



John Ellerman Foundation

ANNUAL REPORT AND FINANCIAL ACCOUNTS

1 April 2025 – 31 March 2026

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CONTENTS

Chair's Report	4
Aim and Objectives	6
Our History	8
Snapshot of Our Year	10
Achievements and Performance	12
The Year in Numbers	21
Case Studies	30
Grants Made in the Year ended 31 March 2026	36
Financial Review	42
Structure, Governance and Management	44
Statement of Responsibilities of the Board of Trustees	47
Independent Auditors' Report	48
Statement of Financial Activities	52
Balance Sheet	53
Statement of Cash Flows	54
Notes to the Financial Accounts	55
Trustees, Staff and Registered Office of the Foundation	68
Advisers to the Foundation	69

CHAIR'S REPORT

The aim of John Ellerman Foundation is to advance the wellbeing of people, society and the natural world. The environment in which we are working to deliver this aim is increasingly challenging, but we see hope and potential in the range of organisations that we support through grant funding and social investments, and in the way that the investment of our assets influences behaviours and decisions in the wider market.

The Trustees were proud this year to bring our previous strategy to a successful close and to agree and launch a new Strategy for 2025 to 2030, *A Time for Bold Transitions*. In designing this new strategy, we recognised that in order to navigate the risks and opportunities of this age of significant disruption and interconnected global threats affecting people, society and the natural world, we need to be as clear as we can about the issues that we feel we are well placed to address, and the role that we can play. The Board and Team are committed to embedding a test and learn approach, and to being curious about what can be achieved. The staff team have developed an Impact Framework which helps to guide the discussions and decisions of the Board, which we will report on transparently every year.

We know that the operating environment for the charities that the Foundation seeks to support is ever more difficult, both in raising funds and in seeking to work across complex and often hostile systems. In our grantmaking, our strategy commits us to the provision of core grants, and this year, half of these have been fully unrestricted. We also now offer funding for up to five years, and in this report, our numbers also show that our grants so far tend to be larger. With a new strategic commitment to advancing justice through the active involvement of individuals and communities with personal or direct experience of the issues, we are also seeing the beginning of a shift towards smaller organisations, with more of them being led by and for the communities they serve. We are proud of the grants that we have made this year, both through our old and new strategies, and delighted to be able to support such thoughtful and impactful organisations.

As a long-term responsible and active investor, we remain committed to transitioning away from mainstream finance models and orthodoxies that prioritise financial return to sustainable finance models that provide financial return as well as supporting long-term environmental and societal sustainability and include other investing models like social investing. It is an investment approach that aligns with our strategic aims, recognising that the economy cannot exist without people, society and the natural world. We've spent time this year appointing Investment and Social Investment consultants who will support us to deliver our strategic aims through the investment of our assets.

And we have also looked at ourselves in this year, commissioning a review of our governance, assessing the compliance and quality of our governance structure and model, and considering the culture and skills of our Board. This work, which is ongoing, reflects our commitment to continuous improvement - strengthening how Trustees and the team work together, and ensuring our governance keeps pace with the ambitions of our new strategy.

It is a privilege for Tufyal Choudhury, Vice Chair, and I to be leading Trustee colleagues in the support of the Foundation's work to advance wellbeing for people, society and the natural world. We are grateful to our exceptional Director, Sufina Ahmad, for her strong leadership, and to our expert and passionate team without whom our ambitions for change, and our contributions to the issues that we care about, would not be realised.

Geraldine Blake

Chair, John Ellerman Foundation



AIM AND OBJECTIVES

John Ellerman Foundation is an independent and endowed medium-sized grantmaking charity that is supported to deliver its work through a small team and Trustee Board. Our aim is to advance the wellbeing of people, society and the natural world. Wellbeing can mean a range of things to people, society and the natural world. At its core it is a positive concept that is often impacted by a range of interdependent economic, societal and environmental factors.

- **Wellbeing for people means the pursuit of the good life, where basic needs, agency, equity and justice are achieved.**
- **Wellbeing for society means a flourishing society that commits to more sustainable ways of living and being in community with each other.**
- **Wellbeing for the planet means a thriving planet where the natural world is protected, restored and used sustainably.**



We achieve our aim through taking a total assets approach. This means using all of our assets, which are our investing, our grantmaking and our wider operations, and remaining committed to working in ways that are transparent, accountable and effective. We aim to work with others too, in order to be more than the sum of our parts.

As a long-term and engaged investor, we will focus our efforts on investing sustainably and working with others in pursuit of our ambitions for the transformation of financial systems, policy and regulation, and institutions to better support long-term environmental and societal sustainability.

As a grantmaker, all our grantmaking is for funding charitable organisations that at their core are committed to ensuring the rights of people, society and the natural world for current and future generations. This means supporting organisations that demonstrate that intrinsic to their approach they are changemaking organisations that understand their role within existing and/or new systems and have a clear strategy for how and why they intend to make change. The organisations we fund need to show they are committed to advancing justice too, through the active involvement of individuals and communities with personal or direct experience of the issues.

Taking a total assets approach also means understanding and sharing the impact of our work and the difference we are trying to make.

In order to navigate the risks and opportunities of this age of significant disruption and interconnected global threats, impacting people, society and the natural world, then now is the time for bold transitions.

We feel that we are well positioned to advance our aim by focussing on supporting work that acts on the following in just and equitable ways:

- Tackling the triple planetary crisis by mitigating and adapting to climate impacts, reducing pollution and protecting and restoring nature.
- Reducing polarisation (for example, by building greater trust and connection) within society, and/or increasing the levels of participation and influence in the political process (which is sometimes referred to as political equality).
- Promoting the development and adoption of economic models and systems that support people and planet and reduce wealth inequalities.
- Advancing equity and justice for marginalised communities impacted by the issues above.

Our strategy and policies are approved by the Board, following collaborative development by staff and Trustees. This work is also incorporated into staff probation or appraisal documents, with objectives split across the five areas of governance, management, our work programme, finance and personal development. Board and Committee meetings, alongside Away Days, are opportunities for focussed consideration of our future strategy and purpose, and the decisions we need to take to support with this. In 2025/26, each of our six Board meetings included agenda items relating to our current and future strategy and we held an Away Day in April 2025 focussing on our next strategy.

Public benefit

Trustees confirm they have referred to the Charity Commission's guidance on public benefit when reviewing our organisational aim, strategy and policies. Our public benefit flows from making grants to charitable organisations engaged in activities in pursuit of their agreed vision and mission. Our preference is to offer multi-year funding for core costs.

OUR HISTORY



John Reeves Ellerman I • Annie Winifred (Bryer) • John Reeves Ellerman II © Yale, Bryher Papers

We are governed by a Scheme, approved by the Charity Commissioners for England and Wales in March 2002. The Scheme provides wide powers for the Trustees to carry out their duties.

In May 2023 we published *John Ellerman Foundation: A Historical Review* on our website. The Review, researched and written by Drs Michael Taylor, Timothy Twining and Felix Waldmann, offers a robust overview of the Foundation's history and its antecedent charitable trusts. It includes research into the philanthropic, business and personal inclinations of John Reeves Ellerman, 1st Baronet (Bt.), Order of the Companion of Honour (C. H.) (1862–1933), and that of his children Annie Winifred (Bryher) Ellerman (1894–1983), and John Reeves Ellerman, 2nd Bt. (1909–1973). The latter set up the antecedents to the present-day John Ellerman Foundation, using the wealth he inherited from his father, John Reeves Ellerman, 1st Bt., C. H.. There is much to comment on their philanthropic endeavours, even if it is caveated by the motivations and methodologies they adopted.

John Reeves Ellerman, 2nd Bt. motivations for setting up the antecedents to what is now

John Ellerman Foundation were complex. A primary concern was to guard against the effects of estate duty for his heir and widow Lady Esther Ellerman (1910–1985), and to ensure Ellerman Lines Ltd. (from which a considerable proportion of his wealth was derived) could continue as a going concern, without estate duty risking the company being broken up. The Trusts that were originally set up, the Moorgate Trust and New Moorgate Trust, were under no obligation from our founder to prioritise grantmaking over ensuring the continued existence of Ellerman Lines Ltd. The latter reportedly did not generate a dividend for charitable disbursement over some years.

The Review also evidences that the businesses from which our wealth derived, which in brief comprised shipping, brewery, coal and oil, property and newspaper and publication interests '*...were undoubtedly involved in activities which their modern equivalents would reject*'. Be that a clear indifference to the apartheid system in South Africa and Namibia, with South Africa being a country he spent a great deal of time visiting, or the environmental harms caused by the family's

investments, or that the source of the family's wealth was linked to the British Empire in the later nineteenth and early twentieth centuries, and that John Reeves Ellerman, 1st Bt., C. H. '*presented himself as a modern Francis Drake: a cynosure for the extension of British rule across the globe*'. The research also uncovered a clear example of antisemitism committed by John Reeves Ellerman's, 1st Bt., C. H. mother, Anne Elizabeth, with the publication in 1897 of a book she wrote titled *The Prime Minister of Württemberg*. This fact contrasts with her grandchildren's support and respect for Jewish people and Judaism.

We fully acknowledge that the origins of our endowment have links to such practices that resulted in harms and struggles both then and now. It is our intent and belief that our present-day practices help to redress these wrongs. Our grantmaking activities are designed to support work that challenges the symptoms and root causes of systemic and structural issues, and

improves politics, society, the economy and the environment in ways that enhance the wellbeing of individuals and communities across the UK and beyond. The endowment, from which our wealth continues to be derived, is invested in ways that promote responsible corporate behaviour, but we are fully aware that future generations may reject this practice, and we are proactively looking for new and better ways to invest. We are committed to delivering our work in ways that are transparent, accountable and effective, with environmental sustainability, and diversity, equity and inclusion, applied across everything that we do. We know there is more for us to do in redressing past and present harms.

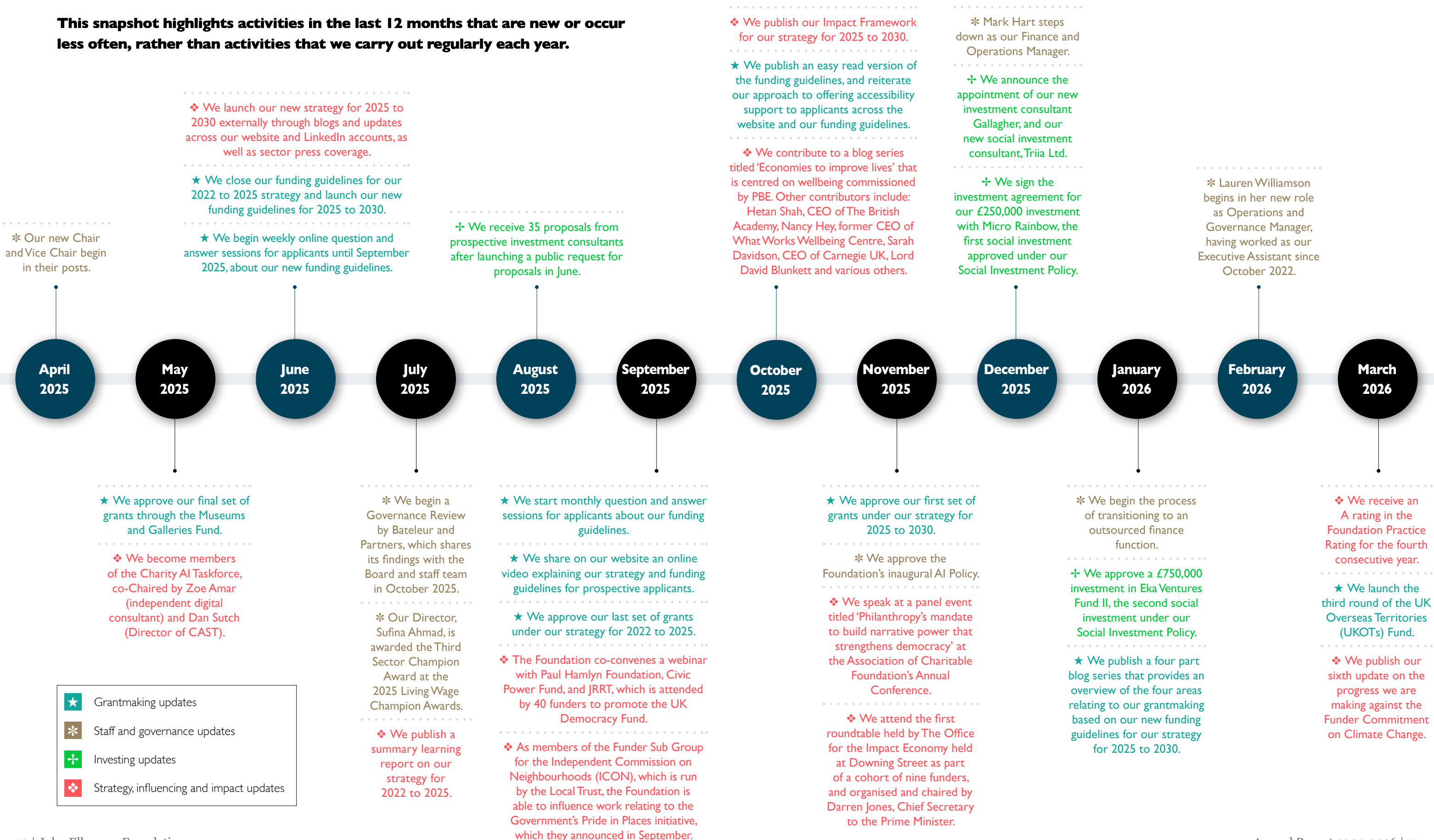
In 2024/25, we transferred our organisational archival material to the UK Philanthropy Archives, based at Kent University, which is now publicly available. This work represents our continued commitment to operating with transparency and an openness to investigation and scrutiny in relation to our history.



