



Foundation

A large, abstract graphic design featuring a white circle with a dark blue and orange geometric pattern inside, set against a dark blue and orange background. The design is composed of several overlapping shapes, including a large white circle, a dark blue semi-circle, and an orange semi-circle, all set against a dark blue background with an orange diagonal stripe.

Report of the Trustees and financial statements 2025

A charitable company limited by guarantee
Registered company number 13083579
Registered charity number 1194474
30 September 2025

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Report of the Trustees

Introduction

The trustees present their report and the financial statements of The KPMG Foundation ('the Foundation') for the year ended 30 September 2025. The financial statements have been prepared in accordance with the Companies Act 2006 and the Charities Act 2011, Accounting and Reporting by Charities and 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 (FRS 102) (effective 1 January 2019). The financial statements comply with the Memorandum and Articles of Association of the Foundation.

Reference and administration information

The Foundation was registered with the Charity Commission under charity number 1194474 on 14 May 2021. The Foundation is also a company registered with Companies House in England and Wales, company number 13083579, under Companies Act 2006. The Foundation bears KPMG's name but acts independently of KPMG LLP.

Directors and Trustees

The Directors are its trustees for the purpose of charity law and throughout this report are collectively referred to as its trustees. The trustees who held office during the period and to the date of this report were as follows.

Bina Mehta	Chair – retired partner of KPMG LLP, retired 31 March 2026
John McCalla-Leacy	Chair – retired partner of KPMG LLP, trustee during the period and appointed as Chair 1 April 2026
Katie Clinton	current partner of KPMG LLP, appointed 1 April 2026
Jennifer Lee	current partner of KPMG LLP
Corrine Harms	current employee of KPMG LLP, trustee until 15 March 2026 and appointed as Chief Executive from 16 March 2026
David Yim	Chair of Finance and Investment Committee, retired partner of KPMG LLP
David Bartram, OBE	
Rohati Chapman	
Professor Lisa Holmes	
Christopher Murray	

The Foundation is limited by guarantee and does not have a share capital, therefore no trustees held shares at any time during the year. Trustees benefit from qualifying third party indemnity provisions in place during the financial year and at the date of this report.

Officers

Chief Executive	Judith McNeill, employee of KPMG LLP and Chief Executive up to May 2025
Chief Executive	Kevin Munday, current employee of KPMG LLP, appointed Chief Executive June 2025 to March 2026
Chief Executive	Corrine Harms, current employee of KPMG LLP, appointed Chief Executive March 2026
Treasurer	Bhavisha Patel, current employee of KPMG LLP
Finance Manager	Gemma Hackett, current employee of KPMG LLP

Principal office

The KPMG Foundation, 15 Canada Square, Canary Wharf, London, E14 5GL

Member

KPMG LLP, 15 Canada Square, London, E14 5GL

Report of the Trustees (*continued*)

Auditor

Grant Thornton UK LLP, 8 Finsbury Circus, London, EC2M 7EA

Bankers

HSBC Bank PLC, 62-76 Park Street, London, SE1 9DZ

Solicitors

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

Investment advisors

Sarasin & Partners LLP, Juxon House, 100 St Paul's Churchyard, London, EC4M 8BU

Structure, governance and management

Organisation structure

The Foundation is a company limited by guarantee, not having a share capital. The sole member of the Foundation is KPMG LLP, a limited liability partnership. The governing documents are the Memorandum and Articles of Association of the Foundation. The word "limited" is omitted from the Foundation's name under the provisions of the Companies Act 2006 60(1)(a).

At 30 September 2025, the Foundation consisted of a board of nine trustees, a treasurer, a financial team and a chief executive officer (CEO). Of the nine trustees, five are partners of KPMG LLP, retired partners or an employee of KPMG LLP. Four are external trustees who bring considerable experience and expertise in the issues prioritised by the charity.

Governance

Trustees collectively agree on the appointment or reappointment of trustees with recommendation by the Chair. Internal trustees are appointed from among the partners or employees of KPMG LLP and shall always include at least one non-partner trustee. Trustees, in office during the year, together with details of the Foundation's principal officers and other relevant organisations are listed on pages 1 and above.

Newly appointed trustees receive an induction that includes guidance on their responsibilities as a charity trustee, the strategy and objectives of the Foundation, the relationship with KPMG LLP as a 'connected charity' (using the Charity Commission Guidance), a financial overview and the issues relevant to the Foundation's priorities. The Foundation tailors the induction of a new trustee to the needs of the individual trustee. Subsequent to year end one trustee has joined and two trustees have resigned from the board.

Trustees are provided with summary information based on the contents of bi-annual or annual reports, newsletters, or other updates, on all projects funded, at regular intervals. Formal presentations are made to the trustees by some organisations, during the life of the project, usually at the mid-point or towards the end of the funding period, for discussion of the achievements and challenges of the work.

Management

Trustees delegate the day-to-day management of the Foundation to the CEO who is employed by KPMG LLP to work solely on the charity. The Foundation also benefits from professional administration and finance expertise donated by KPMG LLP.

Proposals for funding are reviewed initially by the Foundation's CEO and presented to trustees for further consideration in the context of the charity's strategy, annual plans and budget. Trustees make all grant-making decisions collectively based on a combination of written analysis, meetings, presentations, and experience in the relevant sectors and issues. Once the decision has been made to fund an initiative, the CEO will assess the progress following receipt of mandatory reports at regular intervals and present summaries to the trustee board identifying achievements, concerns or risks.

Report of the Trustees (*continued*)

Risk management statement

The trustees regularly review the major risks to which the Foundation is exposed and have established systems to mitigate those risks. A risk register is maintained by the Foundation, which is formally reviewed annually. Any new risks or matters of concern are raised at or between trustee meetings and mitigating steps taken as necessary. The risk management framework was updated during the year. The trustees will continue to keep this under review to ensure it is appropriate for the needs of a grant making foundation.

The two greatest risks to which the Foundation is exposed are as follows:

- dependence on a sole funder for financial support - the Foundation is solely dependent on KPMG LLP for funding. If KPMG LLP decided to stop supporting the charity, the Foundation holds sufficient funds to ensure it could meet all of its current commitments. However, its longer-term financial security would be in doubt and the trustees would need to consider the charity's future strategy; and
- reputation - the Foundation works hard to maintain a strong reputation in the sector. By association, reputational damage to any of the charities it works with could impact the Foundation's reputation and cause concern with its sole funder and other stakeholders. Therefore, thorough assessment and due diligence with charities the Foundation grants to is vital.

Trustees reserve the right to withhold or postpone payments to charity grant partners if serious concerns emerge or if planned activity cannot proceed. Charity partners are required to inform the Foundation immediately of any 'serious incidents' including those defined by and reported to the Charity Commission.

