THE INNOCENT FOUNDATION

England & Wales · Charity number 1104289

Details

Status	Registered
Legal form	Charitable company
Company number	05054312
Registered	2004-06-11
Register	View on the Charity Commission register

Contact

Address	The Innocent Foundation 342 Ladbroke Grove London W10 5BU
Phone	02032350352
Email	hello@innocentfoundation.org
Website	www.innocentfoundation.org

Activities

Objects: TO ADVANCE ALL PURPOSES CHARITABLE UNDER THE LAW OF ENGLAND AND WALES

Activities: The purpose of the foundation is to help the world's hungry, through funding projects to meet two goals: stopping children dying of hunger and helping the poorest families to feed themselves.

Classification

- **How:** Makes Grants To Organisations, Provides Human Resources
- **What:** General Charitable Purposes, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Environment/conservation/heritage, Economic/community Development/employment
- **Who:** The General Public/mankind

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Geography

- **Area of benefit:** NOT DEFINED. IN PRACTICE WORLDWIDE
- Congo (Democratic Republic)
- Guatemala
- Kenya
- Madagascar
- Malawi
- Mali
- Mozambique
- Nepal
- Nigeria
- Rwanda
- Senegal
- Sierra Leone
- Somalia
- South Sudan
- Uganda
- Zambia
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-06-30	£1,060,950	£732,199	£2,449,209	2
2024-06-30	£1,032,927	£1,025,546	£2,120,458	2
2023-06-30	£1,016,356	£1,239,268	£2,113,077	3
2022-06-30	£1,000,755	£1,085,815	£2,335,989	4
2021-06-30	£999,855	£1,581,554	£2,421,049	3

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Trustees

Name	Role	Appointed
ADAM BALON		
Camilla Knox Clarke		2019-10-14
JONATHAN WRIGHT		
Nicholas Milton Canney		2022-07-04
RICHARD REED		
Sarah-Jane Norman		2016-08-10

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THE INNOCENT FOUNDATION

England & Wales - Charity number 1104289

Accounts

Registered number: 05054312
Charity number: 1104289

The Innocent Foundation

(A company limited by guarantee)

Trustees' Report and Financial Statements

For the Year Ended 30 June 2025

The Innocent Foundation
(A company limited by guarantee)

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The Innocent Foundation
(A company limited by guarantee)

Reference and Administrative Details of the Charity, its Trustees and Advisers
For the Year Ended 30 June 2025

Trustees

Adam Balon
Camilla Knox-Peebles
Jon Wright
Nicholas Canney
Richard Reed
Sarah-Jane Norman

Employees

Foundation Director	Amy Recknell	(from 1 July 2024)
Senior Grants & Operations Manager	Connor Friesen	(until October 2024)
Grants, Communication & Engagement Manager	Evie Stretch	(from January 2025)

Address of Charity and Registered Office

The Innocent Foundation
342 Ladbroke Grove
London W10 5BU

Auditors

UHY Hacker Young
Thames House
Roman Square
Sittingbourne
Kent
ME10 4BJ

Bankers

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4JQ

The Trustees of The Innocent Foundation ("The Foundation"), who are also directors of the charity for the purposes of the Companies Act, are pleased to present their annual report and financial statements for the year ended 30 June 2025.

Trustees

Currently Trustees are elected and appointed on a need basis. As the sole Member of The Foundation, Innocent Limited appoints Trustees in agreement with the Trustees' Board. The Memorandum and Articles of Association support a minimum of three Trustees. Trustees serve a four-year term, with the option for the Trustees to reappoint. New Trustees attend suitable induction and training with the Foundation Director and existing Trustees to familiarise themselves with the charity, its governance, and the context within which it operates.

Of the six current Trustees, three Founder Trustees have been on the board since inception in 2004. Nick Canney and Sarah-Jane Norman are current employees of Innocent Limited and Camilla Knox-Peebles is an external appointment.

Management

The Trustees are supported in the day-to-day management of The Foundation by the Foundation Director and Grants, Communications & Engagement Manager (formerly the Senior Grants & Operations Manager until October 2024).

Following the departure of the Senior Grants & Operations Manager, the role description and title were reviewed in response to the changing needs of the Foundation during and following the transition to a new strategy (explained further below). This resulted in the creation of and recruitment for a Grants, Communication & Engagement Manager, as well as the approval of funding to GETF to provide resourcing in support of the delivery of the new strategy.

The Foundation staff support the effective running of The Foundation by managing relationships with partner organisations. They make grant recommendations to the Trustees in accordance with agreed grant-making policies. Trustees make decisions about grants at Trustee Meetings which are typically held on a quarterly basis.

The Foundation employees' pay and remuneration are set with reference to sector benchmarks and are periodically reviewed against comparable organisations using market data. Pay and benefit changes are approved by the full Trustee Board. The Foundation's employees receive ongoing performance management and an annual feedback report which provides feedback from the Trustees, Foundation Guardians, and external grant partners.

The Director is helped by Foundation Guardians who are employees of Innocent Limited. They are identified through an invitation to all Innocent Limited employees to get more actively involved in The Foundation as volunteers. The Foundation Guardians volunteer their time to work with partner organisations, update other Innocent Limited employees about The Foundation, and act as ambassadors for The Foundation.

Legal status

The charitable, limited by guarantee, company was incorporated on 24 February 2004 (company registration number 05054312) and registered with the Charity Commission on 11 June 2004 (charity registration number 1104289). It is governed by the Company Memorandum and Articles of Association.

Related Parties

The charitable company's sole member is Innocent Limited, and The Foundation is primarily funded through donations from Innocent Limited and its shareholders. The Trustees recognise their charitable responsibilities and state formally that the charity's activities will always be consistent with achieving its objects. Any benefit which may accrue to Innocent Limited from The Foundation's activities will be incidental and outweighed by the contribution to The Foundation's charitable objectives. Please see note 18 for further related party transaction details.

The Foundation is a member of the Association of Charitable Foundations and update our operating policies with reference to peers in this network.

