

# The James Dyson Foundation

Annual report and financial statements  
for the year ended 31 December 2020

# **The James Dyson Foundation**

## **Annual report and financial statements for the year ended 31 December 2020**

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# **The James Dyson Foundation**

## **Trustees, directors, officers and advisors**

|                                    |   |
|------------------------------------|---|
| <b>Registered charity name</b>     | The James Dyson Foundation  |
| <b>Charity number</b>              | 1099709   |
| <b>Company registration number</b> | 04601338 (England and Wales)  |
| <b>Registered address</b>          | Tetbury Hill<br>Malmesbury<br>Wiltshire<br>United Kingdom<br>SN16 0RP   |
| <b>Trustees and directors</b>      | Sir J Dyson<br>Lady D Dyson<br>V West   |
| <b>Foundation manager</b>          | Gemma Wardle / Lydia Beaton   |
| <b>Independent auditor</b>         | Crowe U.K. LLP<br>Statutory Auditor<br>4th Floor<br>St James House<br>St James Square<br>Cheltenham<br>GL50 3PR |
| <b>Bankers</b>                     | Lloyds Bank plc<br>55 Corn Street<br>Bristol<br>BS1 1HT   |

# **The James Dyson Foundation**

## **Trustees' report for the year ended 31 December 2020**

The Trustees, who are also directors for the purposes of company law, present their report and the audited financial statements of The James Dyson Foundation ("the Foundation", "JDF", "the Charity") for the year ended 31 December 2020.

### **Reference and administrative details**

Reference and administrative details are shown in the schedule of Trustees, directors, officers and advisors on page 1.

The financial statements comply with the Memorandum and Articles of Association and are prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

The James Dyson Foundation a charitable company limited by guarantee (registration number 04601338) and a charity registered with the Charity Commission (registration number 1099709).

### **Structure, governance and management**

#### ***Governing document***

The Foundation is governed by its Memorandum and Articles of Association dated 26 November 2002 and amended on 1 September 2003.

#### ***Governance of the Foundation***

The year under review is the seventeenth operating and accounting period of the Foundation during which the Trustees met once to review the Foundation's policies and procedures.

As the activities of the Foundation have grown, the Trustees have decided on a schedule of two meetings per year, supplemented by additional email updates and meetings as necessary. A financial expert is also in attendance at these meetings to advise the Trustees of the implications of decisions under charity law.

The Trustees have delegated the day to day running of the Foundation to the Head of the James Dyson Foundation, Lydia Beaton, acting Head of James Dyson Foundation Gemma Wardle and their team. Financial and accounting support is provided by the Weybourne Limited team located in Malmesbury.

The Trustees are fully aware of their responsibilities under charity law as disclosed within the Charity Governance Code. The Charity Governance Code will be made available to new Trustees.

#### ***Recruitment and training of Trustees***

Members of the Board of Trustees are appointed by the whole Board to provide the skills identified as being necessary for the good governance of the Foundation. The Trustees who served during the year are listed on page 1. The Trustees are fully aware of their responsibilities under charity and company law having received information in the form of written documentation and through a presentation on Trustee duties and obligations given by the Foundation's external advisers. It is intended that this will be made available to all newly appointed Trustees as well. New Trustees are provided with the Foundation's governing document and latest guidance from the Charity Commission.

#### ***Risk management***

In light of the governance guidance contained within the Charity Governance Code, with the information available online, the Trustees, in the course of their meetings, review the major strategic, business and operational risks to which the Foundation is exposed. A risk register is maintained and reviewed by the

# **The James Dyson Foundation**

## **Trustees' report for the year ended 31 December 2020 (continued)**

Trustees. Systems have been established to mitigate those risks and procedures implemented to minimise any potential impact on the Foundation should any of those risks materialise. The principal risks include:

- Decline in income from donations;
- Loss of key staff;
- Reputational damage;
- Loss of confidential information; and
- Fraudulent activity.
- Covid-19. Whilst there is no significant anticipated impact on charitable income to the Foundation, Covid-19 poses a risk to the ability of the Foundation to deliver on its charitable objectives due to school and university closures and travel restrictions in place. However, much of this risk has been mitigated through the provision of online materials for schools, virtual workshop sessions and online fundraising activities. The final expenditure for the year is under budget due to a reduction in operational costs, largely due to a reduction in travel. Key projects such as the James Dyson Award continue to operate. It is hoped the educational resource and workshop programmes will resume in all regions when schools reopen and restrictions are lifted.

### ***Related party transactions***

The Foundation's principal donor is Dyson James Group Limited. Sir James Dyson, a Trustee of the Foundation, is the controlling party of Dyson James Group Limited (see note 15).

### **Financial risk management**

#### ***Price risk***

The Foundation receives donations from Dyson James Group Limited based upon its budgets to finance the Foundation's activities and incorporates this information into its business plans. This process is reviewed annually. Prices of materials purchased are subject to contracts with suppliers, based on current market prices.