The Red Lion Brewery, Lambeth. © Public domain

SNAPSHOT OF OUR YEAR

This snapshot highlights activities in the last 12 months that are new or occur less often, rather than activities that we carry out regularly each year.



ACHIEVEMENTS AND PERFORMANCE

2025/26 was a year of bold transitions for John Ellerman Foundation, as we sought to navigate the risks and opportunities of this age of significant disruption and interconnected global threats, impacting people, society and the natural world. We brought our strategy for 2022 to 2025 to a close in June 2025, and launched our new strategy for 2025 to 2030 in the same month. This Annual Report and Accounts therefore focusses on what we learned from our last strategy, and what we aim to achieve through our new strategy. We also share here our initial reflections on our new strategy, and what we feel it is achieving already.

Staff and governance updates

As a small team of six full-time staff, ably supported by a Trustee Board of seven, we hope that this report will demonstrate the level of good work that has been happening in 2025/26.

All our vacancies are recruited to in line with our publicly available Recruitment Policy, which outlines our approach to recruiting for staff, Trustees, and the Chair of the Trustee Board. In December 2025, Mark Hart stepped down as our Finance and Operations Manager, in order to retire. Consequently, a new operating model

is being implemented in 2026, comprising of an outsourced finance function and the removal of the Executive Assistant role. The latter will be replaced with an Operations and Governance Manager role. This role was filled in February 2026 by Lauren Williamson, who joined us as our Executive Assistant in October 2022.

The staff team's diversity audit results, as at 31 March 2026 and based on all six staff, are shared below:

Ethnicity	* – Asian/Asian British – Pakistani	* – White and Asian
	* – Any other Asian background	* – Any other mixed background
	* – White and Asian	* – Arab
	* – Caribbean	* – Latin America
	* – African	* – Any other ethnic group
	* – Any other Black background	* – Irish
	* – White and Black Caribbean	* – Any other white background
	* – White and Black African	50% – British
Gender	100% – Female	* – Prefer not to say
	* – Male	* – Prefer to self-describe
Age	Range from 30 to 35 years and 35 to 40 years	
Religion or belief	33% – Christian	* – Jain
	50% – No religion	* – Jewish
	* – Other	* – Muslim
	* – Bahai	* – Sikh
	* – Buddhist	* – Prefer not to say
	* – Hindu	* – Prefer to self-describe
Sexual Orientation	67% – Heterosexual/Straight	* – Gay woman/lesbian
	* – Bisexual	* – Prefer not to say
	* – Gay man	* – Prefer to self-describe
Disability and/or long-term health condition	67% – Not disabled	
	33% – Disability and/or long term health condition	
	* – Prefer not to say	
	* – Prefer to self-describe	
Gender reassignment	83% – Not gender reassigned	* – Prefer not to say
	* – Gender reassigned	* – Prefer to self-describe
Marriage/Civil Partnership	50% – Married	* – Civil partnership
	50% – Co-habiting	* – Prefer not to say
	* – Single	* – Prefer to self-describe

For counts of 0 or 1 within a given category, a * is used to indicate this

We do not have a gender pay gap for 2025/26 as there are no males in the team currently. In 2024/25 our gender pay gap showed that women were paid 1% more than men on mean average. Our gender pay gap calculations take place on 5 April 2026, and uses the methodology set out in guidance from the Government Equalities Office applying mean (average) compensation on an hourly equivalent basis. It is worth noting that we are not legally required to share these figures, and these figures are statistically insignificant due

to the size of the dataset. However, as part of our work on diversity, equity and inclusion we feel that it there is a relevance to us sharing this data.

Our Trustees are committed to operating in a transparent, accountable and effective way, and are keen to champion diversity, equity and inclusion across all areas of our work. Trustees undertake a skills and diversity audit, and the diversity audit results of our current Trustee Board (made up of seven Trustees) are shared below:

Ethnicity	* – Asian/Asian British – Bangladeshi	* – Any other mixed background
	* – Asian/Asian British – Pakistani	* – Arab
	* – Any other Asian background	* – Latin America
	* – White and Asian	* – Any other ethnic group
	* – Caribbean	43% – British
	* – African	* – Irish
	* – Any other Black background	* – Any other white background
	* – White and Black Caribbean	* – British – Welsh
	* – White and Black African	29% – Prefer not to say
	* – White and Asian	
Gender	29% – Male	29% - Prefer not to say
	43% – Female	* – Prefer to self-describe
Age	Range from 45 to 50 years and 55 to 60 years	
	57% – Prefer not to say	
Religion or belief	* – Muslim	* – Jain
	29% – No religion	* – Jewish
	* – Other	* – Muslim
	* – Bahai	* – Sikh
	* – Buddhist	57% – Prefer not to say
	* – Hindu	* – Prefer to self-describe
Sexual Orientation	43% – Heterosexual/Straight	* – Gay woman/lesbian
	* – Bisexual	43% – Prefer not to say
	* – Gay man	* – Prefer to self-describe
Disability and/or long-term health condition	43% – Not disabled	
	* – Disability and/or long term health condition	
	57% – Prefer not to say	
	* – Prefer to self-describe	
Gender reassignment	57% – Not gender reassigned	
	43% – Prefer not to say	
Marriage/Civil Partnership	* – Married	* – Co-habiting
	* – Civil Partnership	43% – Prefer not to say
	29% – Single	* – Prefer to self-describe

For counts of 0 or 1 within a given category, a * is used to indicate this

Our skills audit demonstrated that the Trustee Board has strong experience and expertise in the grantmaking and charitable sectors, the areas we wish to support through our grantmaking and investing, governance, charity and company law and compliance, finance and finance-related activities (including investing, responsible investing, social investing, accounting and auditing), strategic planning and business development, communications and marketing, public policy and influencing, research and development (including outcomes-based monitoring frameworks, impact and learning), IT and digital knowledge and HR and people management. There was also a strong commitment to and understanding of diversity, equity and inclusion. These skills are derived from their experiences as practitioners across different sectors and industries, as well as their personal life experiences. We have less proficiency on the Trustee Board in relation to health and safety, procurement of goods or services and building management. However, these activities do not form a significant part of

our day-to-day operations and we have access to external support and some expertise in the staff team in these areas.

The Trustee Board is led by our Chair, Geraldine Blake, with support from our Vice Chair, Tufyal Choudhury. Alongside our usual governance cycle, we have held two Away Days and a Governance Review. The Governance Review sought to assess the compliance and quality of our governance structure, model and culture to ensure that the Board is fit for purpose to deliver to our next strategy for 2025 to 2030. This review resulted in recommendations to the Board on what is working well, including assurances as to compliance, and what improvements may be of benefit to John Ellerman Foundation. We were provided with proactive and feasible suggestions on the ways in which we can further enhance our governance structures, model, skills and culture, including inclusive governance practices, and implementing these findings are a key feature of our work for 2026.



Rewilders at Cefn Garthenor (Rewilding Network member project in Wales) © Alex Hyde / Rewilding Britain

What we learned from our previous strategy for 2022 to 2025

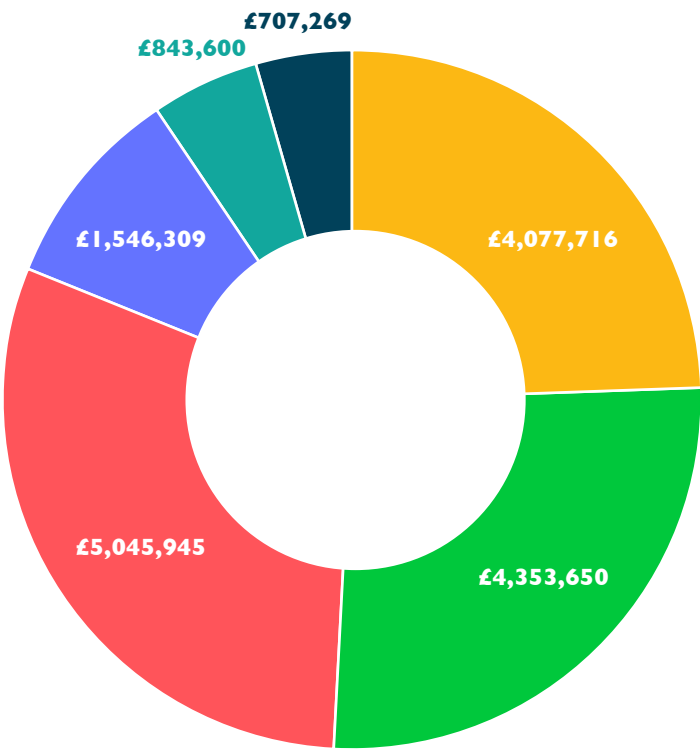
Our previous strategy was focussed on building our capabilities as a grantmaker, investor and charitable funding organisation. This split into the following four strategic pillars:

- **Our funding offer**, ensuring that we embrace and deliver best and promising practice;
- **Our investment policy**, ensuring that we invest in ways that are better aligned to our aim, values and funding categories;
- **Our work with others**, ensuring that we understand our stakeholders and can work with them to deliver our work together more effectively; and
- **Our commitment to accountability**, ensuring that we make further progress on diversity, equity and inclusion, transparency and impact and learning.

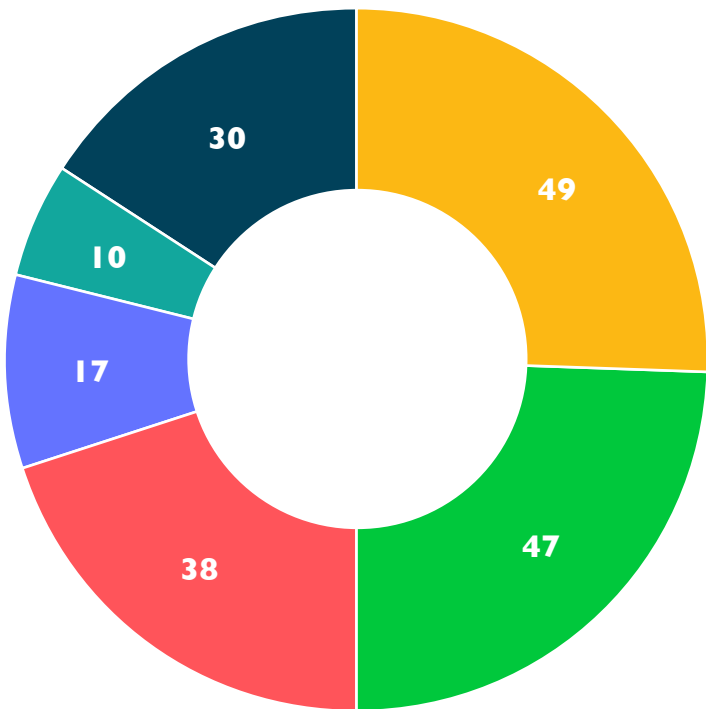
In relation to our funding offer, we delivered work that resulted in greater access to pre-application advice and support, an annual review and refining of our funding guidelines, including our approach to core costs funding, and a greater amount of time spent on connecting with our grant-holders and applicants and the learning they were sharing. We completed another independently run perception audit with grant-holders and applicants, with the findings shared in full on our website, alongside plans for what we would change and by when. The quality of our grantmaking was assessed as very positive by a range of external benchmarks and tools too, including the Foundation Practice Rating.

Over the course of the strategy period we gave out more than £16.5m in grants. We made grants across six different funding categories.

Total grants spend 2022-25, per category



Total number of grants approved, 2022-25



“ Our previous strategy delivered work that resulted in greater access to pre-application advice and support, an annual review and refining of our funding guidelines, and a greater amount of time spent on connecting with our grant-holders and applicants and the learning they were sharing. ”

Through our main grants process, we funded organisations under our Environment, Arts and Social Action categories. We also made grants through our Museums & Galleries Fund and UK Overseas Territories Fund. Reflecting one of our core values, flexibility, we also supported organisations or collaborations that did not strictly fit with our funding criteria, but whose work is very closely aligned with our organisational aim, values and funding priorities (these grants are marked as ‘Other’ opposite). The total number of grants made in this three year period was 191.