Risk Management

The Trustees have conducted a review of the major risks to which The Foundation is exposed. Risks are assessed on the basis of their likelihood and potential impact, along with the mitigation strategies in place to manage them in line with the board's risk appetite. They are recorded in a risk register which is updated and approved annually by the Trustees. Where appropriate, systems or procedures have been established to manage the risks the charity faces. The Foundation Director continually monitors changes in risk levels or emergence of new risks that may impact upon the organisation and escalates any concerns to the Trustees. The Trustees consider the following to be the key risks that The Foundation faced during the reporting period:

- *NGO is unable to deliver project due to failure in internal financial controls; or project-, project office-, or organisational (group) failure*: We work through independent partners who deliver projects to alleviate hunger with our funding. There is a risk that some of the projects we support may fail to achieve their objectives if our partners lack the capacity to deliver, especially when operating in challenging contexts. It is also possible that a partner may experience other adverse events such as fraud, theft, safeguarding issues, or other incidents which harm their work, beneficiaries, or reputation. Apart from failing to deliver effective support to hungry people, this could also damage our reputation.

  To mitigate these risks, we conduct thorough due diligence on our partners before providing funding. We adopt a risk-based approach, using risk factors including the size of the grant, the nature of the applicant, the nature of the project, the geographic location of the project and the nature of the relationship between The Foundation and the applicant. Our 'due diligence review' of grant applicants assesses organisational- and project finances; project planning and resourcing; organisation leadership, staffing and policy frameworks; reputation and references; and relationship to prospective service users. We monitor all our projects biannually through a formalised report review process undertaken by a member of the Foundation team. This includes accounting for departures from planned project spending and participating in a financial health check if regular reporting signals risks to financial stability. We also ask our partners to inform us if they report a Serious Incident to the Charity Commission. Where concerns are noted, we provide feedback to partners and follow up on minor issues. If major concerns arise, our standard grant agreement terms and conditions enable us to terminate a grant. We encourage open conversation with our partners on their adaptation (ways of working, financing) to external pressures.

- *Internal financial control failure:* Risks are minimised by the implementation of procedures for authorising and recording of transactions and projects. An annual review is completed of all processes using the Charity Commission's Internal Financial Controls Checklist. Any findings from our annual external audit are also considered and acted upon. For example, due to the close working relationship with our donor and the small Foundation team, our auditor considers both *revenue recognition* and *management override* as two inherent risks of our model. We mitigate against these by providing our auditor with records of planned budget and actual spend, alongside banking records and a sample of relevant contracts/agreements. Our finance Guardians and foundation staff meet bi-monthly to review and update financial schedules of spend.

- *Loss of key staff*: The Foundation usually operates with two employees. Inevitably resources are spread thinly, and detailed knowledge of operations is concentrated. To mitigate this, an operations manual exists to document key resources and processes. Finance Guardians are responsible for financial reporting, analysis and managing the annual audit to ensure knowledge and experience is shared.
- *Risk to reputation of foundation or donor:* The Innocent Foundation and its donor Innocent Drinks work hard to maintain a high standard of operations. Negative public discourse on the ethics, sustainability or effectiveness of the foundation or its donor could damage our reputation, our partnerships, and our ability to operate efficiently for the benefit of our partners and their service-users. We have robust processes in place to address and learn from negative public discourse and follow weekly alerts on public forums.
- *Ways of working:* we have maintained several ways of working, established during the Covid-19 pandemic, to mitigate programmatic risk, and discontinued others in alignment with our financial policies. We continue to run in-person monitoring visits, and to solicit written and verbal updates during our bi-annual reporting cycle. We continue to run ad-hoc financial health checks as needed and are committed to support grant-holders through flexible budgeting and extended grant-terms where appropriate. The Foundation Director maintains delegated authority to extend grant budgets, but this authority has not been used during the reporting period. The Foundation has discontinued both its Partnership Fund and Emergency Funding stream.

Objects of the charity

The objects of the charity are to advance all purposes charitable under the law of England and Wales. The purpose of The Foundation over the reporting period was to help the world's hungry.

As a grant-giving organisation we seek out other non-governmental organisations, charities and not-for-profit organisations working in the field of hunger alleviation to offer them the opportunity to apply for funding to deliver their projects.
The Foundation's grant-making policy states that each organisation must:

- benefit a community rather than individuals
- be a not-for-profit organisation
- be pursuing charitable purposes
- consider taking part in The Foundation's scholarship programme which offers employees of Innocent Limited the opportunity to volunteer with partners, using their business skills to bring benefit to the organisation. There are typically three scholarships a year.

During this financial year, the Foundation Director presenting findings on the recommendation of a new strategic grant-making focus to the trustees and this was approved. From January 2025, the Foundation's grant-making policy has been amended to state that we will fund work under the new singular focus of the prevention of malnutrition in infants and young kids.

Preventing malnutrition in infants and young kids

Right now, there are 45 million children suffering from acute malnutrition. This means they are too thin for their height because they don't have access to the right nutritious food. It also means they are at risk of a lot of other health problems including disease and death. Over the last 10 years, a lot of attention has gone towards treating malnourished children, but to really break the cycle, we need to stop children from becoming malnourished in the first place.

The Innocent Foundation is working to bring the world one step closer to making lifesaving preventive solutions to malnutrition a reality for children across the world. We think small quantity lipid based nutrient supplements (or SQ-LNS) are a gamechanger, so we're doing what we can to get it in the hands of the kids who need it. SQ-LNS is a small but mighty sachet full of the calories and nutrients that young kids need to keep them on the right track.

While the Foundation has now ceased to identify and fund grants under our former strategic focus areas (outlined below), several grants under this focus are ongoing and are now described as 'Legacy Grants'. These fall under our two former Goals:

Goal 1: stop children dying of hunger. Globally there are 45 million children with acute malnutrition, of which over 13 million suffer from severe acute malnutrition. These children are eleven times more likely to die than their healthy peers, but it doesn't have to be this way, as 80% of children that complete treatment are cured. However, currently only 30% of children get the treatment they need. That's why we invest in research to test, and put into practice, better ways to identify and treat these vulnerable children. These research studies have the potential to change national and global policy and practice, part of collective effort to eradicate acute malnutrition and stop millions of children dying each year.

Goal 2: help the poorest families feed themselves. 90% of the world's farmers are small family farms in less economically developed countries. Despite producing 80% of the world's food, many of these smallholder farmers are poor, food insecure and have limited access to markets and services. We want to break this paradox, prioritising countries rated serious or alarming on the Global Hunger Index. We invest in entrepreneurial teams that have scalable ideas to help families become more food secure and increase their resilience to challenges like climate change.

All active Legacy Grants will come to a close by July 2026 (unless otherwise extended). Following the approval of the new Foundation strategy, in early 2025 the Foundation team held individual meetings with all existing partners. The team presented the new strategy and discussed the potential impact on ongoing partnerships. No grants have been or will be terminated early as a result of the shift in strategy; however, it is unlikely that the Foundation will provide any future funding to organisations holding Goal 2 grants as their areas of expertise now likely fall outside of the scope of the Foundation's focus. For Goal 1 partners, it is likely that they will have relevant expertise for future innocent foundation funding rounds.