#### ***Credit risk***

Credit risk on amounts owed to the Foundation is low, as its principal source of funds is Dyson James Group Limited.

#### ***Liquidity risk***

The Foundation matches commitments to its creditors with the expected timing of cash receipts in respect of donations from its principal benefactor Dyson James Group Limited. Dyson James Group Limited has undertaken to provide funds to the Foundation to meet its liquidity requirements.

#### ***Interest rate and cash flow risk***

The Foundation places surplus funds on short term deposit with Lloyds Bank.

### **Objectives and activities**

The primary objects of the Foundation, as stated in its governing document, are as follows:

- To advance education and training, particularly in the fields of design, engineering and technology. This work can take a number of forms including the free provision of support resources for teachers of design and technology in schools, the running of design engineering workshops and lectures in schools and universities, as well as bursary schemes and collaborative projects.

# The James Dyson Foundation

## Trustees' report for the year ended 31 December 2020 (continued)

- To support medical and scientific research.
- To support charitable and educational projects in the region in which The James Dyson Foundation operates.

The statement of financial activities for the year ended 31 December 2020 is set out on page 13 of the financial statements. A summary of the financial results and the work of the Foundation during the year are set out on pages 4 to 7.

### Grant making policy

Grants are determined by the Trustees in accordance with the objects of the Foundation. Applications for grants are considered by the Foundation team who make recommendations to the Trustees in line with Foundation objectives.

### Achievements and performance

The Foundation's income was £1,006,826 (2019: £1,120,608). The Foundation thanks all its supporters for their work and generosity, particularly Dyson James Group Limited, its main benefactor.

### The Foundation's main activities were as follows:

**In 2020, the James Dyson Award ran in 27 countries and regions.** The award is the James Dyson Foundation's international design competition. It celebrates, encourages and inspires the next generation of design engineers. To encourage entries into the competition during the pandemic year we ran 40 virtual presentations and workshops with university students across all the globe. We received 1,800 entries, the most entries the competition has ever received.

The international winner of the Award was The Blue Box, an at-home breast cancer testing device, invented by Judit Benet from Spain. It uses a urine sample and an AI algorithm to detect early signs of breast cancer.

**An additional prize was introduced for the 2020 competition to reward a new environmental technology.** The winner was Carvey Mague from the Philippines who developed a new sustainable material called AuREUS. The material is made from upcycled crop waste. It can be attached to a pre-existing structure or surface to harvest UV light, which is then converted into visible light, generating electricity. Both winners received £30,000 cash prizes to support the further development of their inventions.

The competition gathered global interest from the press, with coverage in major media outlets such as the BBC, The Guardian, Vogue, Fast Company, Elle, Newsweek and Corriere della Sera. In total, we saw more than 1000 pieces of coverage – a powerful way to expand the positive message of engineering. Over the course of the competition, we reached 13 million people on social media, with more than one million people watching our international and sustainability winner videos.

**In 2020 we developed a new educational resource, Engineering solutions: Air pollution,** which introduces students to how engineering can solve global problems, focusing on air pollution. The resource introduces students to air science, the engineering behind the Dyson Pure Cool™ purifying fan and challenges them to design and build their own solution to air pollution and the problems it causes. To support at-home learning we adapted this resource into a student activity pack to be completed home. Once schools started to re-open in the UK we launched the full version of the resource which is a teacher's pack that can be used for in-classroom learning in Key Stage 3 and 4 Science and Design and Technology lessons. To date the teacher's pack has been downloaded almost 500 times.

**Due to the restrictions and school closures, as a result of Covid-19, we focused on promoting our educational resources that could be used for home-schooling activities.** Our existing

# The James Dyson Foundation

## Trustees' report for the year ended 31 December 2020 (continued)

Engineering Challenge Cards, developed by Dyson engineers, were perfect in this situation. The Challenge Card packs were downloaded from our website over 270,000 times in 2020, bringing engineering into people's homes across the world. We saw great engagement in the press and on social media with many people posting their completed challenges with the hashtag #JDFchallenge.

**We executed an amended workshop programme.** In early 2020, before school closures were implemented, we ran 19 robotics workshops. This workshop gives students an insight into life as an engineer and introduces them to the unique pathway into engineering offered by the Dyson Institute of Engineering and Technology. We also ran one large event based on our Challenge Cards for almost 2,500 students. When schools closed we were unable to continue running our workshops past March 2020 and instead pivoted our strategy to online workshops reaching students studying at home. We reached over 25,000 students through online sessions and engaged Dyson engineers to help run them.

**We awarded four Mary Dyson scholarships from Murray Edwards College at the University of Cambridge.** These scholarships provide financial support to female engineering students. The Foundation has also awarded six project bursaries of £1,000 to students studying engineering at the Dyson Centre for Engineering Design at Cambridge University.