Our public facing Investment Policy underwent extensive changes and improvements, with new updates and learning incorporated and built upon annually. Our biggest achievements include the drafting and successful adoption of a new Social Investment Policy, a vastly improved approach to engagement with our fund managers on responsible investing, and greater sharing and collaboration with our peers on both responsible and social investing practices.

Over the last few years we have increased the amount of work we do with others, including trying to be a positive support and partner to our grant-holders, applicants, sector membership bodies, peer funders and grantmakers, investors, policy makers, media outlets and our fellow staff and Trustees. As a small team of seven staff and eight Trustees, this approach has resulted in a multiplier effect for our work.

Working more collaboratively has also meant taking on leadership responsibilities,

where appropriate. A key example of this has been our desire to increase the levels of environmental funding being directed to the UK Overseas Territories (UKOTs) by us and other funders, resulting in us developing the UKOTs Fund, which is a funder collaboration that has distributed circa £2m in 10 of the 14 UKOTs over two rounds of funding. We also regularly share our thinking on what it takes for independent grantmakers to deliver their objectives effectively, including in partnership and community with others.

Through our commitment to accountability we created and published a new Impact Framework which outlines our understanding of what advancing wellbeing for people, society and the natural world means to us, and this has very much informed the development of this strategy. We have also provided regular communications and updates about the progress (or not) that we have been making across all areas of our work. We have made good progress in relation to our work on diversity, equity and inclusion (DEI) across our grantmaking, investing and wider operations. Our Historical Review and our DEI and recruitment policies are publicly available, as is the DEI data relating to our staff and Trustee Board. We have an annually reviewed DEI Accountability Plan that we implement, and have adopted the DEI Data Standard as part of our grantmaking.

You can read a fuller summary of what we achieved through our strategy in the report published on our website in July 2025, by clicking [here](#).

What we are learning from our new strategy for 2025 to 2030

Our new strategy for 2025 to 2030, and the associated funding guidelines, were launched in June 2025. We developed this strategy by combining the analysis, insights and feedback from our last strategy period, alongside our ongoing discussions with those we work with. This included strategy engagement sessions held in December 2024 and January 2025 with grant-holders, fellow funders and investors, and associated organisations. The team and Board have sought to determine how, with our limited funds, we can have the most impact. We feel our new strategy meets this challenge and retains the best elements of our work as a charitable investor and grantmaker, whilst also trying to meet the moment and respond to this age of significant disruption and interconnected global threats affecting people, society and the natural world.

We have received very positive feedback from those we work with on our new strategy in terms of our strategy design process, the content of our strategy and our funding guidelines, and our external communications. The feedback tends to relate to how our approach is influencing and shaping strategy discussions in other organisations, and that our approach feels necessary and truly responsive to the context as it is, and that we are taking approaches across our grantmaking, investing and operations that will lead to impact. The transparency and quality of our communications and engagement remains an area of positive feedback too.

As we transitioned to our new funding guidelines, we were closed for one week only to any new applications. We spoke with 678 prospective applicants between 25 June 2025 and 22 September 2025 (with a total of 998 people who signed up), via weekly question and answer sessions, and we added an online video presentation to our website explaining our funding guidelines and strategy. The Foundation's full pre-application support offer now comprises one-to-one support over email, phone or video, website material (including the online video presentation), and monthly online

question and answer drop-in sessions. We made our first set of grants under our new strategy in November 2025 – five months after the strategy was launched.

We have made further progress in relation to our Investment Policy and our Social Investment Policy too. We are active participants in and collaborators with initiatives like the Endowments Investing Challenge, the Charities Responsible Investment Network, the Social Impact Investors Group, the Environmental Impact Investors Group, Net Zero Investor, the Institutional Investors Circle (set up by the European Pension Fund Investment Forum), the Association of Charitable Foundations, and Access Foundation's social investment network.

On our Investment Policy, a particular highlight for the year relates to the decision we took in 2024/25 to exclude any investment in new primary market capital for fossil fuel production and infrastructure – meaning, for example, we will not buy new shares issued by oil and gas companies. Since then, we have been working to implement this change with the fund managers that we invest our endowment with, including Fulcrum Asset Management. We are pleased to share that the Foundation and Fulcrum Asset Management have successfully engaged with three underlying funds that have total current assets of circa £215m to no longer provide new primary market capital for fossil fuel production and infrastructure. It has been very satisfying to discover that, despite our small size, we have been able to use our voice as an asset owner to influence the investment approach taken by fund managers with combined assets much larger than ours. We hope our progress will inspire other asset owners to play a similar role in attempting to mitigate the climate emergency through the use of their endowments.

We also led a public and transparent process to appoint new investment consultants. Our new investment consultants are Gallagher and Triia Ltd. Gallagher (formerly known as Redington)



have been appointed as investment consultant for our portfolio of financial investments, as well as providing us with reporting on the performance of our total endowment. In future, we also expect the team at Gallagher to support us with building our social investment portfolio by sourcing opportunities to invest in impact funds and conducting due diligence on our behalf. Triia Ltd are an additional new social investment consultant. Together our consultants will support us to develop our new social investment portfolio by sourcing and conducting due diligence on high-impact social investment opportunities, including funds and direct investments in charities and social enterprises. We have, as a result of these changes already made our second social investment, into Eka Ventures Fund II, which backs pre-seed and seed stage consumer tech companies across health, wellbeing, and sustainability.

We published the Impact Framework for our new strategy in October 2025. We recognise that all of our decisions and actions as a Foundation have consequence – not just our grants – and so we work hard to understand our impact holistically across our investments, grantmaking and operations.

Next year's annual report and accounts will provide a fuller overview of the work we are doing as a result of our strategy for 2025 to 2030. We are thrilled with the implementation of the strategy so far and the progress that we are making. Through this strategy period we hope that:

- We demonstrate our impact and the value we have been able to add in relation to our aim to advance wellbeing for people, society and the natural world in this age of significant disruption and interconnected global threats, across our grantmaking, investing and wider operations.
- We show how we are evolving and responding to our learning from implementing the strategy over a five year period, alongside the changing operating context between 2025 and 2030.
- We support greater connections and influence between those we work with, especially across our grantmaking and investing, to advocate for the causes we care about with those that have influence and power.
- We ensure those working with us have a clear understanding on what it is that we care about and why, and this enables them to take informed decisions on working with us – this applies to applicants, grant-holders, fellow funders and investors, and policy and decision makers.
- We enable those we work with to make impact and secure the change they want to make, with support from us – and that we are able to use this to generate learning and evidence on the role that funders can play in delivering change and this can be of use internally and externally.



Zero Hour, Restore Nature Now March © Kristian Lam-Clark

THE YEAR IN NUMBERS

Applications and grants awarded in 2025/26

This year was split across two different strategies, with differing funding criteria and priority areas. Consequently, we have not undertaken subcategory analysis. We consider our grantmaking in two ways, looking at:

- Applications received within the year, whether they were successful, and the types of grant they resulted in.
- Our active portfolio of grant-holders, which includes grants made in previous years that are still running.

It is important that we consider both of these as it allows us to understand trends over time.

An applicant's journey

MAIN GRANTS

The 'Main Grants' programme is open year-round. Organisations can apply at any time to deliver work under one or more of our four funding areas. In contrast to previous years, organisations may be working in one area, or across multiple areas – we do not have a preference either way. The four areas are:

1. Tackling the triple planetary crisis by mitigating and adapting to climate impacts, reducing pollution and protecting and restoring nature.
2. Reducing polarisation (for example, by building greater trust and connection) within society and/or increasing the levels of participation and influence in the political process (which is sometimes referred to as political equality).
3. Promoting the development and adoption of economic models and systems that support people and planet and reduce wealth inequalities.

4. Advancing equity and justice for marginalised communities impacted by the issues above i.e. specifically communities impacted by the triple planetary crisis; polarisation and loss of trust, or exclusion from the political process; and/or harmful economic systems and wealth inequalities. Applications under this area must be clear how one or more of these issues are at the heart of their work.

MUSEUMS AND GALLERIES FUND

2025/26 marked our final year delivering the Museums and Galleries Fund. This annual programme was announced via our website and social media once a year, from October to January.

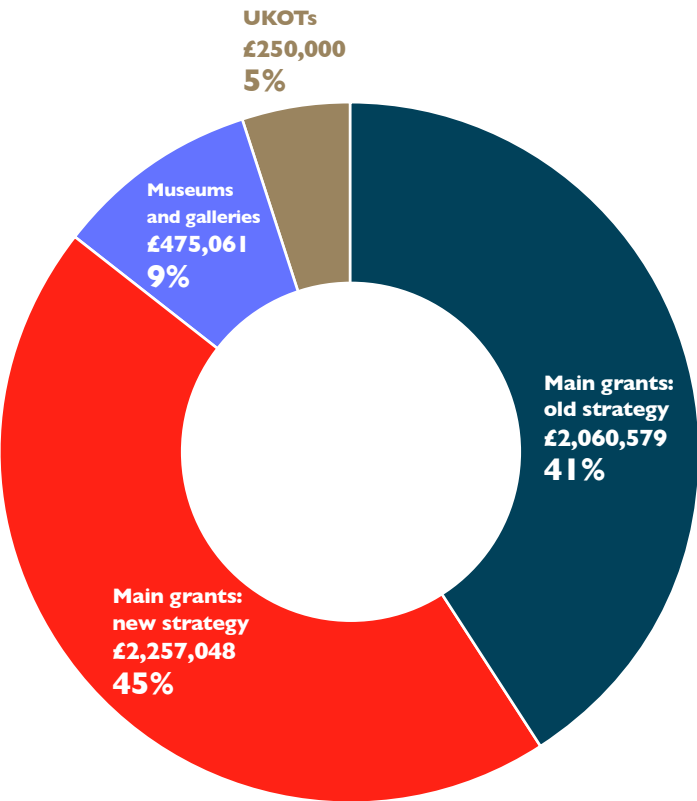
'OTHER' FUND

This year, our 'Other' funding pot has been under review. Previously, this small fund allowed us to support time-limited projects, experimental work, funder collaborations, and Funder Plus work with grant-holders. The launch of our new strategy meant that we wanted to review this funding stream to ensure alignment with our new strategy and to maximise its impact in the future. We plan to launch an updated fund in the 2026/27 financial year.

THE UK OVERSEAS TERRITORIES (UKOTs) FUND

The UKOTs Fund is our funder collaboration to support environmental work in the UK Overseas Territories. We spent much of 2025/26 fundraising to launch the third round of the UKOTs Fund in March 2026. We raised £750,000 – of which £250,000 is from John Ellerman Foundation's 2025/26 grants budget. The funding will be allocated to grant-holders from June 2026.

Overall, across all our funding programmes, we awarded £5,042,688 in grants in 2025/26



This compares to £5,092,647 awarded in grants in 2024/25. The details of our grants are published on our website and on 360Giving. A full list of the grants made this year is also included later in this report.

Success rates

This year, we received 597 applications to our Main Grants programme (compared to 500 last year), and 78 applications to our Museums and Galleries Fund (78 last year). The ‘Other’ Fund was closed to applications, and so we did not make any ‘Other’ grants this year, but last year we made 26 grants under this area, which included 18 Funder Plus microgrants to existing grant-holders directly impacted by the far-right riots that took place in August 2024, targeting minority groups and accommodation housing asylum seekers. We awarded 33 Main Grants (38 last year), and five Museums and Galleries Fund grants (six last year).

