrum Disorder. In the past five years SOMA has become a fully functioning ‘bench-to-bedside’ effort focused on understanding and improving the lives of people with autism.

Theoretical neuroscience and machine learning

Gatsby’s support in the area of theoretical neuroscience and machine learning also includes two other world-class centres as part of an on-going partnership with GCNU. These are the Centre for Theoretical Neuroscience at Columbia University in the USA and the Gatsby programme in theoretical neuroscience at the Safra Centre for Brain Sciences (ELSC) at the Hebrew University in Israel. During the reporting period, 17 trainees across nine groups at ELSC received support. The research covered broad topics such as: how the brain maintains and consolidates lifelong memory; the paradoxical relationship between speed and accuracy in detecting a mixture of odours in olfaction; and the role of boredom in decision-making. Five postdoctoral researchers at Columbia received Gatsby fellowships to work on a wide range of topics. These included: building mathematical models at different scales (both circuit and behaviour) to understand the limits of learning in particular brain networks; investigating the different types of wiring and activity that affect the ability of the network to be trained to perform complex tasks; the effect of familiarity on the representational properties of sensory stimuli; and the mechanisms and brain architecture underlying flexible and robust movement sequences. Work on gating neural networks exemplifies the fruitful synergy between all three centres (Professors Latham, Abbott, and Sompolinsky). Research on the dynamics and computation in recurrent neural networks, spanning the Columbia and ELSC groups, is another area of convergence in methods and approaches. The annual tricentre meeting in June 2022 took place at ELSC, and was the first in-person assembling of the group since the COVID pandemic. Over three days, 60 researchers from across the three sites shared their latest research, exchanged ideas and explored potential future collaborations.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £11,850,000

University College London - £9,620,000

Towards the research activities and core costs of the Sainsbury Wellcome Centre for Neural Circuits and Behaviour; and the Gatsby Computational Neuroscience Unit.

Stanford University - £1,204,000

Towards research costs for Stanford Optogenetics Moonshot for Autism (SOMA) programme

THE GATSBY CHARITABLE FOUNDATION

5 April 2023

REPORT OF THE TRUSTEES (continued)

Columbia University, New York - £296,000

Towards the Centre for Theoretical Neuroscience.

Hebrew University of Jerusalem - £296,000

Towards the Gatsby Theoretical Neuroscience Programme.

Royal College of Psychiatrists - £141,000

Towards continuing the work of the Integrating Neuroscience project

University of Cambridge - £112,000

Towards the planning phase for the Institute of Brain and Mind Health

Further grant payments totalling £181,000 were also paid in the year.

TOTAL DIRECT PROGRAMME EXPENSES paid this year: £5,000

SCIENCE AND ENGINEERING EDUCATION

“To strengthen science, technology, engineering and mathematics (STEM) education and training in the UK by informing national policy and developing innovative programmes.”

Gatsby’s work in education focuses on five objectives:

- to support improvements in technical education;
- to promote the uptake and recognition of high-quality technical education;
- to support continuing improvements in career guidance;
- to support STEM in schools; and
- to promote business education for those in the engineering profession.

Gatsby funds the core costs of a separate organisation – Gatsby Technical Education Projects (GTEP), a registered charity and company limited by guarantee – to oversee many of its programmes in this area.

Gatsby is supporting the implementation of government reforms for technical education, which include the introduction of T-level qualifications that provide young people with the knowledge and skills they need to progress to skilled employment or further study. To date, 18 T-levels have been introduced in fields such as Construction, Digital, Health and Science, and Legal, Finance and Accounting, and a further six T-levels will be introduced in coming years. Gatsby is currently supporting several projects to improve the sourcing of high-quality industry placements. These are an important element of every T-level programme because they give students the opportunity to work alongside an employer for 45 days to develop their knowledge, skills and behaviours. Gatsby has also supported work to build understanding of the further education (FE) teaching workforce, in particular around FE teacher salaries and vacancies, and work to provide teachers with high-quality curriculum materials.

REPORT OF THE TRUSTEES (continued)

Gatsby also continues to champion the expansion of higher technical education at Levels 4 and 5. England is an international outlier when it comes to the proportion of the workforce qualified at these levels. Significantly fewer people in England have Level 4 and 5 qualifications than in most other developed countries. This is despite widespread recognition of the link between a healthy supply of higher technical skills and productivity growth. Gatsby is also supporting the national network of newly established Institutes of Technology, which are centres of excellence for higher technical education.

Alongside its support for improvements in technical education qualifications, Gatsby continues to promote awareness and understanding of technical education and the many and varied opportunities it can lead to. This work is predominantly undertaken through a small number of focused communications campaigns targeting young people and their parents. In November 2022, Trustees were delighted to see the opening of a new permanent gallery at the Science Museum in London, *Technicians: the David Sainsbury Gallery*. The gallery was developed with Gatsby support and profiles technicians in a wide range of environments, from the NHS to offshore wind farms. In its first five months, the gallery had over a quarter of a million visitors and has proven to be one of the Science Museum's most popular attractions.

The Gatsby Benchmarks for Good Career Guidance remains the national framework for career guidance in schools and colleges across England. Alongside a continued focus on parental engagement, Gatsby has embarked on a significant programme of research and consultation to refresh the evidence base of the framework. Over the last year, Gatsby's research has also expanded to explore adult career guidance.

Gatsby's long-standing commitment to supporting STEM in schools and, in particular, to improving science teacher recruitment and retention continues. Despite being relatively modest in scale, research commissioned by Gatsby continues to influence government policy. Last year Gatsby commissioned research on the impact of financial incentives on teacher recruitment and retention. Gatsby also continues to support the core costs of the National STEM Learning Centre in York and a programme to support STEM Clubs in schools.