The trustees will continue to monitor the impact that national and global market developments have on the Foundation and, in particular, on investment values and the level of reserves. The Finance and Investment committee regularly review investment performance to protect the value of the Foundations' assets and enable us to fulfil our commitment to our charity partners. The Finance and Investment Committee work together with our investment advisers, Sarasin & Partners, who make necessary changes on our behalf to manage the investment portfolio. A review of the Foundation's investment strategy and performance was undertaken in 2023 and more recently in January 2025, whilst considering the level of minimum reserves the trustees would like to maintain. In the context of the prevailing global economic environment, the trustees are satisfied with the service received from Sarasin & Partners. A further review is expected in forthcoming months.

Objectives and activities

The objectives of the Foundation are to improve outcomes for children living in some of our country's most disadvantaged families and communities. Over the last 12 months, pressures on families have remained acute, with children from low-income and vulnerable backgrounds remaining more likely to experience poorer outcomes. The Foundation's priority therefore is to deploy its resources where they can make the greatest difference.

The Foundation's primary activity to achieve its charitable objectives is grant making. Grants are made utilising a mixture of any accumulated net investment return and accumulated or new donations received. The Foundation actively seeks out and selects partners to develop proposals and assesses their leadership and the quality of their projects for potential support. Building effective relationships with a wide variety of stakeholders is also key to this approach. Work is funded across the regions and nations in England, Wales and Scotland.

The Foundation is an independent charity supported by KPMG LLP. It shares the firm's broad corporate responsibility and social mobility aims for children and young people from disadvantaged communities, whilst operating in distinct and complementary ways.

Report of the Trustees (*continued*)

Objectives and activities (*continued*)

Public benefit assessment

The trustees confirm that they have complied with their duty in section 17 of the Charities Act 2011 to have due regard to the requirements contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

With respect to public benefit reporting the main aims of the Foundation fall into the Charity Commission categories of 'the advancement of education' and 'the relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage and in particular identifiable benefits and benefit to the public, or a section of the public'.

Strategy and grant making

The Foundation achieved an 'A' rating overall in the 2024 Foundation Practice Rating, demonstrating good transparency, accountability and diversity practices.

Typically, the Foundation makes a relatively small number of high value grants to carefully selected charities and social enterprises. For smaller and medium sized organisations, core funding rather than project funding is generally preferred.

The Foundation fosters strong relationships with the organisations it supports and views them as 'partners in change for children' rather than as 'beneficiaries' of funding given. Their success is the Foundation's success.

The Foundation's current priority areas are:

- Early years — supporting approaches that give babies and children under five the strongest start in life, recognising that nurturing environments and early learning opportunities are critical foundations for long-term health, happiness and educational success; and
- Care-experienced children and young people — supporting approaches that improve wellbeing, opportunity and outcomes for those in and around the care system.

Our grants typically comprise four types:

- Start Up — backing innovative ideas and early-stage organisations with the potential to drive change at scale;
- Step Up — supporting emerging evidence and proven models so they can be sustained and expanded;
- Step Together — enabling collaborations that influence policy, practice and systems so barriers facing disadvantaged children are dismantled; and
- Actionable Research — funding research that fills evidence gaps and can be translated into practice to improve outcomes.

Report of the Trustees (*continued*)

Achievements and Performance

Reporting on our objectives for 2024/25

Last year the Foundation cited five areas where it intended to make particular progress in 2024/25. Our achievements against these are detailed below.

Objective 1: Make in excess of £1.5m of grants to ambitious organisations creating the most impact for care experienced children and the most vulnerable under 5's (or other high potential impact initiatives)

Trustees awarded new grants totalling £1,020,250 during the year, of which £395,250 was in the normal course of grant making and were mostly to support work over two to three years. During the year, trustees decided to include the 25th anniversary grant programme within the total grant spend set and made 25 grants of £25,000. When taking these and multi-year grants agreed in previous years, in total just over £1.5m of grants were disbursed during the year. Grants are monitored during the period and organisations report against key criteria that they have outlined at the beginning of the grant period. Where satisfactory progress cannot be made or there are insurmountable problems, grants may be withheld. No such events occurred during the year.

Grants awarded during 2024/25:

Organisation	Summary Description	Theme and type of funding	Location	Grant
Birth Companions	Developing a national care pathway for women in contact with children's social care	Early Years and Care Experience – Step Up	London and Yorkshire & Humber	£100,000
Happy Baby Community	Training of women with lived experience to be peer mentors to other mothers	Early Years – Research & Step Up	England	£45,250
Celcis	Strengthening evidence-based policy and practice in children's social care through research, training and sector leadership	Care Experience – Step Up	Wales	£25,000
Project Change	Building their capacity as an organisation 'by care experienced people, for care experienced people'	Care Experience – Start Up	Scotland	£30,000
Safe Families and Home for Good - Better Together	Supporting families to prevent children entering the care system and, if they do, ensuring there are enough safe and nurturing homes	Care Experience – Step Together	England	£120,000
Words Matter	Improving children's physical and mental health by working to end verbal abuse of children by adults	Early Years – Start Up	UK Wide	£75,000
Blue Cabin	Providing creative, arts-based programmes that give young people and families space to build confidence, wellbeing and new ways of thinking during challenging circumstances	25@25	North East	£25,000
Care Free Cornwall	Enabling families facing hardship to access short breaks and respite by matching them with donated holiday accommodation	25@25	South West	£25,000

Report of the Trustees (*continued*)

Achievements and Performance (*continued*)

Objective 1: Make in excess of £1.5m of grants to ambitious organisations creating the most impact for care experienced children and the most vulnerable under 5's (or other high potential impact initiatives) (*continued*)

Organisation	Summary Description	Theme and type of funding	Location	Grant
Community Learning Partnership	Delivering early learning and family support programmes that strengthen school readiness and parental engagement in disadvantaged communities	25@25	Yorkshire & Humberside	£25,000
Early Years Scotland	Supporting families and early years practitioners to improve young children's development through programmes such as HENRY and community-based parenting support	25@25	Scotland	£25,000
Early Years Wales	Improving outcomes for young children by strengthening early years services, workforce skills and family support across Wales	25@25	Wales	£25,000
FACES	Providing targeted family support to help parents improve home learning, wellbeing and relationships with schools	25@25	East	£25,000
Family Gateway	Connecting families to coordinated early help services, advice and practical support to reduce crisis and improve stability	25@25	North East	£25,000
Homestart Birmingham	Offering volunteer-led home-visiting and group support to parents with young children experiencing isolation, stress or financial pressure	25@25	West Midlands	£25,000
Institute of Health Visiting	Developing the health visiting workforce and promoting best practice to improve infant health, parental wellbeing and early development	25@25	England	£25,000
Kent Refugee Action	Supporting refugees and asylum seekers with advocacy, integration services and opportunities to share their stories and build community	25@25	South East	£25,000
KIND Liverpool	Reducing school absence and improving attainment by engaging young people through sailing and water-based learning experiences	25@25	North West	£25,000
Magpie Project	Providing safe play, creative activities and practical support for mothers and children facing homelessness and severe poverty	25@25	London	£25,000
Parents 1 st	Building parental confidence and skills through evidence-based early years and home-learning programmes in partnership with schools and nurseries	25@25	East	£25,000
Pure Insight	Supporting care-experienced young parents and care leavers through mentoring, peer groups and practical help to reduce isolation and improve stability	25@25	North West	£25,000