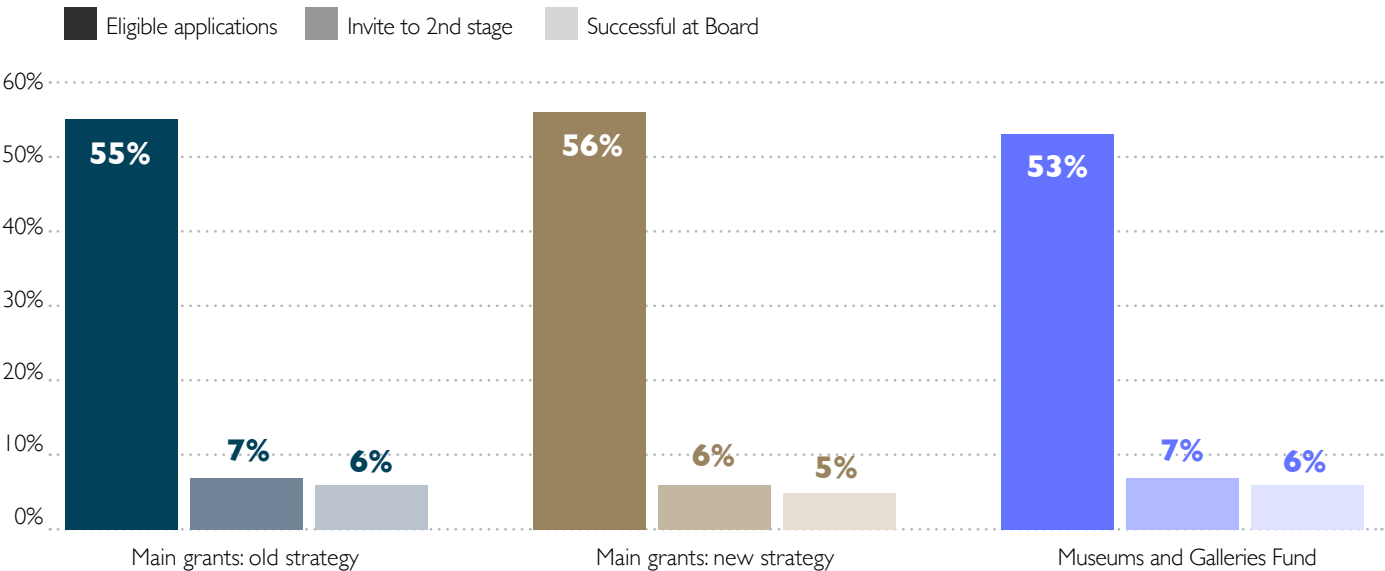
- For all of our programmes, there are three key assessment stages:
1. Organisations submit a short-written proposal which is assessed to see if it meets the eligibility criteria for the programme they are applying to.
 2. Eligible applications are considered in more depth by staff and Trustees, and those which are considered the best fit with our funding criteria are progressed to the second stage (a more detailed application and a visit).
 3. Applications are presented at a Board meeting for a final decision.

All our applications are reviewed and assessed by our staff team, bringing human judgement, sector knowledge, and careful consideration to every proposal we receive. The following charts provide a breakdown of the success rates of our different funding programmes across the various stages of the process. On our Main Grants programme, we had an overall success rate of 6% (compared to 8% last year), and on our Museums and Galleries programme we also had a success rate of 6% (8% last year). We have not provided a category breakdown this year, due to our priority areas changing in June 2026 when our new strategy was introduced. Instead, we have broken down our Main Grants into grants awarded under the 2022-2025 strategy, and those awarded under the 2025-2030 strategy.

SUCCESS RATES IN NUMBERS

Funding programme	Applications received	Eligible applications	Invited to 2nd stage	Successful at Board
Main Grants (all categories)	597	326	39	33
2022-2025 strategy	329	183	21	18
2025-2030 strategy	268	143	18	15
Museums and Galleries	78	68	5	5
Total	675	394	44	38

SUCCESS RATES AT EACH STAGE - AS A % OF TOTAL APPLICATIONS



Types of grants made

We recognise the value of providing core costs, multi-year funding. We also seek to offer flexibility to our grant-holders, and where appropriate, we offer unrestricted grants.

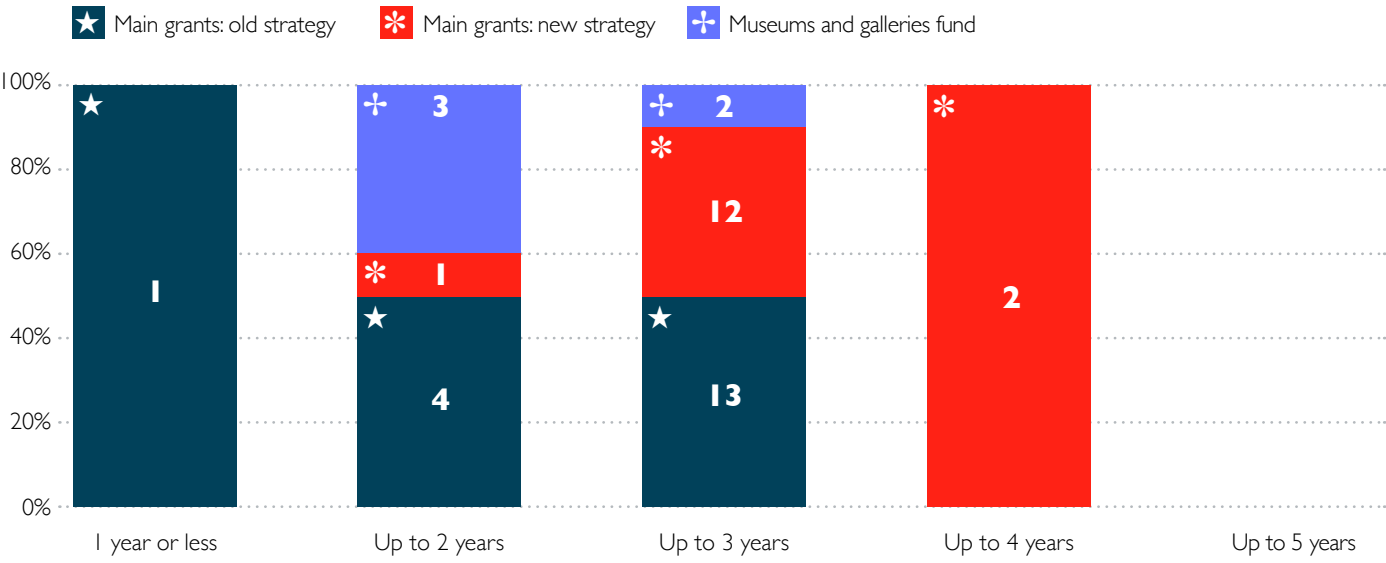
TYPES OF GRANTS MADE

Funding programme	Average (mean) grant size	Restricted core grants	Unrestricted core grants	Project grants
Main Grants (all categories)	£130,837.18	19	13	1
2022-2025 strategy	£114,476.61	11	6	1
2025-2030 strategy	£150,469.87	8	7	0
Museums and Galleries	£95,012.20	2	0	3
Total	£126,123.37	21	13	4

The majority (89%) of our grants are for core costs (77% last year), and most (71%) last for three years (71% last year). However, the length and type of grant are flexible and are based on what applicants ask for. This year we introduced

the option to apply for up to five years of funding on our Main Grants programme, compared to a maximum of three years under the previous strategy.

LENGTH OF GRANT



Information about our applicants

We are aware of the importance of creating long-term relationships with organisations. However, as an open and responsive grantmaker,

we also need to keep space in our portfolio for organisations that are new to us.

PRIOR RELATIONSHIP WITH SUCCESSFUL APPLICANTS

Funding programme	First time applicant	Previously unsuccessful	Previous grant-holder
Main Grants	5	9	19
2022-2025 strategy	1	9	8
2025-2030 strategy	4	0	11
Museums and Galleries	2	2	1
Total across all funds	7	11	20

As the charts above and right show, we have a broadly even split in the grants that are made, between organisations that we have funded before (53%), and those that are new to us (47%). Last year, 48% of grants were

awarded to previous grant-holders, 27% went to first-time applicants, and 25% were made to organisations who had applied to us unsuccessfully on previous occasions.

We have an income threshold of between £100,000 and £10 million annual income for applicants. We feel that this range is where we, as a medium sized funder, can make the most impact.

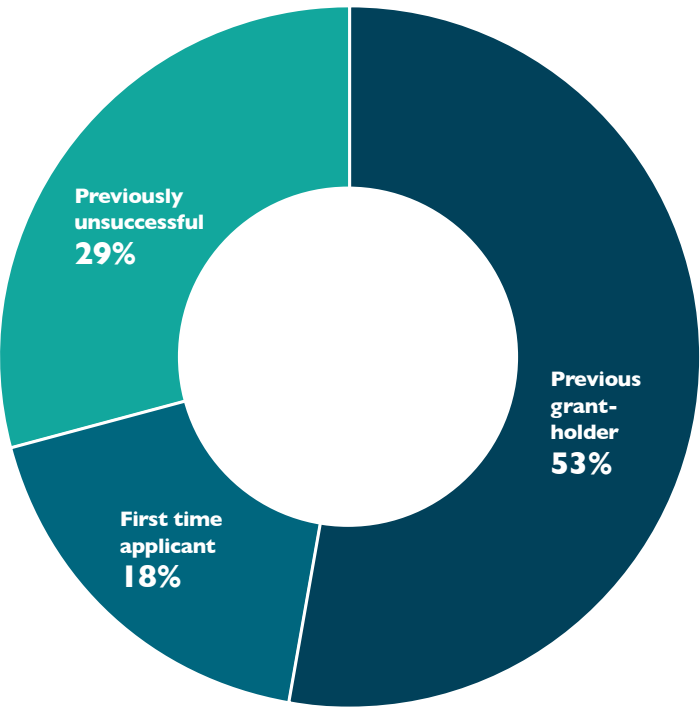
We use NCVO’s classifications in categorising organisation size, as follows:
SMALL: annual income between £10k and £100k
MEDIUM: annual income between £100k and £1m
LARGE: annual income between £1m and £10m
MAJOR: annual income between £10m and £100m
SUPER MAJOR: annual income above £100m.

As the data below shows, the majority (97%) of organisations that we funded this year fit into the medium or large category, i.e. with an income of between £100k and £10m. This is up from last year, where 4% of our grants were awarded to small organisations, 40% went to medium organisations, 40% went to large organisations, and 16% of our grants went major or super major organisations. This is the result of us updating our funding criteria to no longer allow any exceptions to our income threshold of £100,000 to £10 million.

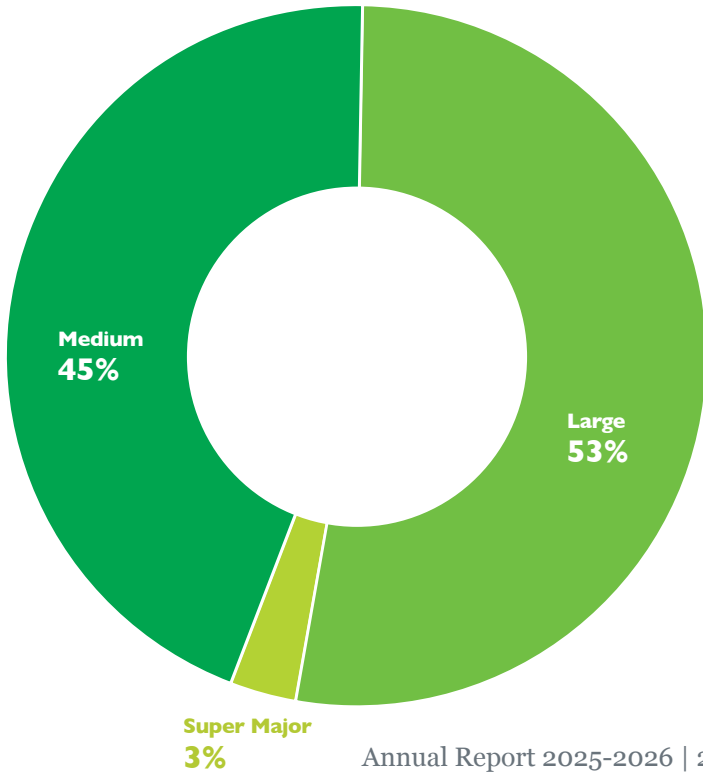
SIZE OF SUCCESSFUL APPLICANTS

Funding programme	Small	Medium	Large	Major	Super major
Main Grants	0	16	17	0	0
2022-2025 strategy	0	7	11	0	0
2025-2030 strategy	0	9	6	0	0
Museums and Galleries	0	1	3	0	1
Total across all funds	0	17	20	0	1

PRIOR RELATIONSHIP WITH APPLICANTS ACROSS ALL FUNDING PROGRAMMES



SIZE OF FUNDED ORGANISATION ACROSS ALL FUNDING PROGRAMMES



Diversity, Equity, and Inclusion

In 2022, we adopted the DEI Data Standard, which is a shared framework for funders to capture data on funding for groups who experience structural inequity. The aim of this work is to understand more about the organisations applying to us, and the decisions that we are making, so that we can discern more clearly if our funding approach is equitable and accessible.

We have now completed our third full year of data collection via our online application form. 2025/26 was a transition year between our previous and current strategy, but the DEI data collected across applicants under both strategies remained the same. The data for all first stage applicants has been further broken down into

analysis for the previous and current strategies. However, data for successful applicants analyses all successful applications under both strategies together as otherwise, the dataset analysed would be too small.

The reflections shared below focus on the data collected for applicants under our Main Grants programme, based on the 589 applicants for whom data is available:

APPLICANTS SUPPORTING SPECIFIC GROUPS OR COMMUNITIES

- 49.6% (292) out of all 589 first stage applicants supported specific groups or communities as the primary focus of their

work, compared to 45% last year. Of these, the most common group supported was people who are educationally or economically disadvantaged, followed by communities experiencing racial inequity, then children and younger people.