Gatsby's final objective in education is to promote business education for those in the engineering profession. This is delivered through the Engineers in Business Fellowship (EIBF), a charity established to manage the Sainsbury Management Fellowships (SMFs) scheme. Each year the SMFs scheme awards 10 bursaries of £50,000 to outstanding early career engineers, to enable them to study for an MBA at a top international business school. Gatsby also supports the EIBF's wider work, including the management of an inter-university competition in which teams of engineering undergraduates pitch business plans to expert judges.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £3,319,000

Gatsby Technical Education Projects – £2,234,000

Towards the core costs of Gatsby Technical Education Projects.

Engineers in Business Fellowship – £1,010,000

Towards the core costs of the Engineers in Business Fellowship and the Sainsbury Management Fellowship bursary scheme.

Engineering UK: Big Bang Education CIC – £75,000

Growth and development of the Big Bang Fair.

THE GATSBY CHARITABLE FOUNDATION
5 April 2023

REPORT OF THE TRUSTEES (continued)

TOTAL DIRECT PROGRAMME EXPENSES paid this year: £12,302,000

To support continuing improvements in technical education

Supporting the development and roll-out of technical qualifications and apprenticeships – £1,122,000

Ensuring infrastructure is in place to deliver high-quality technical education, including Institutes of Technology and an adequate supply of teachers in further education – £708,000

Informing policy on future skills needs, training provision for adults and how colleges can encourage employers to innovate – £392,000

To promote uptake and recognition of high-quality education

Promoting greater recognition of the importance of technicians, including support for a new gallery at the Science Museum in London – £4,678,000

Raising awareness of the reformed technical education system among employers, schools and colleges, parents and learners – £3,374,000

To support continuing improvements in career guidance

Supporting awareness and uptake in schools and colleges of the Gatsby Benchmarks for Good Career Guidance – £980,000

Exploring how career guidance for adults can be improved – £117,000

To support STEM in schools

Seeking to ensure, typically through research, an adequate supply of high-quality STEM teachers – £219,000

Supporting the National STEM Learning Centre and STEM Clubs – £706,000

To promote business education for those in the engineering profession – £6,000

AFRICA

“To promote economic development in East Africa that benefits the poor through supporting the growth and sustainability of key sectors.”

Gatsby has funded, designed, and run programmes in Africa since 1985, with the overall aim of creating jobs and raising incomes for the poor. Gatsby’s programmes in Africa are now mainly implemented by a separate UK charitable company - Gatsby Africa (GA) - with registered branches in Tanzania and Kenya.

THE GATSBY CHARITABLE FOUNDATION

5 April 2023

REPORT OF THE TRUSTEES (continued)

GA aims to help more people in East Africa benefit from economic growth, which in turn creates jobs, raises incomes, builds opportunities, and reduces poverty. GA looks to achieve this by:

- Transforming key economic sectors in East Africa by developing ambitious strategies and partnering with others to implement them; and
- Synthesising and sharing lessons from our programmes and elsewhere to enable their application at scale in GA's own sectors of activity and in others.

Over the past year GA has focused on implementing 9 sector programmes across East Africa: Tanzanian forestry; Kenyan and Ugandan forestry; regional aquaculture; regional textiles; Kenyan livestock; Kenyan agricultural inputs; Kenyan water; and (in partnership with the Wood Foundation, a Scottish registered charity) Tanzanian and Rwandan tea. GA also applied to register a branch in Uganda.

Despite this breadth of support it is clear that many other sectors also need support. Each programme thus aims to capture what is working and what is not, and to share this with other stakeholders - particularly donors and governments - so that they can benefit from the lessons learned. In this way, GA aims to contribute to a wider movement, and to see a series of sectors in East Africa and beyond transformed by its own efforts and those of others.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £17,979,000

Gatsby Africa (GA) - £17,979,000

Towards GA programmes and operating core costs.

THE ARTS

Gatsby provides core support for organisations with which Gatsby has a long-standing history, especially as they rebuild themselves following the global pandemic and are now facing a tough economic climate and cost of living challenges, which are impacting parts of the UK Arts sector. Trustees continue to provide additional funding support and flexibility for the repurposing of existing grant commitments as these organisations cope with the unprecedented challenges.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £4,957,000

Backstage Trust - £2,000,000

Towards core costs and project costs.

Chamber Orchestra of Europe - £1,000,000

Towards core costs.

THE GATSBY CHARITABLE FOUNDATION

5 April 2023

REPORT OF THE TRUSTEES (continued)

Sainsbury Centre for Visual Arts (SCVA) - £700,000

Towards core costs and exhibitions

Royal Shakespeare Company - £500,000

Towards the Artist Development Programme.

Sainsbury Institute for the Study of Japanese Art & Culture - £455,000

Towards core costs.

Sainsbury Research Unit for the Arts of Africa, Oceania & the Americas - £225,000

Towards core costs and learning initiatives.

Further grant payments totalling £77,000 were also paid in the year.

PUBLIC POLICY

“To support independent research organisations which provide evidence-based advice to policy makers.”

Gatsby’s grant-making in public policy focuses on five organisations: the Institute for Government; the Centre for Cities; the Centre for Science, Technology & Innovation Policy; Policy Links; and the Babbage Policy Forum.

The Institute for Government (IfG)

IfG works with the main political parties in Westminster, senior civil servants in Whitehall, and officials and politicians across the rest of the UK to promote more effective government. It provides impartial, evidence-based advice and training, drawing on best practice and research in government, universities and business from around the world. Dr Hannah White is the Director, and is accountable to a distinguished all-party board of governors chaired by Lord Sainsbury. Over the past year, the Institute launched the IfG Academy to draw together their expertise on government to provide practical training and support. IfG has converted this extensive knowledge and know-how into a range of resources and tailored workshops for those inside and outside government - for ministers on how to get the most of their time in office, for officials on how to support their ministers effectively, and for subject specialists on how to engage meaningfully with policy makers. In March 2023, the Institute launched the *Commission on the Centre of Government*, a major new programme of work to look at why No.10, the Cabinet Office and HM Treasury do not always work as well as they should. The Commission will report in February 2024 with concrete recommendations for a confident, proactive, coherently-structured centre of government.