**We continued to sponsor a Race Against Dementia Dyson fellow with £100,000 a year.** The fellow, Dr Claire Durrant, is investigating the role of Tau, a protein in the brain, in keeping the connections between brain cells healthy, and how these change in Alzheimer's disease. She will receive support from Formula One and Industry partners such as Dyson to facilitate more rapid progress in Alzheimer's research. In 2020 Claire facilitated a research review meeting with Sir James Dyson and a number of Dyson engineers to explore ways the two organisations can collaborate to aid the progress of her research.

**We supported a number of charitable projects in the local community in 2020,** including Malmesbury schools and the Malmesbury Food Bank. We also donated 106 Dyson machines.

**We managed the process on behalf of Dyson to donate refurbished Dyson IT equipment.** We supported a Dyson scheme to donate old laptops to local schools and hospitals. These were not JDF donations, instead we used our contacts to support sending 100 laptops to Great Western Hospital in Swindon, and 100 iPads to Royal United Hospital, Southmead Hospital and the Bristol Royal Infirmary.

**In the US,** we reached 1,300 school students through in person and virtual engineering workshops over the course of 2020 giving them a glimpse into the world of engineering. Our resources also reached over 100,000 US students. Over 85 Dyson people in the US raised money for our local charity partner Ann and Robert H. Lurie Children's Hospital, totalling \$57,000 including match funding. And \$8,000 worth of Dyson machines were donated to support local charitable organisations.

**In Japan,** we focused on developing a report detailing the findings of the Kuki Schools Project we ran with schools in three junior high schools in Tokyo. The project developed lessons that challenged students to use their technical knowledge to engineer solutions to everyday problems. Survey data collected from the schools since 2019 showed an increase in students who considered engineering to be important to our lives, and who were interested in engineering careers. The project has been recognised by the Japanese government, and Japan's Ministry of Education has shown an appetite to influence the national technology education programme of study with the JDF's 'problem-led learning'. The report of this study will be published in 2021.

**In Malaysia, Singapore and the Philippines,** we conducted over 35 workshops and talks with Dyson engineers. These events reached over 1,800 students and engaged over 80 Dyson volunteers. Dyson people across South East Asia also raised money for local charities, National Cancer Council Malaysia, National Healthcare Group Fund Singapore and Teach for the Philippines, totalling over £19,000 with match funding.

# **The James Dyson Foundation**

## **Trustees' report for the year ended 31 December 2020 (continued)**

### **Financial review and results for the year ended 31 December 2020**

#### ***Results for the year ended 31 December 2020***

The statement of financial activities for the year is set out on page 13 of the financial statements. Income for the year was £1,006,826 (2019: £1,120,608). The Foundation's main source of income is, and is expected to remain, donations from Dyson James Group Limited. The income received was in line with the Foundation's original budgets. The Foundation made donations and grants totalling £575,824 (2019: £566,718) to further its educational objectives, of which the largest donation was £289,097 to the James Dyson Award.

The Foundation continued its science and medical research and social mandates with donations of £131,576 (2019: £624,712) and £25,784 (2019: £25,569) respectively. These donations (both financial and in the form of vacuum cleaners for raffle prizes) were distributed following either discussions with the relevant charities or having received and reviewed applications for support.

Overheads, which comprised support costs totaled £260,469 (2019: £310,229) or 25.9% (2019: 27.6%) of income for the year.

#### ***Asset cover for funds***

Note 14 to the financial statements sets out an analysis of the assets and liabilities attributable to the unrestricted funds.

#### ***Investment powers, policy & performance***

The Foundation has wide investment powers. Funds were held in cash, in interest-bearing accounts with Lloyds Bank to meet short term requirements.

#### ***Reserves***

The Charity does not receive any donations, grants, and any other sources of fundraising where restrictions are imposed.

The Trustees are confident that the work of the Foundation can continue and that they can rely on the continued funding from the Dyson group of companies for the foreseeable future. Total funds at the year-end were £187,729 (2019: £174,556), all of which were unrestricted.

The Foundation's fixed costs are not significant and as a general policy significant reserves are not maintained, since regular funding is provided by Dyson James Group Limited and the Trustees prefer to request donations only when planned expenditure within a twelve-month period is due to exceed current reserves.

The Trustees have reviewed the impact of the Covid-19 pandemic. They have undertaken planning and forecasting and continue to closely monitor the situation. Despite the current circumstances the Trustees believe that the charity's financial resources and contingency planning is sufficient to ensure the ability of the charity to continue as a going concern for the foreseeable future, being at least twelve months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

#### ***Plans for future periods***

The Foundation's main objectives for the next year are listed below. Restrictions caused by Covid-19 will continue to have an impact on the work of the JDF, across all regions.