After the Accelerating SQ-LNS Fund RFP was launched in March of 2025, the application information was shared with all existing partners under both Goals and the innocent foundation team arranged calls with any partner who requested them to explain the RFP and selection criteria. The Foundation received applications from several holders of Legacy Grants. Prior history with the innocent foundation was not considered as part of the selection criteria and ultimately none of these partners were selected to recommend to the trustees for further funding at this time.

Principal activities of the charity and public benefit

The Trustees have given adequate consideration to Charity Commission published Guidance on the operation of the Public Benefit requirement.

Review of charitable activity

During the reporting year, The Foundation was entitled to £1,000,000 in donations (year ended 30 June 2024: £1,000,000). Due to a contract renewal negotiation period which led to delays in the usual foundation donation, 2024 receivable of £1,000,000 was not paid until the financial year 2025. The delay did not result in any interruption to the Foundation's grant-making activities, as reserves covered our commitments for the period. As part of the new contract, the licence fee that Innocent Limited used to pay separately to the Foundation is now a part of the donation amount. The charity had no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

The Foundation gave grants to organisations (detailed below) with total donations amounting to £502,341 in the year (year ended 30 June 2024: £871,423). The Foundation works closely with project partners to ensure the greatest impact of the funds it invests in projects.

During the reporting period, The Foundation started or sustained partnerships with 7 organisations. Of these, 6 received payments, listed in the table below (n.b. table reflects payment actuals; accounts are prepared on an accruals basis). We work in collaboration with our partners to achieve specific project objectives. These objectives are mutually agreed at the outset of each project and are set out in a signed Memorandum of Understanding or Deed of Grant (depending on the size of the grant). Progress against project objectives is monitored through six monthly reports and summarised below.

Partner:	***Based in (country):***	***Project in (country):***	***Paid in reporting period (£):***
Action Against Hunger UK	UK	Multiple (Mali & Kenya)	249,047
Empowering Farmers Foundation	Kenya	Kenya	36,994
Global Environment & Technology Foundation	US	US	65,000
Madagascar Biodiversity Centre (aka Valala Farm)	Madagascar	Madagascar	82,000
Northern Rangelands Trust	Kenya	Kenya	13,664
SoteHub	Kenya	Kenya	39,600

Preventing Malnutrition Grants

GETF – SQLNS Donor Collaborative (Nov 24 – Oct 25): GETF will lead the development and management of a new SQ-LNS Donor Collaborative. Founded by Innocent Foundation and with original members, Eleanor Crook Foundation and CIFF, this emerging collaborative will bring together existing funders with a current commitment or expressing interest in funding efforts to advance SQ-LNS. Leveraging GETF's vast secretariat expertise in developing and managing cross-sector collaborations for impact across global health, water stewardship and sustainability, GETF will proactively convene and coordinate across members of the collaborative to share learnings, investment strategies and opportunities to amplify the impact of their individual grant making and avoid duplication of efforts.

In the reporting period, GETF convened quarterly meetings of the SQ-LNS Donor Collaborative and collaborated with members to align grant-making and explore co-funding. At regular meetings, members share learnings and updates regarding ongoing and prospective SQ-LNS projects and coordinate on global nutrition events.

Action Against Hunger UK, FACE-SQLNS, Kenya (Feb 2025-Feb 2027): Building on the initial business plan developed by the Clinton Health Access Initiative in FY24, AAH aims to integrate SQ-LNS into Kenya's malnutrition prevention strategies to combat child wasting. They will do this by:

- Reviewing and developing guidelines, data tools, and training materials
- Conducting an operational pilot with 3,430 infants receiving SQ-LNS
- Collaborating with government partners for policy integration
- Advocating for SQ-LNS to be included in national health systems and Essential Medicines List (EML)

The initial 6 months of this project were focused on inception and preparation. This included activities such as the development of training materials and operational guidance and the design and production of new MUAC tape. The AAH team began engagement with the Ministry of Health in Kenya and initial contact was very positive.

During the reporting period, the AAH team finalised their procurement process for SQ-LNS and selected Nutriset as their supplier. As the product costs were a little higher than initially anticipated, the team have offset the costs by making reductions elsewhere, including leveraging activities of other complementary AAH projects in the area and reducing numbers of attendees at advocacy events.

Goal 1 Grants

Action Against Hunger UK, Mali (Dec 2024 – Apr 2026): This project is focused on advocacy for policy change based on the results of the relapse study that IF funded, which ended last year. During the reporting period, advocacy focused on three areas:

1. Incidence of relapse is high, and projects should be redesigned to combat this

   The AAH team are finalising their data analysis for the relapse study to ensure the research is as robust and accurate as possible. Once this is complete, they will begin dissemination of the results

2. Simplified protocols for treatment are more effective than the standard protocol

   The Mali national guidelines and policy now use a simplified combined protocol. AAH is continuing to work with the government to help outline how the protocol should be adjusted in different contexts.

3. CHWs play a crucial role in SAM treatment and should be paid for their time

   The Global Fund and Muso, a Mali NGO, have agreed a 5-year commitment to provide salaries to CHWs. The Mali Ministry of Health is not currently in a position to appropriate the necessary funds to take on this cost, so AAH continues to work in country to advocate for this shift.

Save The Children, Somaliland (Apr 2022 – July 2025): This project, *'Shifting the Dial in Acute Malnutrition: part of Save the Children's Global Malnutrition Initiative'* is specifically focused on using a simplified, combined approach for treatment of acute malnutrition and an integrated community case management platform (iCCM+) for acute malnutrition treatment. Analysis in 2019 found that only 18.7% of children with severe acute malnutrition (SAM) in Somaliland were enrolled in treatment despite 79% of facilities offering SAM treatment. The report highlighted a clear need to bring treatment closer to children. Support from the innocent foundation has funded a study to do this by working with community female health workers (FHWs) to pilot adding treatment for acute malnutrition into integrated community case management (iCCM+). This means communities who struggle to access health centres and facilities can get the treatment they need closer to home. Through this new study Save the Children aims to directly address barriers of affordability, accessibility, and availability, by moving treatment services to the community level and delivering them through existing trusted community agents, namely FHWs, and empowering caregivers to identify malnutrition in their own children sooner through training on Family-led mid-upper arm circumference measurement (MUAC). This effectiveness trial will test the impact of a comprehensive package on coverage, treatment outcomes, and cost effectiveness to determine if this is an appropriate approach to scale up at a national level.