The Centre for Cities

The Centre for Cities is an independent research and policy organisation, chaired by Nigel Hugill and directed by Andrew Carter. The Centre is committed to helping Britain’s cities and large towns improve their economic performance by focusing on the drivers of urban economic success. The Centre produces practical research and policy advice for city leaders, national government and businesses.

REPORT OF THE TRUSTEES (continued)

In late 2022, a report from the Centre and the Resolution Foundation showed that Britain's economy is being held back by an over-centralised, inefficient, and under-resourced system of local government; it proposed that central government should devolve fiscal responsibilities to local authorities, fix fragmented local government structures and boundaries, and ensure local authorities have the resources they need. In early 2023, the Centre released the latest edition of its flagship publication, *Cities Outlook*, which is an annual assessment of the UK's largest urban areas. As well as providing a deep dive into the latest economic data on the UK's cities and largest towns, the 2023 report shines a light on the UK's growing economic inactivity crisis.

The Centre for Science, Technology & Innovation Policy (CSTI)

Based at Cambridge University's Institute for Manufacturing (IfM), CSTI carries out practical policy research exploring what makes national innovation systems effective at translating new science and engineering ideas into technologies, industries and economic wealth. Under the direction of Dr Eoin O'Sullivan, CSTI brings a science and engineering perspective to innovation and industrial policy. During the financial year CSTI continued to carry out projects across its cross-cutting research themes: emerging technology strategy and foresight (innovation 'grand challenges' addressing national industrial/societal priorities); commercialisation of science and technology R&D (programmes and infrastructure); regional innovation policy (building competitive industrial-innovation capabilities); research and innovation institutes (missions and functions); and, international research & innovation (programmes and policies). During the year, two CSTI researchers went on placements within the UK Government Office for Science supporting the Drivers of Technology Needs project, which could inform government, industry and academia on the types of capability cultivation that valorises their technology expertise.

Policy Links (PL)

The Policy Links unit, directed by Dr Carlos López-Gómez, is a not-for-profit consultancy that works with governments and international organisations to develop effective industrial innovation policies based on the latest academic thinking and the study of international best practice. Gatsby supports PL's charitable educational programmes and activities. Also based at IfM, PL works closely with CSTI and with the Babbage Policy Forum under the shared banner of Cambridge Industrial Innovation Policy, which operates at the intersection of technology, innovation and industrial competitiveness. During the reporting period, PL launched the 2023 edition of the *UK Innovation Report*, which combines different types of indicator and data sets to facilitate policy discussions on innovation and industrial performance. In this year's edition, it took a deeper look into the industrial performance of Aerospace and of Food and Drink, two key sectors of the UK economy, which combined account for 10.3% of manufacturing firms, and 22.7% of manufacturing value added in 2020. PL launched the *Horizon Scanning* competition, which asked UK-enrolled students and early career researchers for ideas on what future scenarios policy makers should have on their radar over the next ten to fifty years. Joint first prize winners were Sam Stephenson, Charlotte Guffick (Cambridge) and Dr András Sándor (Oxford). Stephenson and Guffick's winning entry was entitled *Growing pains: new methods of food production to feed the planet in an age of climate breakdown*, while Sandor's explored how *Synthetic embryos could break the idea of a nuclear family and revolutionise medicine by growing replacement organs*. PL also produced two white papers in collaboration with the United Nations Industrial Development Organization (UNIDO) and the World Economic Forum (WEF) on the topics of decarbonisation and industrial strategies, which were launched at the WEF in January 2023 in Davos.

REPORT OF THE TRUSTEES (continued)

The Babbage Policy Forum

The Babbage Policy Forum, chaired by Professor Sir Mike Gregory, aims to provide a unique network and symposia within which to develop novel thinking and insights at the interface of economics, engineering, and management. The Forum's purpose is to inform and underpin industrial policies for economic competitiveness and growth. Based at IfM, the Forum operates under the shared banner of Cambridge Industrial Innovation Policy and works closely with CSTI and PL. During the past year, the Forum released ten reports, covering industrial innovation policymaking in China, France, Germany, Italy, Japan, Korea, Singapore, Sweden, UK and the US. The reports draw on research and interviews with leading policymakers in each country and provide a snapshot of current practices; while the context and approaches of different countries vary significantly, many face similar challenges. Several themes of particular importance to policymakers have been highlighted. The Forum plans to pursue four of these in greater depth in the coming year with a view to identifying effective practices, tools and approaches. They are: institutional ecosystems, policymaking competencies, evaluation and policy learning, and industrial capabilities. The winners of the 2022 Babbage Industrial Innovation Policy Award were Nikhil Kalathil and Afonso Amaral for their paper entitled *National and Sub-National Policy for Domestic Manufacturing Flexibility: A Policy Framework to Incentivize Flexibility Based on Lessons from the COVID-19 Medical Supply Response*.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £7,727,000

Institute for Government - £4,704,000

Towards core costs.

University of Cambridge – £1,134,000

Towards the core costs of Policy Links and of the Centre for Science, Technology and Innovation Policy, and towards research at the Bennett Institute of Public Policy into sectoral productivity across countries.

Centre for Cities - £1,100,000

Towards core costs.

Imperial College, London – £529,000

Towards research into sectoral systems of innovation and the competitiveness of the UK.

Inter Mediate – £250,000

Towards core costs.

Further grant payments totalling £10,000 were also paid in the year.

TOTAL DIRECT PROGRAMME EXPENSES paid this year: £244,000

Babbage Symposium and Professor Mike Gregory support - £244,000

Towards Phase 2 of the Babbage Symposium.

THE GATSBY CHARITABLE FOUNDATION
5 April 2023

REPORT OF THE TRUSTEES (continued)

GENERAL

‘To support on occasion other charitable work which falls outside the Trustees’ main fields of interest.’