Increase the scale and impact of the James Dyson Award, aiming for 2,000 entries worldwide.  
Successfully run the competition, including in a new participating country for 2021 – Poland.  
Deliver at least 40 university presentations and grow the JDA ambassador pool - spokespeople to promote the competition on our behalf. Deliver a past winner campaign throughout the year and build the Instagram channel by posting inspiring content consistently throughout the year, increasing our followers to 25k.



# **The James Dyson Foundation**

## **Trustees' report for the year ended 31 December 2020 (continued)**

- Create a challenging new JDF educational resource on the Dyson Robot to inspire the next generation of engineers incorporating cutting edge technology on an accompanying App ready for Alpha testing in November 2021.
- Continue to promote Engineering solutions: Air pollution resource in the UK and launch the resource in Singapore and the US. Donate equipment to key schools to allow their students to build their own quality monitoring devices and monitor their own exposure to air pollution. Monitor results of the resource.
- Resume our school engineering workshops in the UK with a particular focus on widening participation, as soon as schools reopen, and it is safe to do so in line with social distancing guidelines. These workshops teach 16-18-year-old students about software, mechanical and electrical engineering and support the expansion of the Dyson Institute of Engineering and Technology.
- Hold education and fundraising events and raise money and awareness for our chosen charities within Dyson. Continue machine donations and match funding to increase charitable support.
- In Malaysia, Singapore and the Philippines, strengthen new relationships with universities, through remote and digital means, to encourage entries to the James Dyson Award. Expand our school workshop programme and encourage Dyson employees to volunteer to support these workshops and raise money for local charities.
- In the US, run workshops with local schools, involving Dyson employees, where possible in light of the aforementioned school closures. Build awareness of the James Dyson Award, university relations and digital campaigns and increase entries. Continue to provide engineering education resources through our website and launch the new air pollution resource.
- In Japan, continue to build awareness of the James Dyson Award and increase entries, through digital engagement with students and lecturers, and produce a report of the Kuki Schools project to support future work with schools.

### **Objectives and activities for the public benefit**

The Trustees confirm that they have complied with their duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales.

The objectives of the Foundation are to advance education and training, particularly in the fields of design and technology, to support medical and scientific research, and to promote the provision of facilities in the interest of social and community welfare. In particular The James Dyson Foundation aims to support projects in the local community where it operates.

The Foundation carries out these objectives by:

- providing grants (by way of donations and gifts) to education and training projects, science and medical research, and social and community welfare; and
- developing education resources and running projects internationally which are all free at point of access.

By focusing on these areas the Trustees achieve their strategic priorities of education, training and research. For further details on the Foundation's activities in the year, see 'Achievements and Performance' on pages 4 to 7 which highlight the Foundation's wide ranging public benefits. The Charity had no fundraising activities requiring disclosure under S162A of the Charities Act.

# The James Dyson Foundation

## Trustees' report for the year ended 31 December 2020 (continued)

### **Trustees' responsibilities statement**

The Trustees (who are also directors of The James Dyson 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Trustees to prepare financial statements for each financial year. 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;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Auditor**

Crowe U.K LLP were reappointed as auditors under section 487(2) of the Companies Act 2006. Each of the persons who is a Trustee at the date of approval of this report confirms that:

- so far as each Trustee is aware, there is no relevant audit information of which the Charity's auditor is unaware; and
- each Trustee has taken all steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities and in accordance with the special provisions of the Companies Act 2006 relating to small entities.

Signed on behalf of the Trustees



Sir James Dyson

**Trustee**

Date: 20th July 2021

# **Independent Auditor's Report to the Members and Trustees of The James Dyson Foundation**

## **Opinion**

We have audited the financial statements of The James Dyson Foundation for the year ended 31 December 2020 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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**

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

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

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

## **Other information**

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

## **Independent Auditor's Report to the Members and Trustees of The James Dyson Foundation (continued)**

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In 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 directors' report included within the trustees' report.

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

- adequate and proper accounting records have not been kept; 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 in preparing the trustees' report.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 8, 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**

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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



## **Independent Auditor's Report to the Members and Trustees of The James Dyson Foundation (continued)**

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

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

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

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

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, Charities Act 2011 and Charities SORP (FRS 102).

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charity for fraud.