- 47.7% (156) out of 327 first stage applicants under the previous strategy supported specific groups or communities as the primary focus of their work, compared to 45% of last year. Of these, the most common groups supported were people who are educationally or economically disadvantaged, communities experiencing racial inequity, and children and young people.
- 51.9% (136) out of 262 first stage applicants under our current strategy for 2025 to 2030 strategy supported specific groups or communities as the primary focus of their work. Of these, the most common groups supported were people who are educationally or economically disadvantaged, communities experiencing racial inequity, children and younger people, and Disabled People.
- 33% (11) out of 33 successful applicants were supporting specific groups or communities as the primary focus of their work, compared to 43% last year. Of these, the most common groups supported were communities experiencing racial inequity, migrants, and children and younger people.

APPLICATIONS LED BY A MAJORITY OF PEOPLE FROM A SPECIFIC GROUP OR COMMUNITY

N.B. By majority, we mean that 75% or more of an organisation's Board of Trustees or management committee and 50% or more of senior staff self-identify with the same specific group or community.

- 34.3% (202) out of 589 first stage applicants were led by a majority of people from the same specific group or community, compared to 28.7% last year. Of these, the most common leadership group was women and girls, followed by communities experiencing racial inequity, then Disabled people.

- 33% (104) out of 327 first stage applicants under the previous strategy were led by a majority of people from the same specific group or community, compared to 28.7% last year. Of these, the most common leadership group by far was women and girls, followed by communities experiencing racial inequity, then Disabled people.
- 35% (98) out of 262 first stage applicants under the current strategy for 2025 to 2030 were led by a majority of people from the same specific group or community. Of these, the most common leadership group was women and girls, followed by communities experiencing racial inequity, then migrants and Disabled people.
- 36% (12) out of 33 successful applicants were led by a majority of people from the same specific group or community, compared to 32% last year. Of these, the most common leadership group was women and girls. No other group formed a clear majority.

BY AND FOR ORGANISATIONS

‘By-and-for’ means organisations that were set up to support a specific group or community; that are currently supporting that specific group or community; and that have a majority of people from that specific group or community in their leadership.

- Out of all 589 first stage applicants across the previous and current strategy, there were 143 ‘by-and-for’ organisations (24%). Of these, the most common groups and communities represented were communities experiencing racial inequity, women and girls, and Disabled People.
- Out of 33 successful applicants across the previous and current strategy, there were three ‘by-and-for’ organisations (9%). The dataset available is currently too small to conclusively determine which groups and communities are most commonly represented.



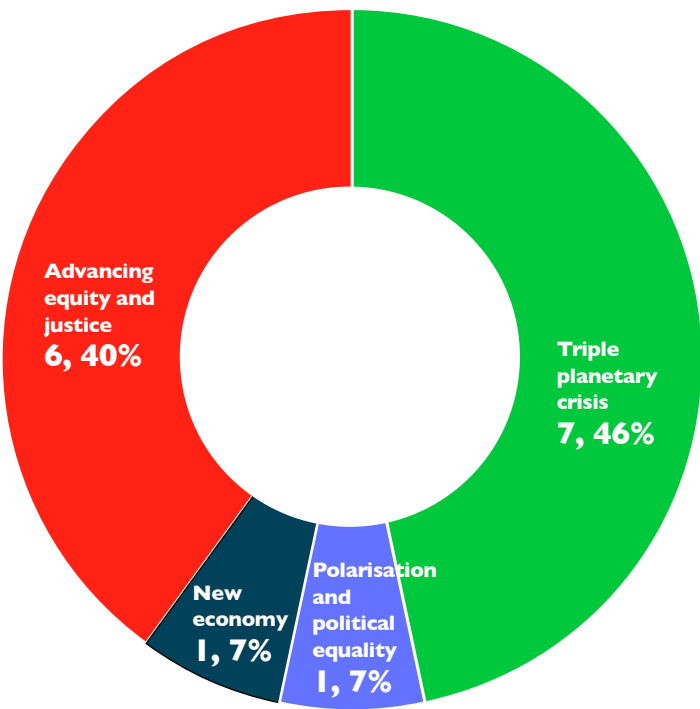
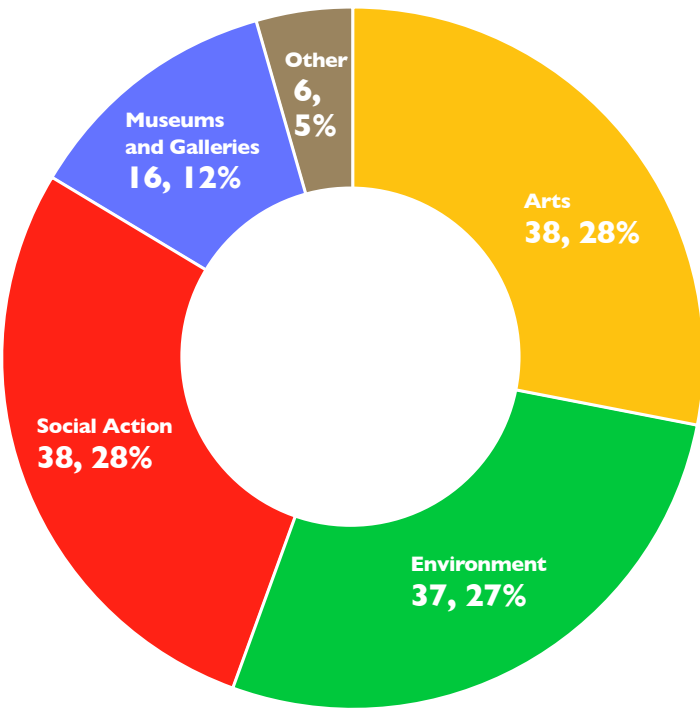
Our active grants portfolio as at 31 March 2026

At the end of this financial year our live grant portfolio was made up of 150 grants (175 last year) managed by four members of the team, with staff members managing between 25 and

50 grants each. Of these grants, 135 were made under the strategy for 2022 to 2025, and 15 were made under the strategy for 2025 to 2030.

LIVE GRANTS FROM 2022-2025 STRATEGY

LIVE GRANTS FROM THE STRATEGY FOR 2025 TO 2030



Under our new strategy, organisations are not limited to applying under a single area. As such, the chart above shows only their primary area of work. 11 out of the 15 grants approved since the new strategy was launched are working on more than one area.

As 2025/26 was a transition year between our old and new strategies, we have not provided a sub-category breakdown. However, a full list of the grants awarded this year, including the category (old strategy) or area (new strategy) they applied under, can be found in the next section.

“ We were inspired by Community Energy England’s vision of a thriving community energy sector integrated into and powering a fair, zero carbon energy system). ”



We have also produced four case studies relating to grants made under our strategy for 2025 to 2030, covering all four of our new areas. We hope that they will show how our new funding approach is playing out in practice.

Case Study

GRANT TO COMMUNITY ENERGY ENGLAND

FUNDING AREAS

Tackling the triple planetary crisis of climate change, pollution and nature loss

Promoting the development and adoption of economic models and systems that support people and planet and reduce wealth inequalities



In January 2026, the Foundation contributed £165,019 over three years towards Community Energy England's core costs, supporting their work delivering community-led projects aimed at tackling climate change. Community energy involves local people coming together to own and manage renewable energy projects, which transforms energy from a simple commodity into a tool for social and environmental justice. Community Energy England achieve this by influencing the policy and regulatory environment to support the growth and uptake of community energy. They also build engagement by sharing funding and learning opportunities, and enable delivery across England by providing community energy organisations with resources, support and training.

We committed to this grant because we were inspired by their vision of a thriving community

energy sector integrated into and powering a fair, zero carbon energy system. We also recognised that the community energy sector is at a pivotal point in its development, with a large investment of government funding and growing interest in the approach across the country. As such, this felt like a crucial moment to support work that has potential for significant and widespread community and environmental benefit.

On their experience of applying to us, Jessica Vallentine, Chief Operating Officer at Community Energy England said: "The application journey was remarkably transparent and straightforward, with clear requirements at every stage. What truly set the experience apart was the responsiveness of the Grants Team; their pre-application support made the process feel like a genuine partnership. It is rare to find a competitive funding framework that feels this collaborative and deeply rooted in shared values."



Case Study

GRANT TO ECONOMIC CHANGE UNIT

FUNDING AREAS

Promoting the development and adoption of economic models and systems that support people and planet and reduce wealth inequalities

Advancing equity and justice for marginalised communities



In March 2026, the Foundation contributed £150,000 over three years towards Economic Change Unit's (ECU) core costs. ECU's vision is of a fair, sustainable and resilient economy where everyone has the freedom and security to live a good life. To achieve this, they convene UK charities and groups focused on policy, advocacy and influencing for economic systems change, providing strategic coordination and capacity building support. They also lead on campaigns to raise the rate of public investment in public services, climate action and a just transition, and to end the cost of living crisis and make sure it never happens again.

We committed to this grant because of the organisation's commitment to elevating the voices and influence of those with direct experience of economic hardship. They are providing an essential role linking together professionals from the new economy sector with those who are directly impacted by the sharp end of the current economic system. Through initiatives such as their anti-oppression learning journey for new economy civil society leaders, they are working to strengthen the sector and make it more inclusive.



On their experience of applying to us, Adina Claire, Interim Executive Director of Economic Change Unit said: "Thanks to the clarity and strength of John Ellerman Foundation's strategy we found our work aligned well with their funding objectives. This meant the application process felt like a really good fit for us. Our shared long term goals made the interview part of the process with their trustees a positive and generative conversation. We're delighted that such an important funder recognises that long-term threats impacting people must be tackled through changemaking organisations."

Case Study

GRANT TO JOINT COUNCIL FOR THE WELFARE OF IMMIGRANTS

FUNDING AREAS

Reducing polarisation and increasing the levels of participation and influence in the political process

Advancing equity and justice for marginalised communities



In November 2025, the Foundation contributed £150,000 over three years towards the Joint Council for the Welfare of Immigrants (JCWI) for their advocacy, communication and campaign programmes. JCWI challenges injustice and campaigns in the UK for fairer immigration, asylum, and nationality laws. They provide legal advice and holistic support; develop policy alternatives based on casework insights; and seek to shift migration conversations in the media.

We committed to this grant because of the organisation's demonstrable record of changemaking to date. It was also clear to us that JCWI is a key organisation in the migration ecosystem, playing a leading role in networks and coalition for the sector and other stakeholders. They coordinate the Migration Coalition of 180 civil society organisations, and the Migrant Champions Network, connecting 350+

councillors across all major parties. In this way they lay the groundwork for national change and help to disrupt harmful and polarising narratives around migration.

On their experience of applying to us, Rose Bernstein, Head of Grants and Fundraising at JCWI, said: "Applying to John Ellerman Foundation was brilliant. There was a clear process, and they were available to answer questions throughout. The initial conversation and advice was really helpful in steering the application, and then the two-stage process allowed us to give a clear overview of our organisation and the work we do, so that we felt like we'd given an honest picture and done ourselves justice. Ellerman are now funding our most crucial work – the fight for the rights of asylum seekers, refugees and migrants has never been more critical than it is in the current environment, and a multi-year grant like this ensures we can be committed to it for the long term."



Case Study

GRANT TO PUBLIC INTEREST RESEARCH CENTRE

FUNDING AREAS

Advancing equity and justice for marginalised communities

Tackling the triple planetary crisis of climate change, pollution and nature loss

Reducing polarisation and increasing the levels of participation and influence in the political process

Promoting the development and adoption of economic models and systems that support people and planet and reduce wealth

PIRC

PUBLIC
INTEREST
RESEARCH
CENTRE

In March 2026, the Foundation contributed £150,000 over three years towards Public Interest Research Centre's (PIRC) core costs. PIRC delivers narrative change work, focusing on areas where dominant narratives have disproportionately harmed marginalised communities, including anti-racism/migrant justice, transgender liberation and gender liberation, disability justice, class justice and climate justice. They build grassroots narrative power and leadership among UK-based social movements, campaigners, activists and organisers through convening, training, and research.

We committed to this grant because it was an interesting fit across all our funding areas. Advancing justice is central to PIRC's identity and methodology, and their structure and programmes are designed for and with people who have lived experience of systemic oppression. We also appreciated their work building and evidencing the importance of storytelling in creating long term change.

On their experience of applying to us, Anu, Head of Operations at PIRC said: "We took John Ellerman Foundation up on their offer to share feedback prior to submission at Stage One. The feedback (from Beth) was detailed and very useful, and helped us get clear on how best to demonstrate our impact. We appreciated that only applicants with a genuine chance of success are taken through to the second stage, and the clarity and transparency around the process and timelines made it easier to plan our work."



Diversity, Equity, and Inclusion

This section outlines the diversity, equity and inclusion data relating to our live grants portfolio, as at 31 March 2026, based on a snapshot of our live grants portfolio at the time:

- 39% (48) out of 122 active grant-holders who were counted in the survey were supporting specific groups or communities as the primary focus of their work, compared to 34% last year. Of these, the most common groups supported were communities experiencing racial inequity, people who are educationally or economically disadvantaged, and women and girls. All but one the demographics tracked by the Standard were represented in our portfolio at least once. The only category not represented was older people.
- 36% (44) out of 122 active grant-holders who were counted in the survey were led by people from a specific group or community, compared to 35% last year. Of these, the two most common leadership groups were women and girls, followed by communities experiencing racial inequity. The only category not represented was older people.