Report of the Trustees (*continued*)

Achievements and Performance (*continued*)

Objective 1: Make in excess of £1.5m of grants to ambitious organisations creating the most impact for care experienced children and the most vulnerable under 5's (or other high potential impact initiatives) (*continued*)

Organisation	Summary Description	Theme and type of funding	Location	Grant
Rees Foundation	Creating welcoming community spaces and practical support for care-experienced people through cafés, peer networks and crisis assistance	25@25	West Midlands	£25,000
Sebby's Corner	Delivering essential baby supplies, family support and crisis help to parents facing financial hardship and social isolation	25@25	London	£25,000
Settle	Supporting refugee and migrant families with perinatal mental health support, practical assistance and community integration	25@25	London	£25,000
Skills Builder	Embedding essential skills development in education and youth programmes to improve long-term employability and life outcomes	25@25	UK wide	£25,000
SNAPS (Special Need and Parent Support)	Empowering parents of children with additional needs through peer support, information and advocacy	25@25	Yorkshire & Humberside	£25,000
The Children's Foundation	Funding grassroots projects that improve children's health, wellbeing and access to opportunities across the North East	25@25	North East	£25,000
The Foundation Years Trust	Strengthening early childhood services and family learning to improve outcomes for children before they start school	25@25	North West	£25,000
Kids Matter	Equipping churches and community organisations to deliver parenting programmes that tackle isolation, improve mental health and strengthen family resilience	25@25	England	£25,000
The Mighty Creatives	Using creative mentoring to support children's emotional wellbeing and confidence, particularly those facing trauma or exclusion	25@25	East Midlands	£25,000
Voices from Care Cymru	Amplifying the voices of care-experienced young people and supporting organisations to embed youth participation in decision-making	25@25	Wales	£25,000
Who Cares Scotland	Championing the rights and wellbeing of care-experienced people through advocacy, participation and systemic reform	25@25	Scotland	£25,000

Report of the Trustees (*continued*)

Achievements and Performance (*continued*)

Objective 1: Make in excess of £1.5m of grants to ambitious organisations creating the most impact for care experienced children and the most vulnerable under 5's (or other high potential impact initiatives) (*continued*)

At the heart of our Impact is the work undertaken by the Foundation's charity partners.

Our partners in the early years strengthen parental confidence and access to high-quality early support, particularly for families facing disadvantage. For example, our support for Thrive at Five helps develop place-based approaches that improve school readiness and early language development through coordinated local systems. Investing in the Happy Baby Community builds peer networks and trusted support for new parents, reducing isolation and promoting early bonding and infant wellbeing. While we have helped 50 Things to Do to scale their approach to connecting children with screen-free playful activities.

Our partners supporting care-experienced children and young people strengthen relationships, resilience and progression into adulthood. For example, our investment in Kinship strengthens support for relatives and friends who step in to care for children, helping sustain family placements and reduce disruption. We have supported Now Foster to scale innovative recruitment and engagement approaches that bring new foster carers into the system. While our funding for the Family Rights Group's Lifelong Links programme rebuilds trusted networks around young people leaving care to improve emotional wellbeing and long-term stability.

Having disbursed more than the grant target, which includes grants paid in year in respect of multiyear grants and 25th anniversary year grants, trustees consider this objective to have been achieved.

Objective 2: Mark the Foundation's 25th anniversary year in 2025 by implementing a special grants programme across England, Wales and Scotland of 25 grants of £25,000

The Foundation launched and implemented a one-off anniversary grants programme to mark its 25th year, awarding 25 grants of £25,000 to smaller charities working in local communities across England, Wales and Scotland.

This programme was designed to complement the Foundation's core strategic grant-making by:

- reaching organisations that are highly embedded in place-based delivery;
- supporting preventative and early-help approaches; and
- recognising the contribution of smaller charities that often operate with limited unrestricted funding.

The grants supported a wide range of activities aligned to the Foundation's objectives, including family support, early years development, kinship care, community-based mental health support and transition services for care-experienced young people. The anniversary programme also enabled the Foundation to engage new partners and learn from different local delivery models, strengthening understanding of how national policy priorities are experienced on the ground by families and frontline services.

Trustees consider this objective to have been fully achieved with all 25 grants awarded within the anniversary year and strong geographic spread across the three nations.

Report of the Trustees (*continued*)

Achievements and Performance (*continued*)

Objective 3: Produce an Impact Report covering the Foundation's 25-year history to highlight key themes, partners and policy since 2000

During the year, research was undertaken into earlier grants and legacy partners, alongside interviews and case material from more recent partners. This enabled the Foundation to track organisational journeys, including examples of programmes that have scaled, adapted, influenced policy or informed national practice.

From this we produced a 25-year Impact Report titled 'Change for children: 25 years of partnership', that was launched at our anniversary event in May 2025. The report:

- reflected how the Foundation's priorities have evolved over time;
- highlighted long-standing and successful partnerships;
- showed how our grant-making has responded to changes in policy, practice and evidence; and
- linked our historical learning to current priorities around early years, care experience and family support.

In addition to the Impact Report, a series of videos highlighting elements of our learning were shared on LinkedIn across the year. Trustees consider this objective to be fully delivered, with the report available on the Foundation's website.

Objective 4: Continue to develop strong relationships across the sector, collaborate effectively with other funders and connect our charity partners with each other, to help drive better outcomes for all children, by saving time, money and effort

Collaboration remained a core element of the Foundation's approach during the year. We continue to act as:

- an early funder of collaborative initiatives focused on shared outcomes and system coherence;
- a connector between charity partners working on related issues; and
- an active participant in national early years and care-experience networks.

Trustees and the CEO engaged with a range of funder collaboratives (such as Early Childhood Funders Collaborative), policy roundtables and sector forums focused on early years development, family support, social care reform and outcomes measurement. These relationships help ensure that the Foundation's grant-making is informed by emerging evidence and aligned with wider reform efforts.