PRIME Parkinson research trial

Gatsby is supporting healthcare delivery innovation research entitled ‘Proactive and Integrated Management and Empowerment in Parkinson’s Disease’ (PRIME Parkinson). The main thrust is an integrated care approach that delivers high-quality personalised care to people with Parkinson’s Disease (PD) close to home. This is a dual site activity taking place in the greater Bristol/Bath area in the UK and the greater Nijmegen area in the Netherlands (NL). Over the past year, in the NL, the PRIME intervention has been rolled out in five regions and is being monitored at regular points. A single point of access or service desk for people living with Parkinson’s (PwP), their carers and health care professionals to answer all Parkinson-related questions is operating, along with new IT platforms for communication and sharing between healthcare professionals. Parkinson’s nurses are referring PwP for care that is most convenient or geographically close to them. The retention of participants has been extremely high as a result. PRIME innovations being tested include: a regional service organisation (including extra proactive activities); a digital patient information catalogue; extra capacity and educational training of Parkinson's nurses; and, peer-to-peer meetings of neurologists. In the UK, the core of the PRIME programme is a complex randomised control trial. Participants are being recruited to the trial where they are stratified according to risk derived from their epidemiological study to identify the risk factors for hospital admission amongst PwP in the UK. Crucially this includes patients under-represented in research including those with cognitive impairment that precludes their ability to consent to inclusion. This approach will improve the generalisability of the trial findings to people living with the condition.

Careers in Engineering

Gatsby supported Imperial College London to produce a book to encourage young people to take up a career in engineering. A school kit containing two copies of the book *Engineers Making a Difference*, posters and teachers guide was distributed to every secondary school in the UK in spring 2023. Videos profiling young engineers were also created, to showcase how fulfilling and important a career as an engineer can be.

TOTAL GRANT PAYMENTS made this year (from new and previous grants): £2,275,000

Radboud University Medical Centre - £1,382,000

Towards the Proactive and Integrated Management and Empowerment in Parkinson's Disease (PRIME-Parkinson) programme in partnership with the University of Bristol in the UK.

Imperial College London - £573,000

Towards a project to complete a high-quality book aimed at young people to encourage them to take up a career in engineering.

Prism the Gift Fund - £100,000

Towards the Tessa Jowell Foundation and NHS Tessa Jowell Centres for Excellence in Children

Further grant payments totalling £220,000 were also paid in the year.

THE GATSBY CHARITABLE FOUNDATION
5 April 2023

REPORT OF THE TRUSTEES (continued)

TOTAL DIRECT PROGRAMME EXPENSES paid this year: £5,000

GRANTS CANCELLED

Grants totalling £3,664,000 were cancelled or amended during the year.

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.


Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of its net result for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board of Trustees on 2 October 2023 and signed on their behalf by



.....
 Mr J C Burns
 TRUSTEE

THE GATSBY CHARITABLE FOUNDATION
5 April 2023

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE GATSBY CHARITABLE FOUNDATION

Opinion

We have audited the financial statements of the Gatsby Charitable Foundation ('the charity') for the year ended 5 April 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 5 April 2023 and of 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 about 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.

THE GATSBY CHARITABLE FOUNDATION
5 April 2023

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE GATSBY CHARITABLE FOUNDATION (*continued*)

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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 requires 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 and proper accounting records have not been kept by the charity; 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 set out on page 20, 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.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE GATSBY CHARITABLE FOUNDATION (continued)**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. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102). 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 fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR).

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 identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

THE GATSBY CHARITABLE FOUNDATION
5 April 2023

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE GATSBY CHARITABLE FOUNDATION (*continued*)

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

Crowe U.K. LLP
Statutory Auditor
London

13 December 2023

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 GATSBY CHARITABLE FOUNDATION

5 April 2023

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2023

	<i>Notes</i>	Unrestricted Funds	Expendable Endowment	Total Funds 2023	Total Funds 2022
		£'000	£'000	£'000	£'000
INCOME AND ENDOWMENTS FROM:					
Donations and gifts	2	-	75,258	75,258	137,450
Investments	3	14,438	-	14,438	5,268
Total income		14,438	75,258	89,696	142,718
EXPENDITURE ON:					
<i>Raising funds</i>					
Investment management costs	4	-	(874)	(874)	(998)
<i>Charitable activities</i>					
Grant expenditure	5	(134,536)	-	(134,536)	(68,991)
Direct programme costs	6	(15,754)	-	(15,754)	(8,839)
Support costs	7,8	(3,287)	-	(3,287)	(3,208)
Foreign exchange loss		(1,911)	-	(1,911)	(245)
Other operating costs		(-)	-	(-)	(94)
Total cost of grant making		(155,488)	-	(155,488)	(81,377)
Total expenditure		(155,488)	(874)	(156,362)	(82,375)
(Losses)/Gains on investment assets		-	(1,508)	(1,508)	27,001
Net (expenditure)/ income for the year before transfers		(141,050)	72,876	(68,174)	87,344
Transfers between funds	14	141,050	(141,050)	-	-
Net movement in funds		-	(68,174)	(68,174)	87,344
Reconciliation of funds					
Total funds brought forward at 6 April 2022		-	604,395	604,395	517,051
Total funds carried forward at 5 April 2023		-	536,221	536,221	604,395

The notes on pages 28 to 38 form part of these accounts.