Changes within our grants portfolio

During the year, there were two significant changes for organisations within our grant portfolio:

- The Organic Research Centre (ORC) underwent a division with the ORC brand moving to a new home within ADAS. Our grant remained with the original host of ORC, the Progressive Farming Trust.
- Our grant-holder Feedback changed their name to Foodrise.



GRANTS MADE

in the Year Ended 31 March 2026

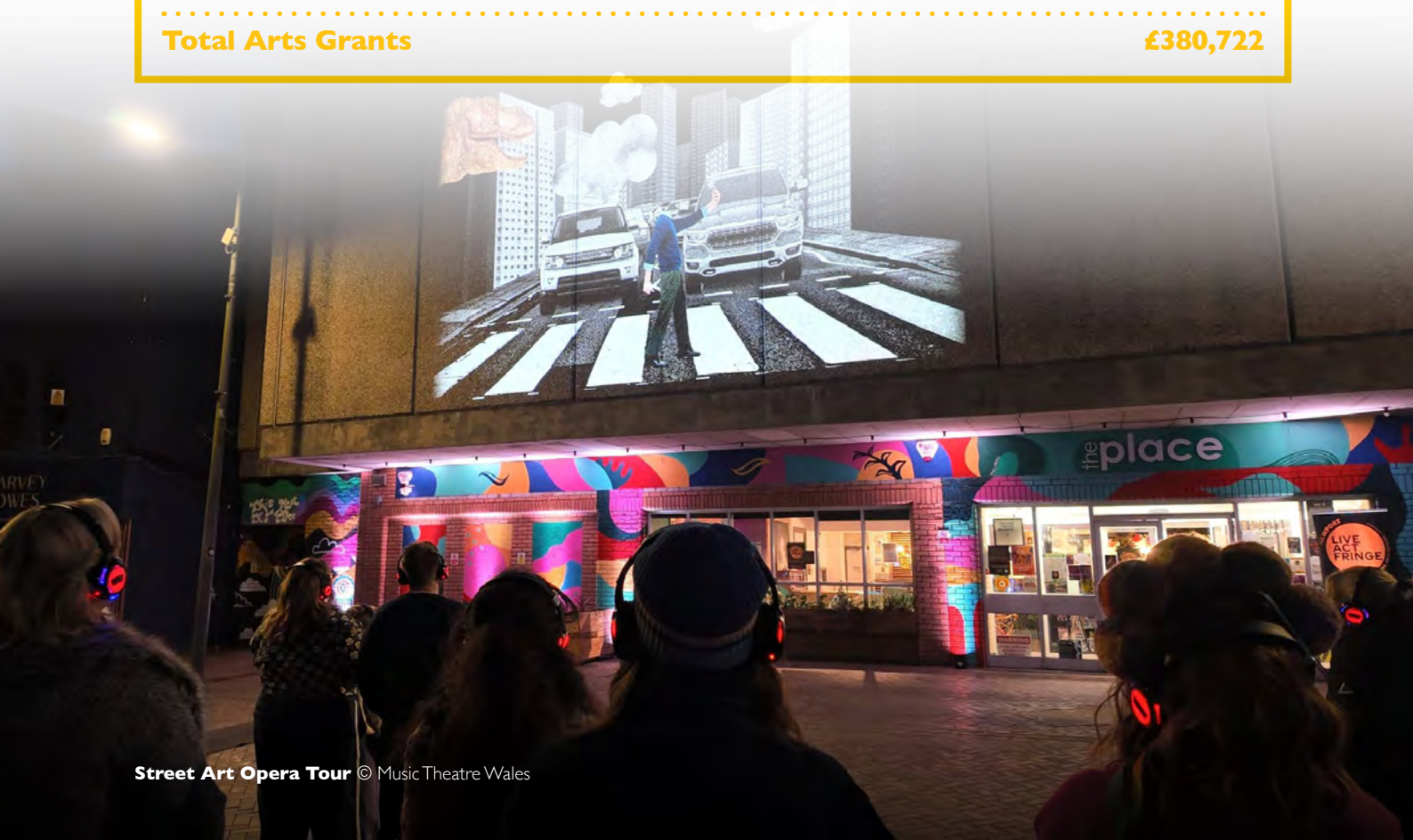
Grants are included in the Statement of Financial Activities once they have been approved by the Trustees and the grant-holders have been informed. This is a list of the new grants awarded in 2025/26.

GRANTS MADE UNDER OUR STRATEGY FOR 2022 TO 2025

Arts		
Music Theatre Wales	£90,000	
Core cost funding towards their programme from June 2025 – May 2028, aiming to reimagine contemporary opera	over 3 years	
Reading Repertory Theatre	£90,000	
Core artistic costs including staffing and commissioning and development budgets	over 3 years	
Fuel Productions Limited	£150,000	
Funding towards new work and core programming team	over 3 years	
Motionhouse	£50,722	
Core costs funding towards the creation of touring production	over 1 year	
Total Arts Grants	£380,722	

Environment

Foodrise	£75,000	
Core cost funding towards influencing food system policies	over 3 years	
Turks & Caicos Reef Fund	£100,000	
Core cost funding supporting the expansion of the Living Coral Biobank which will enhance coral restoration efforts and support the inclusion of keystone herbivores	over 2 years	
CHEM Trust	£150,000	
Funding towards core costs supporting legal, policy and campaigning work on harmful chemicals	over 3 years	
Food, Farming and Countryside Commission	£150,000	
Core costs supporting improvement in the policy discourse around food and farming	over 3 years	
Positive Money	£80,000	
Towards core costs including staff salaries to support work on a just, green transition in the UK	over 2 years	
Berkshire, Buckinghamshire and Oxfordshire Wildlife Trust	£129,743	
Core costs including salaries supporting ongoing water vole recovery work	over 3 years	
Larger Us	£120,000	
Funding towards core costs to grow their reach and inspire campaigners to adopt conversation-based approaches to change	over 3 years	
Scottish Seabird Centre	£120,114	
Core cost funding to establish a new policy and campaigns programme	over 3 years	
Total Environment Grants	£924,857	



Social Action

Asylum Support Appeals Project	£135,000
Towards core funding to develop system influencing to reduce destitution amongst people seeking asylum across the UK	over 3 years
Just for Kids Law	£150,000
Core cost funding towards costs of youth participation and engagement work	over 3 years
Independent Provider of Special Education Advice	£100,000
Towards the core costs of delivering their national policy work	over 2 years
The Trust for the Bureau of Investigative Journalism	£135,000
Funding towards the work of the Bureau Local team as well as a contribution to core costs for the Bureau of Investigative Journalism	over 3 years
IMIX	£150,000
Core funding towards scaling and sustaining work supporting people with direct experience of migration to shape public narratives through storytelling	over 3 years
Scottish Refugee Council	£85,000
Funding towards core costs supporting policy and advocacy work	over 2 years
Total Social Action Grants	£755,000

Museum and Galleries Fund

BALTIC Centre for Contemporary Art	£97,800
Towards salaries of a curator and assistant curator in developing their photographic collecting and curating expertise	over 3 years
Glasgow Life	£101,544
Core costs including a Collections Curator position for the People's Palace redevelopment	over 2 years
Manchester Museums Partnership	£98,484
Towards 'Ubuntu', a two-year project focusing on their collection of objects from Africa	over 2 years
National Coal Mining Museum for England	£87,233
Towards costs of Collections Care Assistant post and budget for moving large industrial items	over 3 years
The National Archives Trust	£90,000
Towards costs of the National Touring and Regional Supported Loans Programme	over 3 years
Total Museums And Galleries Fund Grants	£475,061



GRANTS MADE UNDER OUR STRATEGY FOR 2025 TO 2030

Triple planetary crisis

Green New Deal	£180,000
Towards core costs including staffing and programme costs to support the implementation of their new strategic roadmap	over 3 years
Zero Hour	£100,000
Funding towards core campaigning costs	over 2 years
Community Energy England	£165,019
Funding towards core costs including salaries	over 3 years
Peers for the Planet	£180,000
Core cost funding towards action on the climate and nature crises	over 3 years
Campaign for Better Transport	£180,000
Core cost funding supporting change in transport policy, research and influencing work	over 3 years
Public Interest Research Centre	£150,000
Funding towards the salaries of the Gentrification Project team	over 3 years
Rewilding Britain	£110,000
Core cost funding towards advancing large scale ecosystem recovery in the UK	over 3 years
Total Triple Planetary Crisis Grants	£1,065,019

Polarisation and political equality

Association of Camerados	£132,029
Funding will support their Head of Learning and Partnerships role	over 3 years
Projekt Europa	£60,000
Funding towards core costs including staff salaries	over 3 years
Total Polarisation and Political Equality Grants	£192,029

New economic models and systems

Economic Change Unit	£150,000
Towards core costs supporting policy, advocacy and influencing for economic systems change	over 3 years
Total New Economic Models and Systems Grants	£150,000

Advancing equity and justice *in relation to one of the above areas*

Joint Council for the Welfare of Immigrants	£150,000
Funding towards their advocacy, communication and campaign programme (in relation to polarisation and political equality)	over 3 years
Stop the Traffik	£180,000
Towards core costs including staffing (in relation to new economic models and systems)	over 3 years
Maternal Mental Health Alliance	£180,000
Core cost funding towards improving maternal mental health work (in relation to polarisation and political equality)	over 4 years
The Centre for Justice Innovation	£160,000
Core cost funding towards research and policy reform (in relation to polarisation and political equality)	over 4 years
Southwark Law Centre	£180,000
Funding towards the national implementation phase of the People's Inquiry into the Windrush scandal (in relation to polarisation and political equality)	over 3 years
Total Advancing Equity and Justice Grants	£850,000

Those marked in grey align with more than one priority area

FINANCIAL REVIEW

Investments

Our investment aim is to manage our funds in such a way that enables a high level of grantmaking consistent with operating in perpetuity. This aim provides the underlying basis for our investment objective, which is to achieve a real return of 4% annually over the long term, calculated as 4% plus inflation (CPIH), with the commensurate risk (volatility). Trustees have adopted a Total Return approach, which means that both income from the portfolio and the underlying capital can be used to support our activities.

Our approach to investing is set out in our publicly available Investment Policy, which is reviewed annually. For 2025/26 we have had six fund managers, including some specialists in particular asset classes and some multi-asset managers who are responsible for their own asset allocation decisions within an overarching strategy set by the Finance and Investment Committee. In line with values underlying our Investment Policy as well as our commitments as a signatory of the Funder Commitment on Climate Change, we seek to enhance the environment, social and governance policies and practices of the managers and funds who invest our endowment on our behalf.

Investment performance

The Finance and Investment Committee monitors the performance of each fund manager, who each have a benchmark. The portfolio's primary objective is to achieve a real return target of CPIH + 4% annually, net of costs. A comparison with a simple benchmark of 80% UK equities and 20% UK government bonds is used to provide evidence of the benefit of running the diversified, actively managed investment structure.

A decision was made in 2025 to review our Investment Management Provider and as a result a new adviser was employed from September 2025, Gallagher (formerly Redington) who replaced Stanhope Consulting. Our advisor continues to provide us with performance measurement analysis, commentary on the fund managers' performance and modelling options to assist with the review and planning of the Investment Policy.

At 31 March 2026, our investment portfolio was valued at £155m, a 9.2% increase over the previous year's level of £142m. The portfolio Total Return for the financial year ending 31 March 2026 was 15.0% (2024/25: -2.4%), outperforming the CPIH + 4.0% objective by 7.5% (2024/25: -9.9%) and beating the total return for the simple benchmark by 0.8% (2024/25: 0.7%).

Income and expenditure

The Foundation's income derives largely from its investment portfolio. Total investment income of £3.536m (2024/25: £3.331m) was 6.2% above that of the previous year.

In line with our Total Return approach, we realised £2.0m during the year through sales from our portfolio to meet our projected working capital requirements for the near future. This amount was required simply to cover the year's anticipated difference between income and expenditure.

We have three significant items of expenditure: the grants that we make, the costs of managing the investment portfolio and our running expenses (of which staff costs are the major component). Total expenditure this year was £5.8m, compared to £6.2m last year. Grants were £4.8m (2024/25: £5.0m); directly invoiced Investment Management costs at £0.1m were lower than the previous year of £0.4m as the

Management Fees for Newton are paid direct from the portfolio now; and our running costs of £0.9m were slightly up on the previous year (2024/25: £0.8m). Trustees are mindful of the need to control running costs to maximise the amount available to spend on grants. We continue to monitor these closely.

Spending policy

Our spending policy is reviewed each year in setting the annual expenditure budget. In 2025/26, Trustees took the decision to set the expenditure at 4.0% of the value of our net assets, averaged over the quarter end value of the last three calendar years, to move to a more sustainable spending level. The Finance and Investment Committee continues to review spending policy in February of each year, and the Committee advises the Trustee Board in March.