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

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

## **Independent Auditor's Report to the Members and Trustees of The James Dyson Foundation (continued)**

### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members and 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, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Tara Westcott  
Senior Statutory Auditor  
For and on behalf of  
**Crowe U.K. LLP**  
Statutory Auditor  
4th Floor  
St James House  
St James Square  
Cheltenham  
GL50 3PR

**Date: 5 August 2021**

**The James Dyson Foundation**  
**Statement of financial activities**  
**(incorporating the income and expenditure account)**

**For the year ended 31 December 2020**

|   | <i>Note</i> | <b>Unrestricted<br/>funds</b> | <b>2020 Total<br/>Funds</b> | <b>2019 Total<br/>Funds</b> |
|---|-------------|-------------------------------|-----------------------------|-----------------------------|
|   |             | <b>£</b>                      | <b>£</b>                    | <b>£</b>                    |
| <b>Income from:</b>                               |             |                               |                             |                             |
| Donations   | 3           | 1,005,193                     | 1,005,193                   | 1,117,277                   |
| Investments                                       |             | 1,633                         | 1,633                       | 3,331                       |
|   |             | <b>1,006,826</b>              | <b>1,006,826</b>            | 1,120,608                   |
| <b>Expenditure on:</b>                            |             |                               |                             |                             |
| Charitable activities                             | 4&5         | (993,653)                     | (993,653)                   | (1,527,228)                 |
|   |             | <b>(993,653)</b>              | <b>(993,653)</b>            | (1,527,228)                 |
| <b>Net income / (expenditure)</b>                 |             | <b>13,173</b>                 | <b>13,173</b>               | (406,620)                   |
| <b>Reconciliation of funds:</b>                   |             |                               |                             |                             |
| Total funds brought forward at 1 January          | 13          | 174,556                       | 174,556                     | 581,176                     |
| <b>Total funds carried forward at 31 December</b> | 13          | <b>187,729</b>                | <b>187,729</b>              | 174,556                     |

The notes on pages 16 to 24 form part of these financial statements.

## The James Dyson Foundation Balance sheet

| As at 31 December 2020                                      |       | 2020      | 2020    | 2019      | 2019    |
|---|-------|-----------|---------|-----------|---------|
|   | Note  | £         | £       | £         | £       |
| <b>Current assets</b>                                       |       |           |         |           |         |
| Debtors   | 9     | 2,209     |         | 2,640     |         |
| Cash at bank and in hand                                    |       | 686,506   |         | 913,729   |         |
|   |       |           | 688,715 |           | 916,369 |
| <b>Creditors: amounts falling due within one year</b>       | 10    | (300,986) |         | (441,813) |         |
| <b>Net current assets</b>                                   |       | 387,729   |         | 474,556   |         |
| <b>Total assets less current liabilities</b>                |       | 387,729   |         | 474,556   |         |
| <b>Creditors: amounts falling due in more than one year</b> | 11    | (200,000) |         | (300,000) |         |
| <b>Net assets</b>   |       | 187,729   |         | 174,556   |         |
| <b>The funds of the charity</b>                             |       |           |         |           |         |
| Unrestricted funds  | 13&14 | 187,729   |         | 174,556   |         |
| <b>Total charity funds</b>                                  |       | 187,729   |         | 174,556   |         |

The notes on pages 16 to 24 form part of these financial statements.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies. These financial statements have been prepared in accordance with the Companies Act 2006 and Financial Reporting Standard 102.

These financial statements were approved by the members of the committee and authorised for issue on 20th July 21 and are signed on their behalf by:



Sir James Dyson  
Trustee



## The James Dyson Foundation

### Statement of cash flows

For the year ended 31 December 2020

|  | Note | 2020<br>£        | 2019<br>£      |
|--|------|------------------|----------------|
| <b>Cash flows from operating activities:</b>                       |      |                  |                |
| Net cash used in operating activities                              | A    | (228,856)        | 269,877        |
| <b>Cash flows from investing activities:</b>                       |      |                  |                |
| Dividends and interest from investments                            |      | 1,633            | 3,331          |
| <b>Net cash provided by investment activities</b>                  |      | <b>1,633</b>     | <b>3,331</b>   |
| <b>Change in cash and cash equivalents in the reporting period</b> |      | <b>(227,223)</b> | <b>273,208</b> |
| Cash and cash equivalents at the beginning of the period           |      | 913,729          | 640,521        |
| <b>Cash and cash equivalents at the end of the period</b>          |      | <b>686,506</b>   | <b>913,729</b> |

The notes on pages 16 to 24 form part of these financial statements.

#### A. Reconciliation of net income to net cash from operating activities

|  | 2020<br>£        | 2019<br>£        |
|--|------------------|------------------|
| <b>Net income / (deficit) for the reporting period</b> | <b>13,173</b>    | <b>(406,620)</b> |
| <b>Adjustments for:</b>                                |                  |                  |
| Dividends and interest from investments                | (1,633)          | (3,331)          |
| Decrease in debtors                                    | 431              | 47,028           |
| (Decrease) / increase in creditors                     | (240,827)        | 632,800          |
| <b>Net cash used in operating activities</b>           | <b>(228,856)</b> | <b>269,877</b>   |

# **The James Dyson Foundation**

## **Notes to the financial statements for the year ended 31 December 2020**

### **1. Accounting Policies**

#### **Charity information**

The James Dyson Foundation is an incorporated charity limited by guarantee registered with Companies House (registered no. 04601338 England & Wales) and the Charity Commission (registered number 1099709). The address of its registered office is Tetbury Hill, Malmesbury, Wiltshire, SN16 0RP.