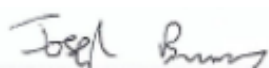
THE GATSBY CHARITABLE FOUNDATION

5 April 2023

BALANCE SHEET AS AT 5 APRIL 2023

	<i>Note</i>	2023	2022
		£'000	£'000
FIXED ASSETS			
Tangible fixed assets	9	195	243
Investments	10	597,215	465,384
		<u>597,410</u>	<u>465,627</u>
CURRENT ASSETS			
Debtors	11	7,691	1,395
Cash at bank and in hand		70,406	201,935
		<u>78,097</u>	<u>203,330</u>
LIABILITIES			
Creditors - amounts falling due within 1 year	12	(128,774)	(49,050)
		<u>(50,677)</u>	<u>154,280</u>
NET CURRENT(LIABILITIES)/ASSETS			
		<u>(50,677)</u>	<u>154,280</u>
TOTAL ASSETS LESS CURRENT (LIABILITIES)/ASSETS			
		546,733	619,907
LIABILITIES			
Creditors - amounts falling due after 1 year	13	(10,512)	(15,512)
NET ASSETS			
		<u>536,221</u>	<u>604,395</u>
THE FUNDS OF THE CHARITY			
Capital funds			
Expendable endowment		536,221	604,395
Income funds			
Unrestricted funds		-	-
	14	<u>536,221</u>	<u>604,395</u>

These financial statements were approved and authorised for issue by Trustees on 2 October 2023 and were signed on their behalf by:



Mr J C Burns
TRUSTEE

The notes on pages 28 to 38 form part of these accounts

THE GATSBY CHARITABLE FOUNDATION

5 April 2023

CASH FLOW STATEMENT FOR THE YEAR ENDED 5 APRIL 2023

	2023	2022
	£'000	£'000
Net cash (used)/provided by operating activities	(62,580)	55,480
Net cash (used)/provided by investing activities	(68,949)	86,173
Change in cash and cash equivalents during the year	(131,529)	141,653
Cash and cash equivalents at the beginning of year	201,935	60,282
Cash and cash equivalents at the end of year	70,406	201,935
Reconciliation of net (expenditure) income to net cash provided by/(used in) operating activities	2023	2022
	£'000	£'000
Net (expenditure)/income for the year (as per the Statement of Financial Activities)	(68,174)	87,344
Gift of investments	(49,952)	(2,200)
Loss/(gains) on investments	1,508	(27,001)
Depreciation charges	49	125
Income from investments (interest and dividends)	(14,438)	(5,268)
(Increase)/decrease in debtors	(6,296)	1,120
Increase in creditors and provisions	74,723	1,360
Net cash (used in)/provided by operating activities	(62,580)	55,480
Net cash (used in)/provided by investing activities	2023	2022
	£'000	£'000
Purchase of fixed assets	-	-
Purchase of investments	(454,268)	(34,970)
Income from investments	14,438	5,268
Proceeds from sale of investments	370,881	115,875
Net cash (used in)/provided by investing activities	(68,949)	86,173
Cash and cash equivalents	Change in year	2023
	£'000	£'000
Cash at bank and in hand	(128,873)	69,854
Cash balances held by investment managers	(2,656)	552
	(131,529)	70,406
		2022
		£'000
		198,727
		3,208
		201,935

The notes on pages 28 to 38 form part of these accounts.

THE GATSBY CHARITABLE FOUNDATION

5 April 2023

NOTES TO THE ACCOUNTS

1. PRINCIPAL ACCOUNTING POLICIES

a) Basis of preparation and consolidation

The financial statements have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair view' and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014.

Gatsby constitutes a public benefit entity as defined by FRS102.

In the view of the Trustees, there are no material uncertainties casting doubt on the going concern of the charity. The value of the investment portfolio has reduced by approximately £1.6 million in comparison to the end of the previous financial year. Gatsby's endowment assets remain significant, and this, together with future investment income that is generated, will continue to be paid out to approved beneficiaries in accordance with the objectives of the charity.

b) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and any provision for impairments in value. Fixed assets are depreciated at rates which reflect their useful lives to Gatsby. The following rates have been used:

Leasehold improvements	- over the remaining lifetime of the lease
Equipment	- 10-33% straight line

c) Income

- (i) Donations are shown gross which includes the associated tax credit unless the tax so deducted is considered irrecoverable.
- (ii) Dividends are included by reference to their due dates.
- (iii) Interest is recorded on an accruals basis.

d) Grants payable

Grants for which there is a legal obligation, or a valid expectation of receipt by the beneficiary at the year end, and for which conditions attaching to their payment have been fulfilled, are accounted for within the Statement of Financial Activities. Grants approved subject to conditions that have not been met at the year end are not accrued (see note 5).

e) Investments

Net realised and unrealised gains and losses are reflected in the Statement of Financial Activities. Investments are shown at mid market value. Partial disposals are accounted for using average book value. Unquoted investments which represent programme related investments are carried at cost less provision for impairment where required (See note 11).

f) Support costs

These costs support predominantly the grant-making activity of Gatsby. Such costs include a share of the staff and office costs of the joint office of the Sainsbury Family Charitable Trusts, which are allocated in proportion to time spent on Gatsby matters and grants paid.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include fees for statutory audit, legal fees where relevant, together with an allocation of support costs.

NOTES TO THE ACCOUNTS (continued)

1. PRINCIPAL ACCOUNTING POLICIES (continued)

g) Fund accounting

Details of the nature and purpose of each fund is set out in note 16.

h) Pension costs

Gatsby has a money purchase scheme for qualifying employees. Pension costs charged to the Statement of Financial Activities represent the contributions payable by Gatsby in the year (See Note 8).

i) Foreign currencies

Foreign currency transactions are translated into sterling at the rate prevailing at the time of the transaction. Balance sheet items are translated using the year end rate of exchange. Foreign exchange gains and losses resulting from the settlement of transactions and from translation using year end rates of exchange, are recognised in the Statement of Financial Activities.

j) Financial instruments

Gatsby has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash at bank and in hand, together with accrued interest and other debtors. Financial liabilities held at amortised cost comprise grants payable and accruals. Investments, including bonds held as part of an investment portfolio, are held at fair value at the balance sheet date, with gains and losses being recognised within income and expenditure.