During the reporting period, the project is coming to a close. An endline survey was conducted across all study villages to measure the prevalence of acute malnutrition and the coverage of treatment services. The survey found that most households were female headed, and the average number of eligible children was 1.8. At the beginning of the project the baseline survey found that only 25% of malnourished children were receiving treatment. By the endline survey, this number had increased to 40%.

The longitudinal study to track treatment outcomes and identify bottlenecks on service delivery was completed in February. The results from this study as well as final analysis from the endline survey will be shared in the final report.

As a result of this project, the iCCM+ experienced a notable increase in service uptake, improved levels of community trust, and enhanced support for frontline health workers.

Goal 2 Grants

Empowering Farmers Foundation, Kenya (Jun 2022 - Jul 2025): The Foundation is supporting the Empowering Farmers Foundation (EFF) to revive cashew farming and introduce finger millet intercropping in Matsangoni Ward, Kilifi County, Kenya, where cashew farming has declined due to powdery mildew, mealy bug, and aging tree stock. EFF will grow and distribute a higher-yielding cashew variety which is brand new to Kenya; provide extension services and support to maintain existing and the new cashew trees while introducing finger millet, a healthy staple; and promote the leadership and interests of a farmers' cooperative to secure good prices on the cashew cash crop. EFF will work with 3,300 farmers and aims to improve both household income and health.

During the reporting period, the number of Field Extension Officers (FEOs)increased from 5 to 7 to enhance supervision and support for farmers. The farmers all received and planted their cashew plants earlier in the project so the FEOs now offer training in orchard management and post-harvest handling of cashew nuts. 150 farmers received 5-day training to help ensure optimal growth and through the training it was found that the farmers have been utilising Good Agricultural Practices (GAP).

Madagascar Biodiversity Centre (Jun 2023 – Jul 2026): the Madagascar Biodiversity Centre (MBC; also known as Valala Farms) is a Malagasy NGO and sister organisation to the California Academy of Sciences in San Francisco, USA. The team comprises leading entomologists promoting conservation by researching and testing new uses for bugs in a changing climate. Today in Madagascar, c. 1/3 of children under five are stunted, and 7.4m are deficient in protein, iron, and vitamin B12. Meanwhile, drought and cyclones impede domestic food production. The UN has declared a 'Climate Famine'. Meanwhile, 95% of food aid is being imported. With funding from the Innocent Foundation, MBC plans to scale up domestic cricket production, producing protein- and iron-rich food for 12,000 individuals during the project.

They also plan to establish 3 experimental farms to test low-to-no-cost cricket feeds from local agricultural sources. Finally, they plan to publish 2 peer-reviewed papers on their findings.

During the reporting period, 87 black soldier fly (BSF) micro-farms were set up across regions and 624 people were trained in BSF farming.

In one region, within 2 months 65% of the farms had doubled their capacity. The BSF larvae are fed to chickens, as well as some fish and pigs, boosting growth and increasing egg production. Farmers also use the byproduct of BSF farming, a high-quality organic fertiliser called frass, to improve their agricultural yields and income. In some communities, larvae and frass are also being sold. The average production ranges from 5 to 30 kg of fresh BSF larvae per month.

Northern Rangelands Trust (extended Jun 2022 – Aug 2025): the Northern Rangelands Trust (NRT) is a Kenyan non-profit organisation working to preserve nature through the conservancy model while advancing the interests of local pastoral, agrarian and fishing communities to achieve food security and stable income. They work with community boards of nature conservancies covering 63,000km^2 of territory across Kenya. With funding from the Innocent Foundation NRT is working with five community conservancies (Ndera, Hanshak-Nyongoro, Lower Tana, Ngare Ndare and Biliqo-Bulesa) to achieve food security goals set out by their community boards. The conservancies of Ndera, Hanshak-Nyongoro, and Lower Tana are installing solar-powered fences to reduce human/wildlife conflict on 13 farms; procuring 13 irrigation pumps; and distributing 5,000 mango seedlings. Ngare Ndare conservancy are establishing 60 domestic water pans and tanks for rainwater harvest. Biliqo-Bulesa conservancy have adapted their aims from apiculture at the project outset. NRT responds to changing conservancy needs and we expect most activities to adapt to changing conditions as the project progresses.

Due to underspend, NRT has been given a no-cost extension until August 25. The underspend of £21,000 will be spent on increasing support to farmers through installed access gates in fencing, relocating fencing that was damaged by floods, training farmers in electric fence maintenance, and procuring safety equipment such as helmets, electrical gloves and overalls.

Prior to the extension, NRT have completed the following activities:

- Solar powered electric fence lines to protect farms from wildlife invasion were set up across 14 farms, spanning 140 acres.
- 13 water pumps were distributed for irrigation farming
- Nurseries were established to help replace ageing mango trees to increase yields. The nurseries hold 5000 mango seedlings annually, as well as 2500 seedlings of other fruit trees. The seedling are distributed to farmers and schools within the conservancy, alongside training.
- Two agricultural extension officers were recruited and trained, and motorbikes were procured for them so they could more quickly and easily reach farms in the area.
- Domestic water pans and water tanks were established in 60 household to store water and for use as drip irrigation. Driplines were extended into farms.

SoteHub (Jun 2023 – Jan 2026): SoteHub is a Kenyan non-profit and enterprise incubator specialising in rural businesses, youth and tech. Based on the coast, they have worked with youth-led enterprises incl. seaweed farms, hydroponics, tech upcycling and conservation cafes. With funding from the Innocent Foundation SoteHub is getting low-income farmers in Kenya's coastal region of Kilifi County a larger piece of the profits for their mangos with a tech-assisted value-chain.

Today, in coastal the region, smallholders grow mango for food and income, but crop quality varies, and the value chain is informal, leading to post-harvest losses and poor pay per-mango for farmers. SoteHub aimed to support 1,000 farmers at risk of food insecurity in coastal Kenya to increase yield and income from mango farming through training (topics: orchard management, irrigation, inter-cropping, pest control, pricing); improved tree stock (distribute 70,000 seedlings grafted with higher-yielding mango variety); and access to a market newly regulated by blockchain-assisted tracking (accessible via website).