#### **Basis of accounting**

These financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities' SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) Companies Act 2006 and Charities Act 2011.

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

#### **Going concern**

After making enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue its activities for the foreseeable future and there are no material uncertainties about the Charity's ability to continue. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Trustees' responsibilities statement on page 8.

The Foundation's fixed costs are not significant and as a general policy significant reserves are not maintained, since regular funding is provided by the Dyson group of companies and the Trustees prefer to request donations only when planned expenditure within a 12-month period is due to exceed current reserves.

The Trustees do not consider the Covid-19 pandemic to have had any significant impact on the Charity's operation. Despite the current circumstances the Trustees believe that the charity's financial resources and contingency planning is sufficient to ensure the ability of the charity to continue as a going concern for the foreseeable future.

#### **Income from donations**

Donations are recognised on receipt. No amounts are included in the financial statements for services donated by volunteers. Donated services and goods have been recognised at their fair value to the Foundation at the point of donation.

#### **Income from investments**

Investment income is credited to the statement of financial activities in the year in which it is receivable.

#### **Resources expended**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

#### **Charitable activities**

Costs in furtherance of charitable activities include those costs incurred in the direct performance of objects of the Foundation laid down in the governing document.

# **The James Dyson Foundation**

## **Notes to the financial statements for the year ended 31 December 2020 (continued)**

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

#### **Grants payable**

Grants payable are calculated for in full as liabilities of the charitable company after being approved by the Trustees, communicated to the third party and when any conditions included in the grant have been completed, regardless of the timing of cash flows.

#### **Support costs**

Support costs comprise the direct costs, including staff, attributable to charitable activities and an appropriate apportionment of indirect costs. Support costs are allocated to activities based on an estimate of time spent on each activity. Governance costs included within support costs include expenditure on administration of the charitable company to ensure compliance with constitutional and statutory requirements.

#### **Irrecoverable VAT**

Any irrecoverable VAT is charged to the Statement of Financial Activities.

#### **Recognition of liabilities**

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

#### **Investments**

Investments are revalued and included in the financial statements at their market value at the balance sheet date.

#### **Debtors**

Accrued income is recognised at the settlement amount.

#### **Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions.

#### **Creditors**

Creditors are recognised where the Foundation has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

#### **Financial instruments**

The Foundation only has financial assets and financial liabilities of a kind that qualify as basic financial instruments.

Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

#### **Significant estimates and judgements**

In the preparation of these financial statements management has, if required to make significant judgements or estimates, used the fair value at the point of the donation. The value of goods purchased from Dyson James Group Limited have been uplifted from cost to retail value and the costs of Weybourne services have been included at a fair value hourly rate.

# The James Dyson Foundation

## Notes to the financial statements for the year ended 31 December 2020 (continued)

### 1. Accounting Policies (continued)

#### Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Foundation and which have not been designated for other purposes.

Investment income and gains are allocated to the appropriate fund.

#### Agency arrangements

The Foundation acts as an agent in distributing collections for the Dyson James Group Limited nominated charity Alzheimers Research UK.

### 2. Comparative statement of financial activities

|  | Unrestricted funds | Restricted funds | 2019 Total       |
|--|--------------------|------------------|------------------|
|  | £                  | £                | £                |
| <b>Income from:</b>                                    |                    |                  |                  |
| Donations  | 1,117,277          | -                | 1,117,277        |
| Investments  | 3,331              | -                | 3,331            |
|  | 1,120,608          | -                | 1,120,608        |
| <b>Expenditure on:</b>                                 |                    |                  |                  |
| Charitable activities                                  | (1,527,228)        | -                | (1,527,228)      |
| <b>Net income</b>                                      | <b>(406,620)</b>   | -                | <b>(406,620)</b> |
| Total funds brought forward at 1 January 2019          | 581,176            | -                | 581,176          |
| <b>Total funds carried forward at 31 December 2019</b> | <b>174,556</b>     | -                | <b>174,556</b>   |

### 3. Donations

|                     | Unrestricted funds | 2020 Total funds | 2019 Total Funds |
|---------------------|--------------------|------------------|------------------|
|                     | £                  | £                | £                |
| <b>Donations</b>    |                    |                  |                  |
| Corporate donations | 984,530            | 984,530          | 1,089,608        |
| Individuals         | 20,663             | 20,663           | 27,669           |
|                     | <b>1,005,193</b>   | <b>1,005,193</b> | <b>1,117,277</b> |

Total income attributable to geographical areas outside of the United Kingdom is £nil (2019: £nil).