At the balance sheet date the Charity held financial assets at fair value of £597,215,000 (2022: £465,384,000).

k) Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand, cash held for reinvestment and short term deposits.

l) Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in note 1, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. 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 the current and future periods.

In the view of the Trustees, the critical judgments that have been made at arriving at the amounts recognised in the financial statements and the key estimation uncertainty that has a significant risk of causing a material adjustment to the carrying values of assets and liabilities in the next financial year are as follows:

Impairment of programme related investments.

The carrying values of these investments are reviewed for impairment only when events or circumstances arise which may indicate impairment. Assessment is made initially in relation to the investments ability to continue to operate and deliver charitable benefit, the net asset values of the companies involved, and the consideration of budgets and any wider economic factors.

THE GATSBY CHARITABLE FOUNDATION

5 April 2023

NOTES TO THE ACCOUNTS (continued)

1. PRINCIPAL ACCOUNTING POLICIES (continued)

m) Provisions for liabilities and charges

Provisions for liabilities and charges are made when a present obligation has arisen as a result of a past event, payment is probable, and the amount can be estimated reliably.

2. GRANTS AND DONATIONS

Gatsby received donations from the Settlor during the year totalling £75,258,000 (2022: £137,450,000).

3. INVESTMENT INCOME

Income received on investments may be analysed as follows:

	2023		2022	
	£'000	%	£'000	%
UK equities	5,199	36	2,977	56
Overseas equities	1,969	14	1,513	29
Short term deposits	7,237	50	778	15
Bank interest	33	-	-	-
	14,438	100	5,268	100

4. COST OF RAISING FUNDS

Fund raising costs comprise the fees of investment managers. Investment management fees amount to £874,000 (2022: £998,000). The Trustees are of the opinion that these costs contribute to the generation of a total return on the investment portfolio and, as such, have charged the Expendable Endowment with these fees.

5. GRANTS PAYABLE

	2023		2022	
	£'000	£'000	£'000	£'000
Reconciliation of grants payable:				
Commitments at 6 April 2022		63,809		59,607
Grants not accrued at 6 April 2022	80,557		82,162	
Grants approved in the year	140,599		70,754	
Grants cancelled, refunded or amended	(966)		(3,368)	
Grants not accrued at 5 April 2023	(85,654)		(80,557)	
Grants expenditure for the year		134,536		68,991
Grants paid during the year		(59,539)		(64,789)
Commitments at 5 April 2023		138,806		63,809

THE GATSBY CHARITABLE FOUNDATION

5 April 2023

NOTES TO THE ACCOUNTS (continued)

5. GRANTS PAYABLE (continued)

Commitments at 5 April 2023 are payable as follows:

	2023	2022
	£'000	£'000
Within one year (note 13)	128,294	48,297
After more than one year (note 14)	10,512	15,512
	138,806	63,809

The Trustees had appointments with the following organisations which received grant funding during the year:

Mr J C Burns	– Centre for Cities, Gatsby Africa, Gatsby Technical Education Projects, Sainsbury Institute for the Study of Japanese Arts and Cultures, Sainsbury Research Unit for the Arts of Africa, Oceania & the Americas, Sainsbury Centre Endowment Fund
Sir Andrew Cahn KCMG	– The Institute for Government
Miss J S Portrait OBE	– Gatsby Africa, Gatsby Technical Education Projects, Sainsbury Institute for the Study of Japanese Arts and Cultures (as Trustee of HON & V Trustee Limited), Sainsbury Research Unit for the Arts of Africa, Oceania & the Americas (as Trustee of HON & V Trustee Limited), Sainsbury Archive, Sainsbury Centre Endowment Fund
Ms A L Sainsbury Price	– True Colours Trust

Commitments

In addition to the amounts committed and accrued noted above, the Trustees have also authorised certain grants which are subject to the recipient fulfilling certain conditions relating to the delivery of the grant-funded activities.

The total amount authorised but not accrued as expenditure at 5 April 2023 was £85,654,000 (2022: £80,557,000). Of this total, £36,853,000 will be payable during 2024/25 and £30,130,000 during 2025/26.

The amount payable during 2023/24 includes the following: £'000

Neuroscience

University College London – Sainsbury Wellcome Centre for Neural Circuits and Behaviour	17,000
University College London - Gatsby Computational Neuroscience Unit	3,837
Columbia University – New York	710
Cajal Advanced Neuroscience Training Programme	449
Stanford University	416
Hebrew University of Jerusalem	345
British Neuroscience Association	160
University of Cambridge – Institute of Brain and Mind Health	95
Other grants	152

Plant Science

The Sainsbury Laboratory – Norwich	6,407
University of Cambridge – the Sainsbury Laboratory	5,745
2Blades Foundation	544
Cambridge Network	400
Other grants	22

Science and Engineering Education

Gatsby Technical Education Projects	2,421
Engineers in Business Fellowship (formerly Sainsbury Management Fellows' Society)	1,072
Smaller grants	163

Africa

Gatsby Africa	18,350
The Wood Foundation	903

THE GATSBY CHARITABLE FOUNDATION

5 April 2023

NOTES TO THE ACCOUNTS (continued)

5. GRANTS PAYABLE (continued)	£'000			
Arts				
Chamber Orchestra of Europe	750			
Royal Shakespeare Company	500			
Sainsbury Institute for the Study of Japanese Art and Culture	477			
Clore Duffield Foundation	130			
Sainsbury Centre for Visual Arts	53			
Smaller grant	17			
Public Policy				
Institute for Government	5,253			
Centre for Cities	1,100			
University of Cambridge - Institute for Manufacturing	828			
Imperial College, London	637			
University of Cambridge, King's College	150			
Bennett Institute for Public Policy	139			
General				
Backstage Trust	20,000			
Three Guineas Trust	20,000			
True Colours Trust	10,000			
Indigo Trust	5,000			
Parkinson's UK	1,600			
Raboud University Medical Centre	1,224			
St Mark's Hospital, London	920			
Smaller grants	325			
Total due within one year (Note 13)	128,294			
6. DIRECT PROGRAMME EXPENSES				
	2023	2022		
	£'000	£'000		
Science and Engineering Education	12,302	6,838		
Plant Science	3,198	1,822		
Public Policy	244	158		
Neuroscience	5	-		
Other	5	21		
	15,754	8,839		
7. SUPPORT COSTS				
	Charitable	Governance	2023	2022
	Activities		Total	Total
	£'000	£'000	£'000	£'000
Staff costs	1,750	-	1,750	1,150
Share of joint office costs	885	-	885	1,179
Direct costs including travel, consultancy, legal and professional fees	565	-	565	721
Depreciation	49	-	49	125
	3,249	-	3,249	3,175
Auditors' remuneration	-	38	38	33
	3,249	38	3,287	3,208