After engaging 1,300 farmers, surpassing the target, SoteHub has distributed 31,928 grafted mango seedlings to 769 farmers and initiated the development of an outgrower system to improve traceability and market access

So far, the project has seen a 96% seedling survival rate.

SoteHub linked farmers directly with market players to help negotiate fair prices and reduce dependence on intermediaries. 458 farmer-offtaker contracts have been signed in support of this.

Investment and reserves policy

We currently bank with the Charities Aid Foundation (CAF) Bank.

Our reserves policy sets out the minimum balance of readily available cash held by The Foundation to achieve the required risk-reward profile for The Foundation. At any given time, The Foundation must be able to cover its committed expenditure and also have the necessary funds to wind down The Foundation's operations should funding cease. In addition, the cumulative committed income must be greater than cumulative committed expenditure.

By committed income, we mean the current bank balance of The Foundation, held in immediately available or short-term deposit accounts plus all pledged income for the future (currently £1million per annum for a minimum of 3 years, subject to certain conditions). By committed expenditure we mean all committed expenditure for active projects plus 6 months wind down costs (estimated at £90,000). Our committed expenditure no longer includes an amount for exceptional circumstances grants; this fund has closed.

Our investment policy categorises The Foundation's cash holdings in two tiers:

- Immediate need: cash spend committed for active projects and forecast for operational and grant spend will be transferred to immediate access current accounts immediately prior to fund disbursement.
- Long term need: All remaining cash spend may be placed in instant access savings accounts to maximise interest.

We formerly had a 30-day and a 90-day deposit account. These accounts were intended to maximise interest return and were closed in FY25. This decision was made to close the accounts due to the negligible difference in interest rates and limitations on flexibility that the 30-day and 90-day wait periods introduced.

This meets the appropriate risk, maturity and controls level agreed by the Trustees. Our cash is currently all held in immediate access accounts since the interest gains from using 30-day deposit accounts are negligible when we also account for the increased administrative burden of maintaining them. We keep this under review.

At the end of the reporting year, our total funds held were £2,449,209 (year ended 30 June 2024: £2,120,458). Of this, £345,005 represents future funding commitments which we will pay out to our current grant partners in six monthly instalments over the remaining period of signed grant agreements, subject to formal reporting of satisfactory progress against project objectives. The balance £2,104,204 is uncommitted reserves. This meets the requirements of our stated reserves policy.

The Foundation has no tangible fixed assets or programme related investments therefore all assets can be realised immediately.

Going Concern

Trustees have reviewed our finances, risks, future commitments, and projected income and conclude that The Foundation has adequate resources to continue in operational existence for at least twelve months from the signing of this report and financial statements. Trustees have reviewed The Foundation's risk register and have not identified existing or new material uncertainties that, individually or collectively, may cast significant doubt on The Foundation's ability to continue as a going concern for a period of at least twelve months. The Foundation remains committed to delivering its core charitable objectives through grant giving, using funds from our donor's annual donation. Should circumstances change, Trustees remain confident that The Foundation could continue to satisfy its reserves policy to maintain cumulative committed income above cumulative committed expenditure during a wind-down period as described above.

Future plans

In 2025-26, our grant making will entirely shift across to our new focus of preventing malnutrition as all Legacy Grants will come to an end by the end of the financial year.

We will focus our time, money, and expertise on our search for partners who need our support to test and scale their great ideas. Over the past few years, the Foundation's reserves built up as a result of the strategy review period where minimal new grants were awarded. In FY24, the Foundation began to spend at a higher rate again and we will continue to spend down funds in pursuit of our ambitions (excluding our minimum reserves as outlined above) We will focus our grant-making based on our learning from past experiences, challenges, and successes, as well as feedback from partners over the foundation's 20-year history.

Disclosure of information to auditors

So far as each of the Trustees at the time the report is approved are aware:

a) there is no relevant audit information of which the auditors are unaware and,

b) that they have taken all the steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Small companies exemption

This report has been prepared in accordance with the special exemptions provided by Part 15 of the Companies Act 2006 relating to small companies.

Approved by the trustees and signed on their behalf by:

Jonathan Wright
Trustee

Date:

Statement of Trustees' responsibilities
For the Year Ended 30 June 2025

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . 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 Charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on its behalf by:

Jonathan Wright
Trustee

Date:

Independent Auditor's Report to the Members of The Innocent Foundation

Opinion

We have audited the financial statements of The Innocent Foundation (the 'charity') for the year ended 30 June 2025 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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 June 2025 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of our 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 Trustees' Report.

We have nothing to report in respect of the following matters in relation to which 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' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees
As explained more fully in the Trustees' responsibilities statement, 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. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed on the following page:

Non-compliance with laws and regulations

Based on:
- our understanding of the charitable company and the sector in which it operates;
- discussion with management and those charged with governance; and
- obtaining an understanding of the charitable company's policies and procedures regarding compliance with laws and regulations;

We considered the significant laws and regulations to be the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Charities SORP (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK tax legislation.

The charitable company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the Health and Safety at Work etc Act 1974, the Data Protection Act 2018, Employment Rights Act 1996 and the Bribery Act 2010.

Our procedures in respect of the above included:
- review of the financial statement disclosures and agreeing to supporting documentation;
- review of minutes of meetings of those charged with governance for any instance of non-compliance with laws and regulations;
- review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations; and
- review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:
- enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- obtaining an understanding of the charitable company's policies and procedures relating to:
  - detecting and responding to the risks of fraud; and
  - internal controls established to mitigate risks related to fraud.
- review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risk of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be journals and key estimates and judgements.

Our procedures in respect of the above included:
- testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- assessing significant estimates and judgements made by management for bias, including the allocation of support costs;
- testing the existence and accuracy of income recognised in the year.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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 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 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Tracey Moore BFP ACA (Senior statutory auditor)
for and on behalf of
UHY Hacker Young
Chartered Accountants
Statutory Auditors
Thames House
Roman Square
Sittingbourne
Kent
ME10 4BJ

Date:

The Innocent Foundation
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 30 June 2025

	Note	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Income from:				
Donations and legacies	3	1,000,000	1,000,000	*950,000*
Investments	4	60,950	60,950	*82,927*
Total income		1,060,950	1,060,950	*1,032,927*
Expenditure on:				
Charitable activities	5	732,199	732,199	*1,025,546*
Total expenditure		732,199	732,199	*1,025,546*
Net movement in funds		328,751	328,751	*7,381*
Reconciliation of funds:				
Total funds brought forward		2,120,458	2,120,458	*2,113,077*
Total funds carried forward		2,449,209	2,449,209	*2,120,458*

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

The notes on pages 20 to 30 form part of these financial statements.