**The James Dyson Foundation**  
**Notes to the financial statements for the year ended 31**  
**December 2020 (continued)**

**4. Costs of charitable activities by activity type**

|                              | <b>Grant<br/>funding<br/>activities</b> | <b>Support<br/>costs</b> | <b>2020<br/>Total<br/>funds</b> | <b>2019<br/>Total<br/>funds</b> |
|------------------------------|---|--------------------------|---------------------------------|---------------------------------|
|                              | <b>£</b>                                | <b>£</b>                 | <b>£</b>                        | <b>£</b>                        |
| Education and training       | 575,824                                 | 247,445                  | <b>823,269</b>                  | 861,435                         |
| Science and medical research | 131,576                                 | 2,605                    | <b>134,181</b>                  | 627,815                         |
| Social and community welfare | 25,784                                  | 10,419                   | <b>36,203</b>                   | 37,978                          |
|                              | <b>733,184</b>                          | <b>260,469</b>           | <b>993,653</b>                  | <b>1,527,228</b>                |

| <b>Support costs</b>                     | <b>2020</b>    | <b>2019</b>    |
|--|----------------|----------------|
|  | <b>£</b>       | <b>£</b>       |
| Salaries                                 | <b>195,649</b> | 216,260        |
| General administration costs             | <b>9,920</b>   | 13,229         |
| Printing                                 | <b>1,639</b>   | 2,604          |
| Travel and accommodation                 | <b>1,762</b>   | 12,981         |
| Accountancy expenses                     | <b>38,481</b>  | 40,916         |
| Legal fees                               | <b>4,548</b>   | 20,316         |
| Exchange loss / (gain)                   | <b>670</b>     | (1,446)        |
| Governance costs: auditor's remuneration | <b>7,800</b>   | 5,369          |
|  | <b>260,469</b> | <b>310,229</b> |

Support costs are allocated to activities based on an estimate of time spent on each activity. During the year no Trustees received emoluments or reimbursement of expenses from the Foundation (2019: £nil).

**The James Dyson Foundation**  
**Notes to the financial statements for the year ended 31**  
**December 2020 (continued)**

**5. Grant funding activities**

The following grants and donations were made during the year:

| <b>Education and training</b>            | <b>2020</b>    | <b>2019</b> |
|--|----------------|-------------|
|  | <b>£</b>       | <b>£</b>    |
| US Education Programme                   | <b>43,940</b>  | 54,170      |
| Japan Education Programme                | <b>44,075</b>  | 118,033     |
| James Dyson Award                        | <b>289,097</b> | 245,406     |
| Outreach Programmes                      | <b>20,984</b>  | 54,881      |
| Malaysia / Singapore Education Programme | <b>70,510</b>  | 40,213      |
| Philippines Education Programme          | <b>2,919</b>   | 8,966       |
| Education resources                      | <b>83,778</b>  | 23,751      |
| Local Engineering Education              | <b>20,521</b>  | 21,298      |
|  | <b>575,824</b> | 566,718     |

There were no donations and grants paid to individuals during the year ended 31 December 2020 (2019: £nil).

| <b>Science and medical research</b>                        | <b>2020</b>    | <b>2019</b> |
|--|----------------|-------------|
|  | <b>£</b>       | <b>£</b>    |
| Vacuum cleaners for charity fundraising                    | <b>72,534</b>  | 78,352      |
| Dyson nominated charity donation – Alzheimer's Research UK | <b>55,469</b>  | 40,490      |
| Medical Research Grants fund                               | <b>3,573</b>   | 505,870     |
|  | <b>131,576</b> | 624,712     |

# The James Dyson Foundation

## Notes to the financial statements for the year ended 31 December 2020 (continued)

### 5. Grant funding activities (continued)

| Social and community welfare         | 2020          | 2019          |
|--------------------------------------|---------------|---------------|
|                                      | £             | £             |
| Local community                      | 8,200         | 11,350        |
| Other gifts of less than £1,000 each | 17,584        | 14,219        |
|                                      | <b>25,784</b> | <b>25,569</b> |

### 6. Staff

Staff costs during the period were:

|                       | 2020           | 2019           |
|-----------------------|----------------|----------------|
|                       | £              | £              |
| Wages and salaries    | 158,201        | 178,612        |
| Social security costs | 18,815         | 16,115         |
| Pension costs         | 18,633         | 21,533         |
|                       | <b>195,649</b> | <b>216,260</b> |

The average headcount during the year was 5 (2019: 5).

There were no employees whose employee benefits (excluding employer pension costs) exceeded £60,000 (2019: no employees).

The key management personnel of the Foundation comprise the Global Head. The total amount of employee benefits (including employer pension contributions) received by key management personnel was £42,716 (2019: £57,236).

### 7. Net income for the year

This is stated after charging:

|   | 2020  | 2019  |
|---|-------|-------|
|   | £     | £     |
| Auditor's remuneration for audit services | 6,500 | 3,800 |

### 8. Taxation

The Foundation is a registered charity, and as such is entitled to certain tax exemptions on income and profit from investments, and surpluses on any trading activities carried on in furtherance of the Foundation's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

The Foundation is not registered for VAT and accordingly, all of its expenditure is recorded inclusive of any VAT incurred.