THE GATSBY CHARITABLE FOUNDATION
5 April 2023

NOTES TO THE ACCOUNTS (continued)

7. SUPPORT COSTS (continued)

Audit fees include irrecoverable VAT of £6,367 (2022: £5,476). Included within grant-related support costs is a total of £80,496 (2022: £222,000) for legal services provided by Portrait Solicitors, a firm in which Miss J S Portrait OBE was then a partner.

8. ANALYSIS OF STAFF COSTS

	2023	2022
	£'000	£'000
Wages and salaries	1,459	956
Social security costs	188	109
Other pension costs	103	85
	1,750	1,150

The average number of employees within the charity was as follows

	2023	2022
	No.	No.
Charity	4	3

The number of employees whose earnings in relation to time spent on Gatsby's affairs exceeded £60,000 p.a. excluding pension contributions was:

	2023	2022
	No.	No.
£60,000-70,000	1	-
£80,000 - £90,000	-	1
£90,000 - £100,000	2	-
£140,000 - £150,000	-	1
£280,000 - £290,000	1	-

As mentioned in Note 1a, Gatsby is one of the Sainsbury Family Charitable Trusts which share a joint administration at the Registered Office. 20.5% of the total support and administration costs of these trusts have been allocated to the Gatsby Charitable Foundation, including a proportionate share of the costs of employing the total number of staff serving in the office in 2022/23.

Staff costs equivalent to 8 staff (2022: 10) were charged to Gatsby during the year under joint administration arrangement, with some being on a part-time basis. This equates to 3.6 full-time employees (2022: 3.2).

The Trust considers its key management personnel to comprise of 4 staff (2022: 4). The total employment benefits, including employer pension contributions, of these key management personnel, were £631,000 (2022: £302,000).

One Trustee had travel expenses of £5,020 paid during the year (2022: £4,852).

THE GATSBY CHARITABLE FOUNDATION

5 April 2023

NOTES TO THE ACCOUNTS (continued)

8. ANALYSIS OF STAFF COSTS (continued)

Mr P Hesketh and Mrs K Everett were appointed as Trustees of Gatsby Africa in January 2023 to enable its better administration and, in particular, to facilitate compliance with the requirements of the Ugandan National Bureau for Non-Governmental Organisations in connection with the registration of Gatsby Africa's Ugandan branch. Gatsby Charitable Foundation has met staff costs of £209,000 (2022: £Nil) apportioned under joint administration arrangements for executive services provided by Mr P Hesketh and Mrs K Everett to Gatsby Africa, and will continue to do so for the duration of the appointments.

Amounts paid by Gatsby Charitable Foundation in connection with executive services on behalf of Gatsby Africa were:

	P Hesketh	K Everett	2023	2022
	£'000	£'000	£'000	£'000
Wages and salaries	133	49	182	-
Social security costs	19	7	26	-
Other pension costs	-	1	1	-
	152	57	209	-

9. TANGIBLE FIXED ASSETS

	Leasehold Improvements	Equipment	Total
	£'000	£'000	£'000
Cost			
At beginning and end of year	1,106	34	1,140
Depreciation			
At beginning of year	862	34	896
Charge for the year	49	-	49
At end of year	911	34	945
Net book value 5 April 2023	195	-	195
Net book value 5 April 2022	243	-	243

Leasehold improvements consist of Gatsby's share of the cost of refurbishment of leasehold premises at The Peak, 5 Wilton Road, London SW1.

10. FIXED ASSET INVESTMENTS

Term deposits	2023	2022
	£'000	£'000
Market value 6 April 2022	123,120	201,703
Disposals	(248,958)	(99,474)
Acquisitions at cost	412,478	16,603
Net gains on investments	188	4,288
Market value 5 April 2023	286,828	123,120

THE GATSBY CHARITABLE FOUNDATION

5 April 2023

NOTES TO THE ACCOUNTS (continued)

Other investments	2023	2022
	£'000	£'000
Market value 6 April 2022	342,263	315,384
Disposals	(121,833)	(16,402)
Acquisitions at cost	41,790	18,368
Gift of shares	49,952	2,200
Net (losses)/gains on investments	(1,785)	22,714
Market value 5 April 2023	310,387	342,264

Total disinvestments from fixed asset investments during the year to meet operating cash requirements amounted to £59,000,000 (2022: £70,000,000).

The investments held as at 5 April 2023 were as follows:

	2023		2022	
	Cost	Market Value	Cost	Market Value
	£'000	£'000	£'000	£'000
U.K. equities	160,626	214,264	155,750	212,843
Overseas equities	79,323	96,123	99,839	129,421
Overseas equities – unquoted	2,581	-	2,581	-
Other investments	242,530	310,387	258,170	342,264
Term deposits	286,864	286,828	123,065	123,120
Total fixed asset investments	529,394	597,215	381,235	465,384

UK equities held at 5 April 2023 has the following market values:

	2023	2022
	£'000	£'000
Trojan Investment Funds	87,459	89,234
LF Ruffer Funds	87,463	70,127
J Sainsbury plc	33,961	30,711
Other UK equities	5,381	22,771
	214,264	212,843

Overseas equities - unquoted principally comprises programme related investments to provide both equity finance and loans to small and medium sized enterprises in the agricultural sector in East Africa, and similar investments to improve overall employment opportunities, and support sector development. Gatsby is exiting its programme related investments, from which Gatsby received redemption proceeds during the year of £nil (2022: £Nil).