The Innocent Foundation

(A company limited by guarantee)
Registered number: 05054312

Balance Sheet
As at 30 June 2025

	Note		2025 £		*2024 £*
Current assets					
Debtors	8	180		*1,000,180*	
Cash at bank and in hand		2,486,771		*1,169,826*	
		2,486,951		*2,170,006*	
Current liabilities					
Creditors: amounts falling due within one year	9	(37,742)		*(49,548)*	
Net current assets			2,449,209		*2,120,458*
Total net assets			2,449,209		*2,120,458*
Charity funds					
Restricted funds	11		-		-
Unrestricted funds	11		2,449,209		*2,120,458*
Total funds			2,449,209		*2,120,458*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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

Jonathan Wright
Trustee
Date:

The notes on pages 20 to 30 form part of these financial statements.

The Innocent Foundation
(A company limited by guarantee)

Statement of Cash Flows
For the Year Ended 30 June 2025

	Note	2025 £	*2024 £*
Cash flows from operating activities			
Net cash used in operating activities	13	1,255,995	*(316,970)*
Cash flows from investing activities			
Dividends, interests and rents from investments		60,950	*32,927*
Net cash provided by investing activities		60,950	32,927
Change in cash and cash equivalents in the year		1,316,945	(284,043)
Cash and cash equivalents at the beginning of the year		1,169,826	*1,453,869*
Cash and cash equivalents at the end of the year	14	2,486,771	*1,169,826*

The notes on pages 20 to 30 form part of these financial statements

Notes to the Financial Statements
For the Year Ended 30 June 2025

1. General information

The Charity is a company limited by guarantee (registered number 05054312), which is incorporated in the UK. The address of the registered office is 342 Ladbroke Grove, London, W10 5BU.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The Innocent 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 policy.

2.2 Going concern

No material uncertainties that would cast doubt about the ability of The Foundation to continue as a going concern have been identified by the Trustees.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Investment income comprises licence fees receivable by the Foundation that relate to the exploitation of intellectual property rights. Such fees are recognised in the accounts in accordance with the substance of the relevant agreement.

Donations are recognised on a receivables basis where there is a certainty of receipt and the amount can be reliably measured. Donations are accounted for as unrestricted, unless there are restrictions under the terms on which they are received or solicited.

Donated services
Where services are donated to the Foundation that would normally be purchased from suppliers, this contribution is included in the Statement of Financial Activities based on the value of the contribution to the Foundation.

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates:

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

- It includes grant instalments that have been paid to the partners subject to their adherence to their memorandum of understanding. Grants are charged to the Statement of Financial Activities when an unconditional commitment has been made to provide the grant. Grant commitments made with conditions attached are not recognised as a liability, but are disclosed within the Grant Commitments note in the accounts (note 18).

- It also includes costs of an indirect nature necessary to support the activities.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

2.5 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of financial activities.

2.6 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. No tax charge has arisen during the year.

2.7 Intangible assets

The Foundation is the beneficial owner of the name ‘The Innocent Foundation’ and Logo. In accordance with the requirements of the Charities SORP, the cost of internally generated intangible assets such as brands and logos have not been capitalised by The Foundation and have been written off as expenditure at the time incurred.

2.8 Debtors

Other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid.

2. Accounting policies (continued)

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.11 Financial instruments

The Charity 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.13 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 Charity and which have not been designated for other purposes.

3. Income from donations and legacies

	Unrestricted funds 2025 £	**Total funds 2025 £**	*Total funds 2024 £*
Donations	1,000,000	1,000,000	*950,000*
Total 2024	*950,000*	*950,000*	

4. Investment income

	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Licence fee	1	1	*50,000*
Bank interest	34,099	34,099	*32,927*
Other interest	26,850	26,850	-
Total 2025	60,950	60,950	*82,927*

5. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Grant funding of activities 2025 £	Support costs 2025 £	Total funds 2025 £	*Total funds 2024 £*
Hunger alleviation	87,498	502,341	142,360	732,199	*1,025,546*
Total 2024	*85,251*	*871,423*	*68,872*	*1,025,546*	

5. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2025 £	*Total funds 2024 £*
Staff costs (note 7)	87,498	*85,251*

Analysis of support costs

	Total funds 2025 £	*Total funds 2024 £*
Staff costs (note 7)	21,874	*27,630*
Auditor's remuneration - audit of the Charity's annual accounts	7,140	*6,840*
Governance costs	11,594	*34,402*
Strategy costs	101,752	-
Total 2025	142,360	*68,872*

Governance costs incurred in the year comprise professional charges for advice provided to Trustees, expenses in relation to grants and professional subscriptions (2024: professional charges and professional subscriptions).

6. Analysis of grants

	Grants to Institutions 2025 £	Total funds 2025 £	*Total funds 2024 £*
Grants payable	502,341	502,341	*871,423*
Total 2024	*871,423*	*871,423*	

6. Analysis of grants (continued)

The Charity has made the following material grants to institutions during the year:

	2025 **£**	*2024* *£*
Name of institution		
Action Against Hunger	249,047	*200,089*
Clinton Health Access Initiative	-	*75,306*
Empowering Farmers Foundation	36,994	*38,727*
Global Environment of Technology Foundation	65,000	*29,000*
Kickstart International (Kenya, Malawi, Mozambique, Nigeria, Rwanda, South Sudan, Uganda, Zambia)	-	*51,263*
Madagascar Biodiversity Centre	82,000	*41,000*
Northern Rangelands Trust (Kenya)	-	*65,539*
Save the Children	-	*311,099*
SoteHub	69,300	*59,400*
	502,341	*871,423*

7. Staff costs

Staff are employed by Innocent Limited, who recharge The Foundation with the total related costs. The pension scheme is also administered by that company.

	2025 **£**	*2024* *£*
Wages and salaries	93,123	*96,512*
Social security costs	10,189	*13,096*
Contribution to defined contribution pension schemes	6,060	*3,273*
	109,372	*112,881*

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

	2025 **No.**	*2024* *No.*
Staff	*2*	*2*

7. Staff costs (continued)

No employee received remuneration amounting to more than £60,000 in either year.

The Trustees are considered to be key management personnel of the charitable company. During the year the Trustees received no remuneration or benefits in kind (*2024: £nil*).

Further to the above, the Trustees received no reimbursement of expenses during the year (*2024: £nil*).