**The James Dyson Foundation**  
**Notes to the financial statements for the year ended 31**  
**December 2020 (continued)**

**9. Debtors**

|                | <b>2020</b>  | <b>2019</b>  |
|----------------|--------------|--------------|
|                | <b>£</b>     | <b>£</b>     |
| Accrued income | <b>2,209</b> | <b>2,640</b> |

**10. Creditors: amounts falling due within one year**

|                                   | <b>2020</b>    | <b>2019</b>    |
|-----------------------------------|----------------|----------------|
|                                   | <b>£</b>       | <b>£</b>       |
| Amounts owed to connected parties | <b>115,612</b> | <b>99,836</b>  |
| Other creditors                   | <b>109,327</b> | <b>101,347</b> |
| Trade Creditors and accruals      | <b>76,047</b>  | <b>240,630</b> |
|                                   | <b>300,986</b> | <b>441,813</b> |

Included within other creditors for 2020 are amounts for grants made, but for which the payment did not fall due during the year.

**11. Creditors: amounts falling due in more than one year**

|                 | <b>2020</b>    | <b>2019</b>    |
|-----------------|----------------|----------------|
|                 | <b>£</b>       | <b>£</b>       |
| Other creditors | <b>200,000</b> | <b>300,000</b> |

**12. Capital**

The Foundation is a company limited by guarantee. Each member has undertaken to contribute £10 to the assets of the company to meet its liabilities if called on to do so. The total amount guaranteed by members at 31 December 2020 is £30 (2019: £30).



# The James Dyson Foundation

## Notes to the financial statements for the year ended 31 December 2020 (continued)

### 13. Funds

| Current year              | At 1 January<br>2020<br>£ | Income<br>£      | Expenditure<br>£ | At 31 December<br>2020<br>£ |
|---------------------------|---------------------------|------------------|------------------|-----------------------------|
| <b>Unrestricted funds</b> |                           |                  |                  |                             |
| General funds             | 174,556                   | 1,006,826        | (993,653)        | 187,729                     |
|                           | <b>174,556</b>            | <b>1,006,826</b> | <b>(993,653)</b> | <b>187,729</b>              |

| Prior year                | At 1 January<br>2019<br>£ | Income<br>£      | Expenditure<br>£   | At 31 December<br>2019<br>£ |
|---------------------------|---------------------------|------------------|--------------------|-----------------------------|
| <b>Unrestricted funds</b> |                           |                  |                    |                             |
| General funds             | 581,176                   | 1,120,608        | (1,527,228)        | 174,556                     |
|                           | <b>581,176</b>            | <b>1,120,608</b> | <b>(1,527,228)</b> | <b>174,556</b>              |

### 14. Analysis of net assets between funds

| Current year       | Net current<br>assets<br>£ | Creditors<br>due after<br>more than<br>one year<br>£ | Total<br>£ |
|--------------------|----------------------------|--|------------|
| Unrestricted funds | 387,729                    | (200,000)  | 187,729    |
| Total funds        | 387,729                    | (200,000)  | 187,729    |

| Prior year         | Net current<br>assets<br>£ | Creditors<br>due after<br>more than<br>one year<br>£ | Total<br>£ |
|--------------------|----------------------------|--|------------|
| Unrestricted funds | 474,556                    | (300,000)  | 174,556    |
| Total funds        | 474,556                    | (300,000)  | 174,556    |

# **The James Dyson Foundation**

## **Notes to the financial statements for the year ended 31 December 2020 (continued)**

### **15. Related party transactions**

The Foundation received £984,530 (2019: £1,089,608) in donations and donated goods and services from Dyson James Group Limited during the year. The Foundation owed Dyson James Group Limited £70,729 (2019: £99,836) at the year end. Sir James Dyson, a Trustee of the Foundation, is the 96.3% beneficial owner of Dyson James Group Limited.

The Foundation purchased £26,485 (2019: £29,661) of goods from Dyson James Group Limited at cost.

The Foundation received £38,481 (2019: £40,916) in donated services from Weybourne Limited during the year. The Foundation owed Weybourne Limited £3,038 (2019: £Nil) at the year end. Sir James Dyson has the controlling share of Weybourne Limited.

The Foundation owed Weybourne Holdings Pte Limited £41,845 (2019: £Nil) at the year end. Sir James Dyson has the controlling share of Weybourne Holdings Pte Limited.

### **16. Agency arrangements**

During the year the Foundation received donations of £1,357 for Alzheimer's Research UK, the Dyson James Group Limited nominated charity. The Foundation fund matched a total of £1,357 shown within note 5. Amounts of £56,826 were paid to Alzheimer's Research UK during the year, leaving an amount of £8,954 in trade creditors to be paid after the year end.