Charity partners were also encouraged to learn from each other, particularly where similar models are being tested in different localities. This has included sharing approaches to workforce development, community engagement and evaluation frameworks.

For example, most of our grant partners are now measuring their impact through the Common Outcomes for Children and Young People Collaborative, reflecting the Foundation's intention not only to fund individual programmes but also to contribute to stronger ecosystems around children's services.

Trustees consider this objective to be fully delivered, with collaboration embedded as a consistent feature of the Foundation's operating model.

Report of the Trustees (*continued*)

Achievements and Performance (*continued*)

Objective 5: Ensure a smooth transition during the handover from the outgoing CEO to a new incumbent

A structured handover plan was developed to ensure continuity of relationships with charity partners and sector stakeholders, and to maintain momentum on grant-making, anniversary activity and reporting commitments. Key areas covered included:

- strategic priorities and current grant portfolio;
- trustee relationships and governance arrangements;
- external partnerships and funder collaborations; and
- operational processes, financial oversight and risk management.

Key documentation and reporting frameworks were updated to ensure institutional knowledge was retained within the organisation rather than held solely by individuals.

Trustees are satisfied that this objective has been met, with no disruption to grant-making, partner relationships or financial governance.

Challenges during the year

The operating environment for children's charities has remained highly challenging over the last 12 months, with financial, workforce and policy uncertainty continuing to place significant strain on services supporting vulnerable children and families.

Although inflation has eased from earlier peaks, cost pressures remain structurally higher than pre-pandemic levels, particularly in relation to staffing, utilities, insurance, food and property costs. For many organisations, grant income and statutory contract values have not kept pace with these increases, resulting in ongoing pressure on core budgets and reserves. Smaller and place-based charities, in particular, continue to report difficulties maintaining services while absorbing rising operating costs.

The sector has also experienced continued workforce challenges, including recruitment difficulties, higher turnover and increased sickness absence, driven by workload pressures and comparatively low pay relative to public and private sector roles. This has affected delivery capacity for some programmes, particularly in early years provision, family support services and residential care, where continuity of relationships is especially important for children and families.

At the same time, demand for services continues to rise, driven by persistent poverty, mental health needs, housing insecurity and family stress. Partners working in early years and care-experienced settings report increasing complexity of need, requiring more intensive and longer-term interventions, often without corresponding increases in funding.

Within this context, charity leaders face difficult choices between maintaining frontline delivery and investing in organisational development, evaluation and sustainability. The risk of leadership fatigue and burnout remains a concern, particularly for founders and senior managers working in high-need communities with limited access to flexible funding.

As a grant maker, the Foundation has sought to respond to these pressures by maintaining a focus on core funding, flexibility in delivery plans where appropriate, and active dialogue with partners about risks and sustainability. Trustees recognise that supporting strong organisations is as critical as supporting strong programmes if lasting improvements in outcomes for children are to be achieved. We therefore trialled an advocate programme, where we paired pro-bono KPMG Partner Advocates with five of our grant partners, who were able to provide coaching, advice and guidance for the charity chief executives. In the majority of cases this was successful, with grant partners reporting that they had found the additional expertise helpful. We plan to role the programme out to more grant partners in 2025/26.

Report of the Trustees (*continued*)

Financial review

Review of the year

During the year, the Foundation funded grants of £1,582,250 (2024: £1,221,190). The Foundation received a donation from KPMG LLP of £664,608 (2024: £674,712), voluntary income of £27,606 (2024: £31,960) was received from KPMG LLP as a 50% contribution to the running and support costs of the Foundation, gift aid of £163,312 (2024: £168,678) was received, and net investment return was a profit of £276,604 (2024: £651,676). Donated services provided to the Foundation on a pro-bono basis from KPMG LLP were £49,791 (2024: £60,671).

Investment policy and performance

The performance of investments held in the year can be seen in note 8 to the financial statements and below. The Foundation’s investment policy seeks to strike a balance between the availability of funds and generation of a strong return, whilst maintaining a relatively low exposure to risk. The trustees regularly review investment performance and monitor the current portfolio of investments held, in respect of cash flow and risk.

The Sarasin and Partners portfolio is managed on a discretionary basis. The aim of the portfolio is to produce an income that can support grant giving whilst maintaining the ‘real’ value of the capital. To achieve this, the portfolio is invested in a diversified manner across bonds, equities, property and alternative investments.

Analysis of investments held as at 30 September:

Asset Class	Value at	Weight at	Value at	Weight at
	30 Sept 2025 £’000	30 Sept 2025 %	30 Sept 2024 £’000	30 Sept 2024 %
Fixed Income	1,210	32	1,654	37
Equity	1,926	51	2,283	51
Property	75	2	82	2
Alternative	456	12	378	8
Cash	102	3	101	2
Total	3,769	100	4,498	100

The trustees have a policy to maintain a cash reserve (including investments readily convertible into cash) in order to meet committed grant payments and two years of running costs as well as a policy to maintain a minimum level of funds of £3 million.

For the financial year ending 30 September 2025, the Sarasin and Partners portfolio produced a total return, net of fees of 5.4%, behind the portfolio’s bespoke benchmark of 10.1% (gross of fees). The portfolio’s long-term objective of CPI +2% was up +5.8% over the same period. At 30 September 2025, £296,953 (2024: £260,456) of cash was held in the current account with HSBC and the cash deposit account held with Sarasin and Partners.

Reserves policy

The trustees reserve the right to utilise accumulated reserves to meet shortfalls in annual income and also to fund any major initiatives that are identified.

The trustees ensure that the Foundation retains sufficient reserves to cover all anticipated future financial commitments (grants committed and two years of running costs) with a minimum level of reserves to be held, currently set at £3 million to ensure the Foundation can continue to operate in the longer-term. Grants not yet provided in the accounts but expected to be payable total £635,000 (2024: £1,197,000). Running costs per year are expected to be in the region of £230,000 to £250,000. The target reserves therefore required to cover grant commitments and running costs as at 30 September 2025 are estimated to be in the region of £1,095,000 to £1,135,000. As at 30 September 2025, the Foundation held total unrestricted reserves of £4,379,525 (2024: £5,080,316). The unrestricted reserves level (equivalent to free reserves) as at end of September 2025 therefore currently exceeds the minimum level of reserves set of £3 million.

Report of the Trustees (*continued*)

Plans for future periods

In the context of a new government and renewed national focus on improving outcomes for children, the Foundation will concentrate on the following three objectives in the coming year:

Objective 1: Make up to £1m of grants to ambitious organisations creating the most impact for care experienced children and the most vulnerable under 5's (or other high potential impact initiatives)

The Foundation will continue to prioritise high-impact grant making aligned to its core focus on early years and care-experienced children. We will invest in organisations with strong leadership, credible evidence of impact and the potential to adapt, replicate or scale their models.