. Allocation of staff costs

Staff costs are apportioned between direct grant management costs and support costs on a 80:20 ratio, on the basis of time spent.

	2025	*2024*
	£	*£*
Direct costs in support of grant management (note 5)	87,498	*88,874*
Support and governance costs (note 5)	21,874	*24,007*
	109,372	*112,881*

8. Debtors

	2025	*2024*
	£	*£*
Other debtors	180	*1,000,180*

9. Creditors: Amounts falling due within one year

	2025	*2024*
	£	*£*
Accruals and deferred income	8,042	*35,884*
Grants accrued - institutional	29,700	*13,664*
	37,742	*49,548*

10. Financial instruments

	2025 £	*2024 £*
Financial assets		
Financial assets measured at fair value through income and expenditure	2,486,771	*1,169,826*

Financial assets measured at fair value through income and expenditure comprise the value of cash held at bank.

11. Statement of funds

Statement of funds - current year

	Balance at 1 July 2024 £	Income £	Expenditure £	Balance at 30 June 2025 £
Unrestricted funds				
General Funds	2,120,458	1,060,950	(732,199)	2,449,209

Statement of funds - prior year

	Balance at 1 July 2023 £	*Income £*	*Expenditure £*	*Balance at 30 June 2024 £*
Unrestricted funds				
General Funds	*2,113,077*	*1,032,927*	*(1,025,546)*	*2,120,458*

12. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Total funds 2025 £
Current assets	2,486,951	2,486,951
Creditors due within one year	(37,742)	(37,742)
Total	2,449,209	2,449,209

Analysis of net assets between funds - prior year

	Unrestricted funds 2024 £	*Total funds 2024 £*
Current assets	*2,170,006*	*2,170,006*
Creditors due within one year	*(49,548)*	*(49,548)*
Total	*2,120,458*	*2,120,458*

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

	2025 £	*2024 £*
Net income for the year (as per Statement of Financial Activities)	328,751	*7,381*
Adjustments for:		
Dividends, interests and rents from investments	(60,950)	*(32,927)*
Decrease in debtors	1,000,000	*30*
(Decrease)/ increase in creditors	(11,806)	*(291,454)*
Net cash provided by/(used in) operating activities	1,255,995	*(316,970)*

14. Analysis of cash and cash equivalents

	2025 £	*2024 £*
Cash in hand	2,486,771	*1,169,826*
Total cash and cash equivalents	2,486,771	*1,169,826*

15. Analysis of changes in net debt

	At 1 July 2024 £	Cash flows £	At 30 June 2025 £
Cash at bank and in hand	1,169,826	1,316,945	2,486,771
	1,169,826	1,316,945	2,486,771

16. Grant commitments

At the year end the charity had committed £345,005 of funding to support identified organisations by the end of 2027 (*2024: £290,094 by the end of 2026*). The funding is dependent upon those organisations meeting specific performance criteria. As such, these have not been recognised as a liability in the accounts. These commitments will be funded from unrestricted reserves.

17. Pension commitments

The Foundation operates a defined contribution pension scheme. The assets of the scheme are held separately from those of The Foundation in an independently administered fund. The pension cost charge represents contributions payable by The Foundation to the fund and amounted to £6,059 (*2024: £3,273*). No amounts were outstanding to be paid over to the pension scheme at the year end.

18. Related party transactions

Innocent Limited donated £1,026,850 to The Foundation during the 12-month period to 30 June 2025 (*2024: £950,000*), which includes £26,850 paid as "interest" on the delayed payment of the donation. Innocent Limited paid The Foundation £1 (*2024: £50,000*) for a licence fee for the use of The Foundation's logo with limitations. These amounts were communicated to The Foundation, and received prior to the balance sheet date. Therefore £nil is included in debtors (*2024: £1,000,000*).

During the year Innocent Limited incurred £83,411 (*2024: £112,811*) in respect of employment costs. As staff seconded from the company to The Foundation spend 100% of their time running The Foundation, this was recharged to The Foundation and at the year end £nil (*2024: £28,142*) was outstanding and owed to Innocent Limited.

Innocent Limited donates other services to The Foundation, such as the use of office space and other incidental administrative expenses. It has not been considered possible to reliably estimate the value of the contribution to The Foundation and accordingly these costs have not been included in these financial statements.

THE INNOCENT FOUNDATION

England & Wales - Charity number 1104289

Accounts

Registered number: 05054312
Charity number: 1104289

The Innocent Foundation

(A company limited by guarantee)

Trustees' Report and Financial Statements

For the Year Ended 30 June 2024

The Innocent Foundation
(A company limited by guarantee)

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The Innocent Foundation
(A company limited by guarantee)

Reference and Administrative Details of the Charity, its Trustees and Advisers
For the Year Ended 30 June 2024

Trustees

Adam Balon
Christina Archer (resigned December 2024)
Camilla Knox-Peebles
Jon Wright
Nicholas Canney
Richard Reed
Sarah-Jane Norman

The Innocent Foundation Guardians

Alex Anthony
Amy Wheeler
Arantxa Calzado
Birgitta Sigurdardottir
Borja Alcat
Ella Neilson
Ellie Keon
Elliot Day
Georgie Fogelman
Jiri Staats
Karina Worcester
Kate Northam
Laura Thompson
Leila Dekali
Linda Landin
Luca Orlando
Malin Hjerten
Mayya Lukianenko
Mayya Marinova
Sally Hayter
Ursi Kotratschek
Werdah Hussain

Employees

Foundation Director	Amy Recknell	(from 1 July 2023)
Foundation Sr. Grants & Operations Manager	Connor Friesen	(from 1 July 2023)

Reference and Administrative Details of the Charity, its Trustees and Advisers For the Year Ended 30 June 2024

Address of Charity and Registered Office

The Innocent Foundation
342 Ladbroke Grove
London W10 5BU

Auditors

UHY Hacker Young
Thames House
Roman Square
Sittingbourne
Kent
ME10 4BJ

Bankers

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4JQ

The Trustees of The Innocent Foundation ("The Foundation"), who are also directors of the charity for the purposes of the Companies Act, are pleased to present their annual report and financial statements for the year ended 30 June 2024.

Trustees

Currently Trustees are elected and appointed on a need basis. As the sole Member of The Foundation, Innocent Limited appoints Trustees in agreement with the Trustees' Board. The Memorandum and Articles of Association support a minimum of three Trustees. Trustees serve a four-year term, with the option for the Trustees to reappoint. New Trustees attend suitable induction and training with the Foundation Director and existing Trustees to familiarise themselves with the charity, its governance, and the context within which it operates.