Term deposits include Lloyds Bank and Natwest Bank money market deposits and a treasury facility with Barclays Bank which at 5 April 2023 had a market value of £284,000,000 (2022: £115,000,000).

11. DEBTORS

	2023	2022
	£'000	£'000
Gift Aid receivable	-	425
Other debtors	2,128	970
Accrued income	5,563	-
	7,691	1,395

THE GATSBY CHARITABLE FOUNDATION

5 April 2023

NOTES TO THE ACCOUNTS (continued)

12. CREDITORS - amounts falling due within 1 year

	2023	2022
	£'000	£'000
Grants payable (note 5)	128,294	48,297
Trade creditors	124	237
Other creditors	291	503
Accruals and deferred income	65	13
	128,774	49,050

13. CREDITORS - amounts falling due after more than 1 year

	2023	2022
	£'000	£'000
Grant payable (note 5)	10,512	15,512

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Fund £'000	Expendable Endowment £'000	Total Funds 2023 £'000
Fund balances at 5 April 2023 are represented by:			
Tangible fixed assets	-	195	195
Investments	-	597,215	597,215
Current assets	-	78,097	78,097
Current liabilities	-	(128,774)	(128,774)
Long term liabilities	-	(10,512)	(10,512)
	-	536,221	536,221
Movement in the year			
Opening balance as at 5 April 2022		604,395	604,395
Total income and endowments	14,438	75,258	89,696
Cost of raising funds	-	(874)	(874)
Cost of grant-making	(155,488)	-	(155,488)
Net gain on investments	-	(1,508)	(1,508)
Transfers between funds	141,050	(141,050)	-
	-	536,221	536,221
Closing balance as at 5 April 2023			

THE GATSBY CHARITABLE FOUNDATION

5 April 2023

NOTES TO THE ACCOUNTS (continued)

15. CONTINGENT LIABILITIES AND GUARANTEES

Gatsby has indemnified the Trustees of two Settlements which donated assets to Gatsby against any claims which may be brought against the Trustees of the Settlements. The Indemnity is limited to the value of the funds at the time the donations were made which totalled £18.15 million, and security has been provided by Gatsby for the same amount.

Gatsby acts as guarantor for certain property leasehold arrangements on behalf of the Sainsbury Family Charitable Trusts (for which Gatsby has received counter-indemnities). Gatsby has provided undertakings in connection with funds it has received from third parties.

16. FUNDS

Unrestricted funds comprise those funds which the Trustees are free to use in accordance with the charitable objects.

Restricted funds comprise those funds held by Gatsby which can be used solely for the purpose which they were given.

Expendable Endowment represents those assets held by the Trustees principally in investments. Income arising on the expendable endowment fund can be used in accordance with the objects of the charity and is included as unrestricted income. Investment management charges are charged against the fund. The fund is available to meet grant commitments as the Trustees may see fit.

Material transfers between funds

Transfers have been made from expendable endowment to eliminate the deficit on unrestricted funds where the deficit is considered to be non-reversing with regard to Gatsby's normal grant making.

17. COMPARATIVE ANALYSIS OF NET ASSETS BETWEEN FUNDS AS AT 5 APRIL 2022

	<i>Unrestricted Fund</i>	<i>Expendable Endowment</i>	<i>Total Funds 2022</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Fund balances at 5 April 2022 are represented by:			
Tangible fixed assets	-	243	243
Investments	-	465,384	465,384
Current assets	-	203,330	203,330
Current liabilities	-	(49,050)	(49,050)
Long term liabilities	-	(15,512)	(15,512)
Provisions	-	-	-
	-	604,395	604,395
Movement in the year			
Opening balance as at 5 April 2021	-	517,051	517,051
Total income and endowments	5,268	137,450	142,718
Cost of raising funds	-	(998)	(998)
Cost of grant-making	(81,132)	-	(81,132)
Net losses on investments	-	27,001	27,001
Foreign exchange movement	-	(245)	(245)
Transfers between funds	75,864	(75,864)	-
Closing balance as at 5 April 2022	-	604,395	604,395

THE GATSBY CHARITABLE FOUNDATION
5 April 2023

NOTES TO THE ACCOUNTS (continued)

18. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 2022

	<i>Note</i>	<i>Unrestricted Funds</i>	<i>Expendable Endowment</i>	<i>Total Funds 2022</i>
		<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
INCOME AND ENDOWMENTS FROM:				
Donations and gifts	2	-	137,450	137,450
Investments	3	5,268	-	5,268
Total income		5,268	137,450	142,718
EXPENDITURE ON				
<i>Raising funds</i>				
Investment management costs	4	-	(998)	(998)
<i>Charitable activities</i>				
Grant expenditure	5	(68,991)	-	(68,991)
Direct programme costs	6	(8,839)	-	(8,839)
Support costs	7,8	(3,208)	-	(3,208)
Other operating costs	9	(94)	-	(94)
Total cost of grant making		(81,132)	-	(81,132)
Total expenditure		(81,132)	(998)	(82,130)
Gains on investment assets		-	27,001	27,001
Net income/(expenditure) for the year before transfers		(75,864)	163,453	87,589
Transfers between funds		75,864	(75,864)	-
Net income/(expenditure) for the year after transfers		-	87,589	87,589
Other recognised gains and losses				
Foreign exchange gains/(losses)		-	(245)	(245)
Net movement in funds		-	87,344	87,344
Reconciliation of funds				
Total funds brought forward at 6 April 2021		-	517,051	517,051
Total funds carried forward at 5 April 2022		-	604,395	604,395