Wherever possible, funding will continue to prioritise core and capacity-building support, recognising the financial pressures facing the children's voluntary sector and the importance of organisational sustainability for long-term outcomes. The Foundation will also maintain a balanced portfolio, supporting both early-stage innovation and the strengthening of proven approaches, as well as selected research and systems-focused initiatives that can inform policy and practice.

Objective 2: Deepen relationships with government and public sector partners to help achieve wider social change for children and families

Building on its experience of funding innovative delivery and research, the Foundation will seek to strengthen its engagement with central and local government, arm's-length bodies and policy influencers, with the aim of ensuring that learning from our charity partners informs wider reform efforts.

This will include:

- sharing evidence and practice from funded programmes with policymakers and commissioners;
- participating in relevant advisory groups, taskforces and sector coalitions; and
- supporting partners to engage more effectively with statutory systems where appropriate.

In particular, the Foundation will align its engagement to national priorities around early years development and children's social care reform, seeking opportunities to contribute to prevention, family support and improved outcomes for care-experienced children and young people. While remaining an independent grant maker, the Foundation sees influencing systems as an important complement to direct funding.

Objective 3: Develop a new strategic plan for 2027–2030

During the year, the trustees will begin development of a new three-year strategy to guide the Foundation's work from 2027 to 2030, building on learning from the current strategy period and insights from the 25-year Impact Report.

This will include reviewing:

- the Foundation's focus areas, theories of change and impact measurement;
- the balance between direct grant making, collaboration and systems influence; and
- the scale and structure of future grant commitments.

Having clear strategic direction will be central to ensuring that the Foundation can continue to play a meaningful role in improving outcomes for children and families.

Report of the Trustees (*continued*)

Going concern

Forecasts and cashflow projections are prepared and regularly reviewed, covering the going concern assessment period of 12 months from the date of approval of these financial statements. These forecasts include a scenario where there is an increase in the running costs of the Foundation. After reviewing the charity's forecasts and projections, as well as consideration of other scenarios the trustees have a reasonable basis to conclude that the charity has adequate resources to continue in operational existence and to meet its grant making commitments for a period of at least twelve months. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

Disclosure of information to the auditor

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

Small company provisions

In producing this report, the trustees have taken advantage of the small companies exemptions provided by part 15 of the Companies Act 2006 in not preparing a strategic report.

Report of the Trustees (*continued*)

Trustees' Responsibilities Statement

The trustees (who are also directors of the KPMG Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Approved by the trustees and signed on their behalf by:



John McCalla-Leacy

Chair

15 April 2026

Independent Auditor's Report to the Trustees of The KPMG Foundation

Opinion

We have audited the financial statements of the KPMG Foundation (the 'charitable company') for the year ended 30 September 2025, which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2025 and of its incoming resources and application of resources including, its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Statement of Recommended Practice: Accounting and Reporting by Charities, 2019 Edition; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that Act. 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 charitable company 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

We are responsible for concluding 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 charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the trustees' conclusions, we considered the inherent risks associated with the charitable company's business model including effects arising from macro-economic uncertainties such as the cost of living crisis, we assessed and challenged the reasonableness of estimates made by the trustees and the related disclosures and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the going concern period.

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

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

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

Independent auditor's report to the trustees of The KPMG Foundation (*continued*)

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report, prepared for the purposes of company law, included in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' Report included in the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included in the Report of the Trustees.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the Report of the Trustees.

Independent auditor's report to the trustees of The KPMG Foundation (*continued*)

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 14, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company. We determined that the following laws and regulations were most significant: the Companies Act 2006 and Charities Act 2011, the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102), the Statement of Recommended Practice (SORP) applicable to Charities, and current UK corporation tax legislation.
- We understood how the charitable company is complying with these legal and regulatory frameworks by making inquiries of management and those charged with governance. We enquired of management and those charged with governance whether there were any instances of non-compliance with laws and regulations, or whether they had any knowledge of actual or suspected fraud. We corroborated the results of our enquiries through our review of the board minutes.
- We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur and the risk of material override of controls. Audit procedures performed by the engagement team included:
 - Identifying and assessing the design effectiveness of certain controls management has in place to prevent and detect fraud
 - Challenging assumptions and judgements made by management in its significant accounting policies
 - Identifying and testing journal entries
 - Identifying and testing related party transactions
 - Inspecting the board minutes
 - Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

Independent auditor's report to the trustees of The KPMG Foundation (*continued*)

Auditor's responsibilities for the audit of the financial statements (*continued*)

- The assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - Understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation
 - Knowledge of the sector in which the charitable company operates, and
 - Understanding of the legal and regulatory requirements specific to the entity including the provisions of the applicable legislation.
- The team communications in respect of potential non-compliance with laws and regulations and fraud included the potential for fraud in revenue recognition.
- We did not identify any matters relating to non-compliance with laws and regulation and fraud.
- In assessing the potential risks of material misstatement, we obtained an understanding of:
 - The charitable company's operations, including the nature of its revenue sources, to understand the classes of transactions, accounts balances, expected financial statement disclosures and business risks that may result in risks of material misstatement, and
 - The charitable company's control environment, including:
 - Management's knowledge of relevant laws and regulations and how the charitable company is complying with those laws and regulations;
 - The adequacy of procedures for authorisation of transactions and review of management accounts; and
 - Procedures to ensure that possible breaches of laws and regulations are appropriately resolved.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Stephen Dean
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London
15/4/2026

Grant Thornton UK LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Statement of Financial Activities

for the year ended 30 September 2025

		30 Sept 2025	30 Sept 2024
		£	£
Income from	<i>Note</i>		
Donations	2	742,005	767,343
Gift aid reclaim	2	163,312	168,678
Investments	4	161,123	186,898
Total income		<u>1,066,440</u>	<u>1,122,919</u>
Expenditure on			
Raising funds	5	(30,935)	(32,959)
Charitable activities	5	(1,851,777)	(1,498,905)
Total expenditure		<u>(1,882,712)</u>	<u>(1,531,864)</u>
Net gains on investments	8	115,481	464,778
Net (expenditure)/income being net movement of funds		<u>(700,791)</u>	<u>55,833</u>
Total funds brought forward		5,080,316	5,024,483
Total funds carried forward	12	<u>4,379,525</u>	<u>5,080,316</u>

The Statement of Financial Activities includes all gains and losses recognised in the period. All amounts relate to continuing activities and unrestricted funds.

The notes on pages 22 to 33 form part of these financial statements.