Reserves policy

Our reserves policy is inextricably linked with the spending policy. The Total Return approach means that actual income received each year will be supplemented, if necessary, from distributable capital. Given that all our endowment funds are expendable, the Trustees have sufficient flexibility to respond to unforeseen circumstances if necessary, and therefore it is not considered appropriate to identify a level of free reserves that needs to be maintained.

Remuneration policy

Pay is reviewed annually by the Remuneration Committee, which considers external market conditions, such as inflation, cost of living awards in other sectors and peer organisations, and the cost as a proportion of overall expenditure, as part of its decision making. Trustee remuneration is linked to external inflation benchmarks, and as such is not determined directly by Trustees themselves.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Trustees, including Trustee induction

Our Trustees are listed at the end of this report. The governing document provides for a maximum of nine Trustees and a minimum of three. Trustees are appointed for five years, followed by the possibility of a further five years. A Trustee who is selected to be Chair of the Trustee Board or Chair of the Finance and Investment Committee may serve beyond the 10-year term, if this is in the best interests of the Foundation. Since the introduction of the Equalities Act 2010, there is no retirement age.

The first Trustees were personally selected by John Reeves Ellerman, 2nd Bt. and his wife, Lady Esther Ellerman, and had strong links with the Ellerman companies. In 2011, the last Trustee with a personal connection to Ellerman Lines retired.

Today, Trustees are recruited according to our publicly available Recruitment Policy and we look to bring in Trustees with the skills, knowledge and experience required while seeking to achieve greater diversity. We have the option of recruiting to the Chair and Vice Chair roles externally or from the existing cohort of Trustees. Each new Trustee receives a full induction, which includes meeting with staff and Trustees, and receiving a detailed information pack covering our governance, history, funding guidelines, investments and objectives. Ongoing training and skills development takes a variety of forms, depending on the role and interests of the individual Trustees, and includes attendance at seminars, conferences, speakers at Board meetings and other events. There is an annual appraisal by the Chair, who, in turn, is appraised by two Trustees.

Trustees are closely involved in the evaluation of applications and grants made. They review initial applications, visit those organisations invited to submit a second-stage application and provide written reports to the Board.

Organisational structure

The Trustee Board meets at least six times each year. The Trustee Board approves new grants and approves strategy and policy for grantmaking and financial matters.

Several Committees support our work throughout the year, and report to the Trustee Board:

- The **Finance and Investment Committee** is responsible for financial and investment matters. The Committee's role includes developing an appropriate investment strategy and policy, overseeing its implementation and monitoring investment performance. It also reviews and advises the Board on the annual budget and spending policy, and monitors expenditure. It meets at least four times a year.
- The **Remuneration Committee** is responsible for reviewing all remuneration and benefits for staff and Trustees. It meets at least once a year.
- The **Risk and Audit Committee** is responsible for reviewing the systems in place to manage risks within the organisation and ensure that adequate internal financial controls and procedures are in place. It also supports the compilation of our Annual Report and Accounts. It meets at least once a year.

- The **Nominations Committee** is responsible for the recruitment of Trustees as delegated by the Board. It is not a permanent Committee but is convened when a new Board appointment is being made.

The day-to-day management of our organisational affairs is delegated by the Trustees to the Director and staff team. They are responsible for ensuring that the Trustees' decisions are implemented in accordance with existing strategy and policies, and within budget, and for briefing Trustees on current trends in the charitable sector and advising on how these may affect the Foundation..

Risk statement

The Trustees are responsible for the management of the risks we face organisationally. These fall into five areas: governance, management, operational, grantmaking and finance.

The Director and Operations and Governance Manager work with the team to identify and assess major risks, their likelihood of occurrence, the significance of the risk, mitigating controls that are in place, and recommends any additional actions and resources required to reduce and manage those risks. These are compiled as a Risk Register that the Risk and Audit Committee reviews and approves, which is also considered by the Trustee Board.

Our investment activities represent our main financial risk. This risk is managed with support from our investment consultants, regular review of our Investment Policy and objectives, and employing external fund managers to achieve a well-diversified portfolio that we monitor closely in terms of fund manager performance relative to the investment objective and Investment Policy. Our investment activities also risk diverging from our charitable purpose and aim, and this is why environmental, social and governance factors are a key focus for our work in this area.

Applications for grants are assessed carefully to ensure that the Board understands any risks associated with a particular organisation or programme of work, and appropriate conditions are agreed as needed. Once a grant is approved, monitoring and reporting processes are in place to ensure grants are well managed and evaluated.

All relevant policies and procedures are included in the Foundation Handbook. The Handbook is updated regularly and reviewed annually, with the Risk and Audit Committee maintaining oversight of its contents and delegated responsibilities. A Business Continuity Plan and Health and Safety Review form part of the annual risk assessment and are detailed in the Handbook. Trustees are satisfied with the current systems and internal controls.

Conflicts of interest

Trustees and staff are expected to conduct the business of the Foundation with integrity at all times. A Conflict of Interests Policy is in place to ensure that there is no personal gain from our work, and to prevent any conflict, actual or perceived, between an individual's duty to the Charity and a duty or loyalty to another organisation or person. The Policy is reviewed and updated annually.

All staff and Trustees complete an annual register of interests form. At Trustee Board meetings, each Trustee completes a declaration of interest form that lists all applications to be discussed. Staff and Trustees are expected to alert those present to any interests and may be asked to withdraw from the meeting during the relevant decision-making process. Any relevant gift or hospitality received by Trustees and staff is also recorded on the Register of Interests. A note to the financial accounts lists grants made to any organisation during the year with which a Trustee has a close relationship.

Good governance

The Trustee Board applies great care, attention and skill in order to ensure that our resources are used responsibly and for the public benefit. Trustees recognise the importance of good governance in ensuring the ongoing success of the Foundation. To support with this, Trustees adhere to the guidance set out in our Scheme, which is our governing document, Charity Commission guidance, and the Charity Governance Code. Trustees also receive presentation and discussions on these matters periodically through external training, as well as written updates from the Director to the Trustee Board on new guidance they should be aware of.

STATEMENT OF RESPONSIBILITIES
OF THE BOARD OF TRUSTEES

Trustees are responsible for preparing the Trustees’ Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of the affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, including FRS102 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 in business; and
- state whether a SORP applies and has been followed, subject to any material departures which are explained in the financial statements.

Trustees are responsible for keeping proper accounting records that 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, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deeds. They are also responsible for safeguarding the assets of the Charity, including taking reasonable steps for the prevention and detection of fraud and other irregularities.

Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the Charity’s website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



Geraldine Blake
Chair



Keith Shepherd
Chair, Finance and Investment Committee

24 September 2026

INDEPENDENT AUDITORS' REPORT

to the Trustees of John Ellerman Foundation Charity

Opinion

We have audited the financial statements of John Ellerman Foundation for the year ended 31 March 2026 which comprise the Statement of Financial Activities, the Balance Sheet, and the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2026, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is 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 where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; 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 required for our audit.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 47, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the charity’s trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. 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 any party other than the charity and charity’s trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP, Statutory Auditor

6th Floor
9 Appold Street
London
EC2A 2AP

Date:

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

STATEMENT OF FINANCIAL ACTIVITIES

for the Year Ended 31 March 2026

		Total Funds 2026 £'000	Total Funds 2025 £'000
Income from:	Notes		
Investments	4	3,604	3,415
Other income	5	-	16
Total income		3,604	3,431
Expenditure on:			
Raising funds	6	136	480
Charitable activities	8	5,639	5,759
Total expenditure		5,775	6,239
Net expenditure before net gains/(losses) on investments		(2,171)	(2,808)
Net gains/(losses) on investments		14,967	(6,819)
Net movement in funds before other recognised gains/(losses)		12,796	(9,627)
Other recognised gains/(losses):			
Gains on revaluation of fixed assets		-	740
Net movement in funds		12,796	(8,887)
Reconciliation of funds			
Total funds brought forward		142,521	151,408
Net movement in funds		12,796	(8,887)
Total funds carried forward		155,317	142,521

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure in the year related to the endowment funds. There was no movement of designated funds.

The notes on pages 55 to 67 form part of these financial statements.

BALANCE SHEET

at 31 March 2026

	Notes	2026 £'000	2025 £'000
FIXED ASSETS			
Tangible Fixed Assets	12	2,050	2,075
Investments	13	154,931	141,961
Social Investments	14	200	-
		157,181	144,036
CURRENT ASSETS			
Debtors	15	1,226	906
Cash at bank and in hand		2,735	3,145
		3,961	4,051
CURRENT LIABILITIES			
Creditors: amounts falling due within one year	16	(3,833)	(3,557)
NET CURRENT ASSETS		128	494
TOTAL ASSETS LESS CURRENT LIABILITIES		157,309	144,530
Creditors: amounts falling due after more than one year	17	(1,992)	(2,009)
TOTAL NET ASSETS		155,317	142,521
CHARITY FUNDS			
Restricted funds	18	-	-
Unrestricted funds			
Designated funds	18	740	740-
Endowment funds	18	154,577	141,781
TOTAL UNRESTRICTED FUNDS	18	155,317	142,521
TOTAL FUNDS		155,317	142,521

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

Geraldine Blake
Chair of Trustees

Keith Shepherd
Chair of the Finance and Investment Committee

STATEMENT OF CASH FLOWS

for the Year Ended 31 March 2026

	2026 £'000	2025 £'000
Cash flows from operating activities		
Net cash used in operating activities	(5,811)	(6,997)
Cash flows from investing activities		
Interest received	67	84
Investment income received	3,537	3,331
Other Income	-	16
Purchase of tangible fixed assets	-	(5)
Movements in investments cash balance	(753)	(399)
(Loss)/gain on foreign exchange	(98)	185
Sale of investments	21,358	29,599
Purchase of investments	(18,510)	(24,856)
Purchase of social investment	(200)	-
Net cash provided by investing activities	5,400	7,955
Change in cash and cash equivalents in the year	(410)	958
Cash and cash equivalents at the beginning of the year	3,145	2,187
Cash and cash equivalents at the end of the year	2,735	3,145

NOTES TO THE FINANCIAL ACCOUNTS

for the Year Ended 31 March 2026

I Charitable status

John Ellerman Foundation is a charity registered under the Charities Act 1960, No. 263207; all the income has been agreed as being charitable and therefore no UK taxation is payable..

2 Accounting policies

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements are prepared on a going concern basis, under the historical cost convention, with the exception that investments are valued at market value.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charity is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP) and the Charities Act 2011.

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the Trustees have considered the Charity’s forecasts and projections and have taken account of pressures on investment income. After making enquiries, the Trustees have concluded that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

The financial statements have been prepared in sterling which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest thousand.

The following principal accounting policies have been applied:

2.2 INCOME

Bank deposit interest has been included on the accruals basis.

Investment income is recognised as follows: for the segregated accounts, income has been accrued as applicable; where shares are issued in lieu of income, the market value of these shares has been included in income.

2.3 GRANTS

Grants are fully accounted for in the year the grant is approved. Payments falling due in later years are provided for as a liability on the balance sheet.

2.4 EXPENDITURE

Expenditure has been accounted for on the accruals basis. Costs of raising funds include investment management, custody, consultancy and a proportion of staff and trustee costs. Employee costs and trustee remuneration have been apportioned between costs of raising funds, charitable activities and governance costs, on the basis of the proportion of time spent by each employee or trustee in contributing to each category. Governance costs include audit fees, legal fees and a proportion of staff and trustee costs associated with trustee meetings, strategy, Away Days and compliance with statutory requirements. The remaining expenses of the Foundation have been apportioned on the same basis as staff costs and trustee remuneration. All expenditure is recorded inclusive of irrecoverable VAT.

2.5 PENSION CONTRIBUTIONS

The Charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Charity pays fixed contributions into a separate entity. Once the contributions have been paid the Charity has no further payment obligations.

Pension contributions are made for all employees and recorded as they fall due. These are defined contributions paid to approved private pension schemes for each employee. Details are provided in note 16.

2.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably, and items below this level are treated as an expense in the year of purchase.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method. The annual rate used for this purpose is 33% for computer and office equipment and 10% for other assets within Furniture, fittings and equipment.

Depreciation is provided on the following bases:
Leasehold property - nil
Furniture, fittings and equipment - 10-33 %

2.7 INVESTMENTS

Profit or loss on realisations of investments has been taken to the Expendable Endowment.

Investments held as fixed assets are shown at cost less provision for impairment.

2.8 FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies are translated at the year end exchange rate. Transactions denominated in foreign currencies are translated at rates prevailing at the transaction date. Exchange differences are taken into account in arriving at the movement of funds for the year.

2.9 FINANCIAL INSTRUMENTS

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in the SOFA, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

3 Critical accounting estimates and areas of judgment

In the view of the Trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

Critical accounting estimates and assumptions:

Portrait considered as heritage asset and therefore carried at cost value, no depreciation.