Balance Sheet

at 30 September 2025

	<i>Note</i>	30 Sept 2025	30 Sept 2024
		£	£
Fixed assets			
Investments	8	3,769,426	4,498,207
		<hr/>	<hr/>
Current assets			
Debtors	9	346,587	354,972
Cash at bank and in hand	10	296,953	260,456
		<hr/>	<hr/>
Total current assets		643,540	615,428
Current liabilities			
Creditors: amounts falling due within one year	11	(33,441)	(33,319)
		<hr/>	<hr/>
Net current assets		610,099	582,109
		<hr/>	<hr/>
Net assets		4,379,525	5,080,316
		<hr/>	<hr/>
Funds	12	4,379,525	5,080,316
		<hr/>	<hr/>
Total funds	12	4,379,525	5,080,316
		<hr/>	<hr/>

In producing these financial statements, the trustees have taken advantage of the small companies exemptions provided by part 15 of the Companies Act 2006.

These financial statements were approved by the trustees on 15 April 2026 and were signed on their behalf by:



John McCalla-Leacy

Chair

15 April 2026

The notes on pages 22 to 33 form part of these financial statements.

Statement of Cash Flows

for the year ended 30 September 2025

	30 Sept 2025	30 Sept 2024
<i>Note</i>	£	£
Cash flows from operating activities		
Net cash outflow from operating activities	14	(934,945)
		(711,489)
Cash flows from investing activities		
Interest	4	21,442
Payments to acquire investments	8	-
Receipts from disposals of investments	8	950,000
Total cash flows from investing activities		971,442
		728,066
Change in cash and cash equivalents in the reporting period	15	36,497
Cash and cash equivalents at the beginning of the reporting period	15	260,456
Cash and cash equivalents at the end of the reporting period	10	296,953

The notes on pages 22 to 33 form part of these financial statements.

Notes

forming part of the financial statements

1 Accounting policies

Basis of preparation

The trustees present their report and the financial statements of the Foundation for the year ended 30 September 2025. The financial statements have been prepared in accordance with the Companies Act 2006 and Charities Act 2011, Accounting and Reporting by Charities and 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 (FRS 102) (effective 1 January 2019). The financial statements comply with the Memorandum and Articles of Association of the Foundation. The Foundation meets the definition of a public benefit entity under FRS 102.

The financial statements are prepared under the historical cost convention as modified by the inclusion of investments at market value. The financial statements are prepared in pound sterling.

Future developments

The Charity Commission released the new Charities SORP in October 2025, which is effective for accounting periods starting on or after 1 January 2026, with early adoption permitted.

The requirements of the new charities SORP will be adopted for our accounting period starting 1 October 2026. Based on preliminary assessments, the adoption of the new SORP is not expected to have a significant impact on either the company's net income/expenditure, financial position or disclosures.

Going concern

Forecasts and cashflow projections are prepared and regularly reviewed, covering the going concern assessment period of 12 months from the date of approval of these financial statements. These forecasts include a scenario where there is an increase in the running costs of the Foundation. After reviewing the charity's forecasts and projections, as well as consideration of other scenarios the trustees have a reasonable basis to conclude that the charity has adequate resources to continue in operational existence and to meet its grant making commitments for a period of at least twelve months. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

Income

Income is recognised on a receivable basis and is reported gross of related expenditure, where the receipt is probable, and the amount can be measured reliably. Income has been classified under headings in the Statement of Financial Activities which aggregate all income related to a given category, on the bases set out below:

- donations comprise donations from KPMG LLP, donated services and the portion of the Foundation's running costs which are borne by KPMG LLP. Donated services have been included at the value to the Foundation;
- gift aid reclaim; and
- income from investments.

Expenditure

Operating expenditure is included on an accruals basis and has been classified under headings in the Statement of Financial Activities which aggregate all costs related to a given category, on the basis set out below:

- expenditure on raising funds comprises any investment management costs;
- expenditure on charitable activities comprises direct expenditure in respect of programme management costs, grant-funding costs and support costs. Support costs are overheads that have been allocated to activity cost categories based on the number of grants payable by activity. It also comprises governance costs associated with the governance arrangements of the charity, and which relate to the general running of the charity as opposed to those costs associated with fundraising or charitable activity. The costs include external audit and costs associated with constitutional and statutory requirements such as the cost of preparing statutory accounts. Included within this category are any costs associated with the strategy as opposed to day-to-day management of the charity's activities.

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure.

Notes (continued)

1 Accounting policies (continued)

Grants

Grants are made to third parties in the furtherance of the objectives of the charity. All grants have a requirement for regular progress reporting. In addition, multi-year grants are committed on an annual basis only and are conditional and subject to receiving satisfactory progress reports. Trustees reserve the right to withdraw funding at any time. These conditions and the right to withdraw are communicated formally when grants are awarded.

Fixed asset investments

Fixed asset investments are included at market value at the balance sheet date.

Realised gains and losses on investments, calculated as the difference between sales proceeds and their market value at the start of the year, or subsequent cost, are credited or charged to the Statement of Financial Activities in the year of gain or loss.

Unrealised gains or losses representing the movement in market values during the year are credited or charged to the Statement of Financial Activities in the year of gain or loss.

Cash

Cash, for the purpose of the Statement of Cash Flows, comprises cash in hand and at bank and cash held with investment advisors.

Financial instruments

The Foundation holds financial assets and liabilities that qualify as basic financial instruments. Basic financial instruments include debtors and creditors. Financial assets and financial liabilities are initially recognised when the company becomes a party to the contractual provisions of the instruments. Debtors and creditors are recognised at the transaction value and are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Financial assets are derecognised when substantially all the risks and rewards of ownership of the asset are transferred to another entity or the contractual rights to cashflows from the asset expire. Financial liabilities are derecognised when obligations are fully discharged, cancelled or expired.

Trade and other debtors/creditors

Trade and other debtors/creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

Judgments in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Foundation has not identified any significant estimates. Matters requiring judgement and that have a significant risk of causing a material adjustment to liabilities, if different judgement was taken, are discussed below.

For our multi-year grants, only the annual commitment is recognised. Future grant commitments are not accrued but are instead considered to be contingent liabilities, given the conditions and right to withdraw funding as communicated formally when grants are awarded. The application of the accounting policy in respect of grant funding requires some judgement in assessing whether sufficient progress has been made by our charity partners to meet the next grant payment due. Regular progress reports are received to monitor and assess progress. The CEO reviews these in detail and has regular dialogue with our charity partners over the grant period. If the CEO and/or trustees are not satisfied that adequate progress has been made funding maybe withheld or withdrawn.

Notes (continued)

2 Donations

	30 Sept 2025	30 Sept 2024
	£	£
Donation from KPMG LLP	664,608	674,712
Support costs borne by KPMG LLP	27,606	31,960
Donated services (note 3)	49,791	60,671
	<hr/>	<hr/>
Total donations	742,005	767,343
	<hr/>	<hr/>
Gift aid reclaim	163,312	168,678
	<hr/>	<hr/>
Total	905,317	936,021
	<hr/> <hr/>	<hr/> <hr/>

Gift aid reclaim was in relation to the donation received from KPMG LLP. KPMG LLP bears 50% of the majority of running costs incurred by the Foundation. Included within support costs borne by KPMG LLP is an accrual for the Foundation's 2025 auditor's fees of £25,980 (including VAT) (2024: £25,020 including VAT).

3 Donated services

	30 Sept 2025	30 Sept 2024
	£	£
Treasurer	7,972	7,756
Financial support	14,782	16,908
Other internal support	27,037	36,007
	<hr/>	<hr/>
Total	49,791	60,671
	<hr/> <hr/>	<hr/> <hr/>

Donated services are those provided to the Foundation on a pro-bono basis. All donated services are recognised at their value to the Foundation.

KPMG LLP donates the services of staff for the financial and administration support of the Foundation. £13,527 (2024: £15,253) of this relates to governance costs, including the costs of preparing the statutory financial statements and £36,264 (2024: £45,418) relates to the cost of day-to-day financial management and other services provided by KPMG LLP for the Foundation throughout the year.

Notes (continued)

4 Income from investments

	30 Sept 2025	30 Sept 2024
	£	£
Interest	21,442	31,467
Distributions received	139,681	155,431
Total	161,123	186,898

5 Expenditure

	Grant Funding	Support Costs	Other Direct Costs	30 Sept 2025 Total Funds
	£	£	£	£
Raising funds				
Investment management costs	-	-	30,935	30,935
Total	-	-	30,935	30,935
Charitable activities				
In support of children and young people in deprived families	1,582,250	205,266	64,261	1,851,777
Total charitable activities	1,582,250	205,266	64,261	1,851,777
Total expenditure	1,582,250	205,266	95,196	1,882,712

Notes (continued)

5 Expenditure (continued)

	Grant Funding	Support Costs	Other Direct Costs	30 Sept 2024 Total Funds
	£	£	£	£
Raising funds				
Investment management costs	-	-	32,959	32,959
	-----	-----	-----	-----
Total	-	-	32,959	32,959
Charitable activities				
In support of children and young people in deprived families	1,221,190	210,326	67,389	1,498,905
	-----	-----	-----	-----
Total charitable activities	1,221,190	210,326	67,389	1,498,905
	-----	-----	-----	-----
Total expenditure	1,221,190	210,326	100,348	1,531,864
	=====	=====	=====	=====

Grant funding resources expended are analysed in note 6.

Support costs included within 'Charitable activities' include, management costs, finance costs, the audit fee and other administrative costs; see note 7 for further analysis. Other direct costs within 'Charitable activities' include professional costs.

KPMG LLP bears 50% of the majority of the running costs incurred by the Foundation. In the current year, running costs of £1,626 (2024: £6,940) excluding audit fees were borne by KPMG LLP.

Support costs include £49,791 (2024: £60,671) of donated services; see note 3.

In the current year, the Foundation's auditor has charged fees of £25,980 (including VAT) (2024: £25,020 including VAT).

Notes (continued)

6 Grant funding

	30 Sept 2025	30 Sept 2024
	£	£
In support of children and young people in deprived families		
Birth Companions	50,000	-
Blue Cabin	25,000	-
Care Free Cornwall	25,000	-
Celcis - Scotland	25,000	-
Cohen Trust (Seen Heard Believed)	-	95,000
Community Learning Partnership	25,000	-
Dartington Service Design	30,000	35,000
Early Years - Scotland	25,000	-
Early Years - Wales	25,000	-
Education Policy Institute (EPI)	-	11,190
FACES	25,000	-
Family Gateway	25,000	-
Family Rights Group - core funding	75,000	75,000
Fifty Things	100,000	-
Fostering Network (Step Up Step Down, Wales)	100,000	100,000
Happy Baby Community	25,250	35,000
Home Start Birmingham	25,000	-
Institute of Health Visiting	25,000	-
Juno	75,000	200,000
Kent Refugee Action	25,000	-
Kids Matter	25,000	-
KIND - Liverpool	25,000	-
Kinship - (Grandparents Plus)	-	25,000
Lucy Faithfull Foundation	-	50,000
Magpie Project	25,000	-
Now Foster	50,000	60,000
Parents 1st	25,000	-
Project Change	45,000	20,000
Pure Insight	25,000	-
Rees Foundation	25,000	-
Safe Families	80,000	-
Sebby's Corner	25,000	-
Settle	25,000	-
Sister System	40,000	50,000
Skills Builder	25,000	-
SNAPS (Special Need and Parent Support)	25,000	-
St Edmund - Fifty things to do before you're five	-	50,000
The Childhood Trust	32,000	60,000
The Children's Foundation	25,000	-
The Difference	100,000	50,000
The Foundation Years Trust	25,000	-
The Mighty Creatives	25,000	-
The Village	50,000	70,000
Think Equal	40,000	35,000
Thrive at Five	-	150,000
Voices from Care Cymru	25,000	-
Who Cares Scotland	25,000	-
Wild Young Parents	-	50,000
Words Matter	40,000	-
Total	1,582,250	1,221,190

Notes (continued)

6 Grant funding (continued)

	30 Sept 2025	30 Sept 2024
	£	£
Grants not provided in the accounts		
Total intended grants payable at the beginning of the period	1,197,000	1,031,190
New grants awarded in the period	1,020,250	1,387,000
Charged in the accounts in the period	(1,582,250)	(1,221,190)
	<hr/>	<hr/>
Total	635,000	1,197,000
	<hr/> <hr/>	<hr/> <hr/>

	30 Sept 2025	30 Sept 2025
	£	£
Items not yet provided in the accounts that are expected to be payable		
Within one year	500,000	707,000
Within two to four years	135,000	490,000
	<hr/>	<hr/>
Total	635,000	1,197,000
	<hr/> <hr/>	<hr/> <hr/>

	30 Sept 2025	30 Sept 2025
	£	£
Grants provided in the accounts		
Grants payable provided in the accounts at the start of the period	-	150,000
Charged in the accounts in the period	1,582,250	1,221,190
Paid in the period	(1,582,250)	(1,371,190)
	<hr/>	<hr/>
Total	-	-
	<hr/> <hr/>	<hr/> <hr/>

All grants are paid to charitable organisations.

Grants not provided relate to multi-year grants, which are committed on an annual basis only, and are conditional and subject to receiving satisfactory progress reports, as communicated formally when grants are awarded. Such grants are treated as contingent liabilities.