The Foundation has adopted a Spending Policy which the Trustees believe to be currently sustainable. The Total Return approach means that actual income received each year will be supplemented, if necessary, from distributable capital. It follows that the reserves policy is to retain the appropriate capital value in the investment portfolio to be able to continue to support charities over the long-term. There were no significant investments.

4 Investment income

	2026 £'000	2025 £'000
Investment income from assets in the UK	1,871	1,778
Investment income from assets outside the UK	1,666	1,553
Interest on cash deposits	67	84
Total investment income	3,604	3,415

5 Other incoming resources

	2026 £'000	2025 £'000
Other income	-	16
Total	-	16

A list of grants awarded during the year ended 31 March 2026 is shown in the Annual Report.

6 Cost of raising funds

	2026 £'000	2025 £'000
Investment fees	91	397
Trustees costs	12	13
Depreciation	3	3
General expenses	15	7
Staff costs	15	60
Total	136	480

A list of grants awarded during the year ended 31 March 2026 is shown in the Annual Report.

7 Grants to charities

	2026 £'000	2025 £'000
Grants	4,794	5,064
Total	4,794	5,064

A list of grants awarded during the year ended 31 March 2026 is shown in the Annual Report.

Grants awarded in the year:

	2026 £'000	2025 £'000
Grants paid in the year	1,331	1,698
Grants payable within one year	1,807	1,768
Grants payable after more than one year	1,656	1,690
Grants cancelled in the year	-	(92)
Total Grants to Charities	4,794	5,064

Trustees include in the notes to the Financial Accounts, for transparency reasons, any grant made to an organisation with which a Trustee of the Foundation has a conflict of interest. In accordance with the Foundation’s policy, Trustees withdraw from the (virtual) room for these decisions. In the financial year 2025/26 there were two occurrences. These related to Positive Money, where Lily Tomson is a Non-Executive Director, and IMIX, where Geraldine Blake is the Chair.

The following grant-related changes occurred in 2025/26:

The Organic Research Centre (ORC) underwent a division with the ORC brand moving to a new home within ADAS. Our grant remained with the original host of ORC, the Progressive Farming Trust.

Our grant-holder Feedback changed their name to Foodrise.

8 Analysis of expenditure on charitable activities: summary by fund type

	2026 £'000	2025 £'000
Direct costs	5,639	5,759
Total	5,639	5,759

9 Analysis of expenditure by activities

	Grant funding of activities £'000	Support costs £'000	2026 Total funds £'000	Grant funding of activities £'000	Support costs £'000	2025 Total funds £'000
Direct costs	4,794	845	5,639	5,064	695	5,759

Analysis of support costs:

	2026 £'000	2025 £'000
Staff costs	490	420
Trustee costs	108	114
Audit fees	25	21
Legal fees	23	3
Depreciation	23	29
Monitoring & Evaluation	35	40
General expenses	141	68
Total	845	695

Support costs are allocated on the basis of an estimate of time apportioned to Charitable Activities and to managing the endowment investments.

10 Staff costs

	2026 £'000	2025 £'000
Wages and salaries	407	391
Employer's National Insurance costs	47	39
Pension costs	51	49
Total staff costs	505	479

The average number of persons employed by the Charity during the year was as follows:

	2026	2025
Generating funds	0.2	0.2
Charitable activities	6.6	7.0
	6.8	7.2

For each employee, the Foundation contributes to an approved private pension scheme. The total pension cost for the Foundation was £50,688 (2025: £49,486).

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2026 Number	2025 Number
£70,001 - £80,000	1	1
£100,001 - £120,000	1	1

The Charity considers its key management personnel to comprise the Trustees, the Director and the Head of Research and Impact. The total remuneration (salaries and employee benefits) including employer pension contributions of the key management personnel was £355,910 (2025: £338,877). Key management personnel are defined as persons having authority and responsibility for planning, directing and controlling the activities of the entity, including directors and senior management personnel to whom the Trustees have delegated significant authority or responsibility in the day-to-day running of the entity's affairs.

I I Trustees’ remuneration and expenses

Trustees receive remuneration in accordance with the authority in the Charity’s Scheme (clause 12).

	2026 £’000	2025 £’000
Remuneration	109	124
Pension provision	2	1
Social Security costs	9	5

During the year ended 31 March 2026, expenses totalling £2,093 were reimbursed or paid directly to 6 Trustees (2025 - £4,547 to 8 Trustees). In carrying out their duties, including visits to applicant charities, the Trustees incurred travelling and related expenses.

I 2 Tangible fixed assets

	Leasehold property £’000	Furniture, Fittings and Equipment £’000	Total £’000
Cost or valuation			
At 1 April 2025	1,990	383	2,373
At 31 March 2026	1,990	383	2,373
Depreciation			
At 1 April 2025	-	298	298
Charge for the year	-	25	25
At 31 March 2026	-	323	323
Net book value			
At 31 March 2025	1,990	85	2,075
At 31 March 2026	1,990	60	2,050

I 3 Fixed asset investments

	Investments £’000	UK Cash Investments £’000	Total £’000
Cost or valuation			
At 1 April 2025	140,253	1,708	141,961
Additions	18,510	-	18,510
Disposals	(21,357)	-	(21,357)
Revaluations	15,064	-	15,064
Movement in cash investments	-	753	753
At 31 March 2026	152,470	2,461	154,931
Net book value			
At 31 March 2025	140,253	1,708	141,961
At 31 March 2026	152,470	2,461	154,931

Investments comprise of investment assets outside the UK totalling £97,051,000 (2025: £81,726,000) and investment assets in the UK totalling £55,438,000 (2025: £58,527,000). The historical cost of the investments (including cash) held at 31 March 2026 was £133,480,275 (31 March 2025: £133,276,851).

Material pooled funds	2026 £000
Newton	51,281
CCLA	40,438
GMO	25,224
Fulcrum	18,897
Charities Property Fund	14,440
Ruffer	4,651
	154,931

I 4 Social investments

	2026 £000
Cost or valuation	
Additions	200
Net book value	
At 31 March 2025	-
At 31 March 2026	200

I5 Debtors

	2026 £'000	2025 £'000
Due within one year		
Prepayments and accrued income	1,226	906
Total	1,226	906

I6 Creditors: amounts falling due within one year

	31 March 2026 £'000	31 March 2025 £'000
Other taxation and social security	6	6
Other creditors	277	22
Accruals and deferred income	25	35
Grants payable	3,525	3,494
Total	3,833	3,557

Included within the creditors is an amount of £5,606 (2025: £5,950) due to pension schemes.

I7 Creditors: amounts falling due after more than one year

	31 March 2026 £'000	31 March 2025 £'000
Grants payable between 1 to 2 years	1,992	2,009

I8 Statement of funds

CURRENT YEAR	As at 1 April 2025	Income	Expenditure	Gains/losses	As at 31 March 2026
Unrestricted funds					
Designated funds					
Revaluation Reserve	740	-	-	-	740
General funds					
Expendable Endowment Capital	141,781	3,604	(5,775)	14,967	154,577
Total Unrestricted Funds	142,521	3,604	(5,775)	14,967	155,317

Expendable Endowment fund

On 17 October 2014 the Charity Commission approved the Trustees' resolution to transfer the Permanent Endowment inherited from the 2002 merger with the Ellerman Will Trust into an Expendable Endowment Capital Fund.

The Trustees of the foundation (decided/agreed) to set a maximum level of expenditure to be met by the Expendable Endowment Capital each year in order to have a more sustainable spending level. The approved level being 4.5% reducing to 4% in 2024/25 of the value of net assets, averaged over the quarter end value of the last three calendar years as per our spending policy which is reviewed each year.

Revaluation Reserve Fund

Revaluation reserve established during year ended 31 March 2025 upon revaluation of Leashold property and reflects gains and losses (realised and unrealised) upon revaluation recognised.

PRIOR YEAR	As at 1 April 2024	Income	Expenditure	Gains/losses	As at 31 March 2025
Unrestricted funds					
Designated funds					
Revaluation Reserve	-	-	-	740	740
General funds					
Expendable Endowment Capital	151,408	3,431	(6,239)	(6,819)	141,781
Total Unrestricted Funds	151,408	3,431	(6,239)	(6,079)	142,521

19 Summary of funds

CURRENT YEAR	As at 1 April 2025	Income	Expenditure	Gains/losses	As at 31 March 2026
Designated funds	740	-	-	-	740
General funds	141,781	3,604	(5,775)	14,967	154,577
Total Unrestricted Funds	142,521	3,604	(5,775)	14,967	155,317

PRIOR YEAR	As at 1 April 2024	Income	Expenditure	Gains/losses	As at 31 March 2025
Designated funds	-	-	-	740	740
General funds	151,408	3,431	(6,239)	(6,819)	141,781
Total Unrestricted Funds	151,408	3,431	(6,239)	(6,079)	142,521

20 Reconciliation of net movement in funds to net cash flow from operating activities

	2026 £'000	2025 £'000
Net income/expenditure for the year (as per Statement of Financial Activities)	12,796	(9,627)
Depreciation charges	25	32
Bank interest received	(67)	(84)
Investment income	(3,537)	(3,331)
Other Income	-	(16)
Loss/(profit) on foreign exchange	98	(185)
(Profit)/Loss on revaluation of investments	(15,064)	7,004
Decrease/(increase) in debtors	(320)	(140)
(Decrease)/increase in creditors	258	(650)
Net cash (used in) operating activities	(5,811)	(6,997)

21 Analysis of cash and cash equivalents

	2026 £'000	2025 £'000
Cash at bank and in hand	2,735	3,145
Total cash and cash equivalents	2,735	3,145

22 Analysis of changes in net debt

	At 1 April 2025 £000	Cash flows £000	At 31 March 2026 £000
Cash at bank and in hand	3,145	(410)	2,735
Total	3,145	(410)	2,735

23 Operating lease commitments

At 31 March 2026 the Charity had commitments to make future minimum lease payments under noncancellable operating leases as follows:

	2026 £'000	2025 £'000
Not later than 1 year	1	1
Later than 1 year and not later than 5 years	2	3
Total lease commitments	3	4

TRUSTEES, STAFF AND REGISTERED OFFICE OF THE FOUNDATION

Board of Trustees

Geraldine Blake (Chair)
Tufyal Choudhury (Vice Chair)
Rebecca Bunce
Jonathan Hughes
Keith Shepherd
Annika Small OBE
Lily Tomson

As at 31 March 2026, the membership of our Committees is set out below

FINANCE AND INVESTMENT COMMITTEE:
Keith Shepherd (Chair), Tufyal Choudhury and Lily Tomson

REMUNERATION COMMITTEE:
Geraldine Blake (Chair), Tufyal Choudhury and Keith Shepherd

RISK AND AUDIT COMMITTEE:
Tufyal Choudhury (Chair), Rebecca Bunce and Annika Small

Members of Staff

Sufina Ahmad MBE	<i>Director</i>
Alice Thornton	<i>Head of Research and Impact</i>
Mark Hart	<i>Finance and Operations Manager (until 5 December 2025)</i>
Kate Hitchcock	<i>Senior Grants Manager</i>
Stephanie Santiano	<i>Grants Manager</i>
Bethany Barker	<i>Grants Officer</i>
Lauren Williamson	<i>Executive Assistant (until 14 February 2026) and Operations and Governance Manager (from 15 February 2026)</i>

Registered address of the Foundation

Aria House
23 Craven Street
London WC2N 5NS
Telephone: 020 7930 8566
Email address: enquiries@ellerman.org.uk
Website: www.ellerman.org.uk

Registered Charity Number

263207

ADVISERS TO THE FOUNDATION AT 31 MARCH 2026

Auditors

Moore Kingston Smith LLP, 9 Appold Street, London EC2A 2AP

Solicitors

Bates Wells, 10 Queen Street Place, London EC4R 1BE

Investment Advisers

Stanhope Consulting, 35 Portman Square, London W1H 6LR (until September 2025)
Gallagher (formally Redington), 1 Angel Court, London, EC2R 7HJ
Triia Limited, Flat 12 Landen House, Rectory Road, Wokingham, England, RG40 1EE

Investment Managers at 31 March 2026

CCLA, 1 Angel Lane, London EC4R 3AB
Charities Property Fund, Cordea Savills, 33 Margaret Street, London W1G 0JD
Fulcrum Asset Management, Marble Arch House, 66 Seymour Street, London W1H 5BT
GMO UK Limited, No. 1 London Bridge, London SE1 9BG
Newton Investment Management Limited, BNY Mellon Centre,
160 Queen Victoria Street, London EC4V 4LA
Ruffer LLP, 80 Victoria Street, London SW1E 5JL

Bankers

COIF Charities Deposit Fund, 1 Angel Lane, London EC4R 3AB
Coutts & Co., 440 Strand, London WC2R 0QS

John Ellerman Foundation

Registered Charity Number 263207

www.ellerman.org.uk