Notes (continued)

7 Analysis of support costs

	Management	Finance	Other	30 Sept 2025 Total
	£	£	£	£
Expenditure on charitable activities				
In support of children and young people in deprived families	129,495	9,226	27,038	165,759
Governance costs	13,527	-	25,980	39,507
	<u>143,022</u>	<u>9,226</u>	<u>53,018</u>	<u>205,266</u>
Total support costs	143,022	9,226	53,018	205,266
	Management	Finance	Other	30 Sept 2024 Total
	£	£	£	£
Expenditure on charitable activities				
In support of children and young people in deprived families	149,655	11,110	9,288	170,053
Governance costs	15,253	-	25,020	40,273
	<u>164,908</u>	<u>11,110</u>	<u>34,308</u>	<u>210,326</u>
Total support costs	164,908	11,110	34,308	210,326

Management costs include the cost of the Foundation's officers, who assisted with generating funds, service delivery and programme or project related work. In addition, management costs include the value to the Foundation of donated services of the treasurer and finance team for the preparation of the financial statements. The value to the Foundation of donated services in respect of the financial statements are included within governance costs.

Governance costs arising from unrestricted fund activity include the audit fee of £25,980 including VAT (2024: £25,020 including VAT), the donated services of the treasurer £4,927 (2024: £4,927), the finance team and others for the preparation and review of the financial statements £8,600 (2024: £10,326).

Finance costs include the donated services for financial administration. Other costs include donated services from those outside of finance.

Notes (continued)

8 Investments

	30 Sept 2025 £	30 Sept 2024 £
Opening balance	4,498,207	4,610,302
Acquisitions at cost	-	2,401
Dividends received	139,681	155,431
Charges incurred	(33,943)	(35,705)
Disposal of investments	(950,000)	(699,000)
	<hr/>	<hr/>
Total	3,653,945	4,033,429
Unrealised gain on revaluation of investments	111,922	475,744
Realised gain/(loss) on investments	3,559	(10,966)
	<hr/>	<hr/>
Total	115,481	464,778
	<hr/>	<hr/>
Market value at 30 September	3,769,426	4,498,207
	<hr/> <hr/>	<hr/> <hr/>
Investments comprise:		
Sarasin & Partners income and reserves fund	1,778,296	2,159,568
Sarasin & Partners endowments fund	1,991,130	2,338,639
	<hr/>	<hr/>
At market value	3,769,426	4,498,207
	<hr/> <hr/>	<hr/> <hr/>
At original cost	3,654,749	4,461,509
	<hr/> <hr/>	<hr/> <hr/>

9 Debtors

	30 Sept 2025 £	30 Sept 2024 £
Tax receivable from HMRC	323,935	329,301
Amounts recoverable from KPMG LLP	21,486	24,362
Other debtors and prepayments	1,166	1,309
	<hr/>	<hr/>
Total	346,587	354,972
	<hr/> <hr/>	<hr/> <hr/>

Notes (continued)

10 Cash at bank and in hand

	30 Sept 2025	30 Sept 2024
	£	£
Cash at bank and in hand – unrestricted	294,081	260,438
Cash held with investment advisors	2,872	18
Total	296,953	260,456

11 Creditors

	30 Sept 2025	30 Sept 2024
	£	£
Other creditors	33,441	33,319
Total	33,441	33,319

12 Movement in funds

	At 1 Oct 2024	Income	Expenditure	Net gain on investments	At 30 Sept 2025
	£	£	£	£	£
Unrestricted funds	5,080,316	1,066,440	(1,882,712)	115,481	4,379,525
Total funds	5,080,316	1,066,440	(1,882,712)	115,481	4,379,525

	At 1 Oct 2023	Income	Expenditure	Net gain on investments	At 30 Sept 2024
	£	£	£	£	£
Unrestricted funds	5,024,483	1,122,919	(1,531,864)	464,778	5,080,316
Total funds	5,024,483	1,122,919	(1,531,864)	464,778	5,080,316

Notes (continued)

13 Analysis of net assets between funds

	30 Sept 2025	30 Sept 2024
	£	£
Fixed asset investments	3,769,426	4,498,207
Current assets	643,540	615,428
Current liabilities	(33,441)	(33,319)
	<hr/>	<hr/>
Total net assets	4,379,525	5,080,316
	<hr/> <hr/>	<hr/> <hr/>

14 Reconciliation of net outgoing resources to net cash flow from operating activities

	30 Sept 2025	30 Sept 2024
	£	£
Net outgoing resources before gains on investments	(816,272)	(408,945)
Add/(less):		
Income from investments	(161,123)	(186,898)
Investment management costs	33,943	35,705
Decrease in debtors	8,385	1,091
Increase/(decrease) in creditors	122	(152,442)
	<hr/>	<hr/>
Net cash outflow from operating activities	(934,945)	(711,489)
	<hr/> <hr/>	<hr/> <hr/>

15 Cash and cash equivalents

	At beginning of year	Cashflow	At end of year
	£	£	£
Cash at bank and in hand – unrestricted	260,438	33,643	294,081
Short term deposits	18	2,854	2,872
	<hr/>	<hr/>	<hr/>
Total cash and cash equivalents	260,456	36,497	296,953
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Foundation does not hold any debt instruments and therefore a net debt reconciliation has not been presented.

Notes (continued)

16 Employee costs, trustee remuneration and related party transactions

The charity does not have any employees. The charity does however receive the services of individuals who work on its behalf; these services are either donated or invoiced by KPMG LLP.

The CEO of the Foundation is employed by KPMG LLP. A full charge of salary, pension contributions and benefits were made to the Foundation in respect of this.

The trustees received no remuneration or reimbursements of expenses during the current or prior period, with the exception of £81 (2024: £46) paid for travel expenses on behalf of one trustee.

The trustees of the company who were separately partners of KPMG LLP at 30 September 2025 also have an interest in the transactions set out below.

Transactions and year-end balances between the Foundation and KPMG LLP are set out below.

	<i>Note</i>	30 Sept 2025	30 Sept 2024
		£	£
KPMG LLP			
Donation from KPMG LLP	2	664,608	674,712
Support costs borne by KPMG LLP	2	27,606	31,960
Donated services	3	49,791	60,671
Costs charged by KPMG LLP		(131,121)	(163,729)

	<i>Note</i>	30 Sept 2025	30 Sept 2024
		£	£
Amounts recoverable from KPMG LLP	9	21,486	24,362
		<hr/>	<hr/>
		21,486	24,362
		<hr/> <hr/>	<hr/> <hr/>



Foundation

Designed by CREATE | CRT154054

The KPMG Foundation is a charity registered in England & Wales, no. 1194474;
it is also a Company limited by guarantee, no. 13083579
Registered office: 15 Canada Square, London E14 5GL