Of the seven current Trustees, three Founder Trustees have been on the board since inception in 2004. Nick Canney and Sarah-Jane Norman are current employees of Innocent Limited and Christina Archer and Camilla Knox-Peebles are external appointments. Christina Archer resigned her position in December 2024 and the Trustees would like to thank her for her service.

Management

The Trustees are supported in the day-to-day management of The Foundation by the Foundation Director and Grants & Operations Manager.

The Foundation staff support the effective running of The Foundation by managing relationships with partner organisations. They make grant recommendations to the Trustees in accordance with agreed grant-making policies. Trustees make decisions about grants at Trustee Meetings which are typically held on a quarterly basis.

The Foundation employees' pay and remuneration are set with reference to sector benchmarks and are periodically reviewed against comparable organisations using market data. Pay and benefit changes are approved by the full Trustee Board. The Foundation's employees receive ongoing performance management and an annual feedback report which provides feedback from the Trustees, Foundation Guardians, and external grant partners.

The Director is helped by Foundation Guardians who are employees of Innocent Limited. They are identified through an invitation to all Innocent Limited employees to get more actively involved in The Foundation as volunteers and are appointed for a period of c. two years. The Foundation Guardians volunteer their time to work with partner organisations, update other Innocent Limited employees about The Foundation, and act as ambassadors for The Foundation.

Legal status

The charitable, limited by guarantee, company was incorporated on 24 February 2004 (company registration number 05054312) and registered with the Charity Commission on 11 June 2004 (charity registration number 1104289). It is governed by the Company Memorandum and Articles of Association.

Related Parties

The charitable company's sole member is Innocent Limited, and The Foundation is primarily funded through donations from Innocent Limited and its shareholders. The Trustees recognise their charitable responsibilities and state formally that the charity's activities will always be consistent with achieving its objects. Any benefit which may accrue to Innocent Limited from The Foundation's activities will be incidental and outweighed by

the contribution to The Foundation's charitable objectives. Please see note 20 for further Related Party transaction details.

The Foundation is a member of the Association of Charitable Foundations and update our operating policies with reference to peers in this network.

Risk Management

The Trustees have conducted a review of the major risks to which The Foundation is exposed. Risks are assessed on the basis of their likelihood and potential impact, along with the mitigation strategies in place to manage them in line with the board's risk appetite. They are recorded in a risk register which is updated and approved annually by the Trustees. Where appropriate, systems or procedures have been established to manage the risks the charity faces. The Foundation Director continually monitors changes in risk levels or emergence of new risks that may impact upon the organisation and escalates any concerns to the Trustees. The Trustees consider the following to be the key risks that The Foundation faced during the reporting period:

- *NGO is unable to deliver project due to failure in internal financial controls; or project-, project office-, or organisational (group) failure*: We work through independent partners who deliver projects to alleviate hunger with our funding. There is a risk that some of the projects we support may fail to achieve their objectives if our partners lack the capacity to deliver, especially when operating in challenging contexts. It is also possible that a partner may experience other adverse events such as fraud, theft, safeguarding issues, or other incidents which harm their work, beneficiaries, or reputation. Apart from failing to deliver effective support to hungry people, this could also damage our reputation.

  To mitigate these risks, we conduct thorough due diligence on our partners before providing funding. We adopt a risk-based approach, using risk factors including the size of the grant, the nature of the applicant, the nature of the project, the geographic location of the project and the nature of the relationship between The Foundation and the applicant. Our 'due diligence review' of grant applicants assesses organisational- and project finances; project planning and resourcing; organisation leadership, staffing and policy frameworks; reputation and references; and relationship to prospective service users. We monitor all our projects biannually through a formalised report review process undertaken by a member of the foundation team and a Project Guardian. This includes accounting for departures from planned project spending and participating in a financial health check if regular reporting signals risks to financial stability. We also ask our partners to inform us if they report a Serious Incident to the Charity Commission. Where concerns are noted, we provide feedback to partners and follow up on minor issues. If major concerns arise, our standard grant agreement terms and conditions enable us to terminate a grant. We encourage open conversation with our partners on their adaptation (ways of working, financing) to external pressures.

- *Internal financial control failure:* Risks are minimised by the implementation of procedures for authorising and recording of transactions and projects. An annual review is completed of all processes using the Charity Commission's Internal Financial Controls Checklist. Any findings from our annual external audit are also considered and acted upon. For example, due to the close working relationship with our donor and the small foundation team, our auditor considers both *revenue recognition* and *management override* as two inherent risks of our model. We mitigate against these by providing our auditor with records of planned budget and actual spend, alongside banking records and a sample of relevant contracts/agreements. Our finance Guardians and foundation staff meet bi-monthly to review and update financial schedules of spend.

- *Loss of key staff*: The Foundation usually operates with two employees. Inevitably resources are spread thinly, and detailed knowledge of operations is concentrated. To mitigate this, an operations manual exists to document key resources and processes. Finance Guardians are responsible for financial reporting, analysis and managing the annual audit to ensure knowledge and experience is shared.

- *Risk to reputation of foundation or donor:* the innocent foundation and its donor innocent drinks work hard to maintain a high standard of operations. Negative public discourse on the ethics, sustainability or effectiveness of the foundation or its donor could damage our reputation, our partnerships, and our ability to operate efficiently for the benefit of our partners and their service-users. We have robust processes in place to address and learn from negative public discourse and follow weekly alerts on public forums.
- *Ways of working:* we have maintained several ways of working, established during the Covid-19 pandemic, to mitigate programmatic risk, and discontinued others in alignment with our financial policies. We have continued to run in-person monitoring visits, and to solicit written and verbal updates during our bi-annual reporting cycle. We continue to run ad hoc financial health checks as needed and are committed to support grant-holders through flexible budgeting and extended grant-terms where appropriate. The Foundation Director maintains delegated authority to extend grant budgets, but this authority has not been used during the reporting period. The Foundation has discontinued both its Partnership Fund and Emergency Funding stream.

Objects of the charity

The objects of the charity are to advance all purposes charitable under the law of England and Wales. The purpose of The Foundation over the reporting period was to help the world's hungry.

As a grant-giving organisation we seek out other non-governmental organisations, charities and not-for-profit organisations working in the field of hunger alleviation to offer them the opportunity to apply for funding to deliver their projects.

To achieve our purpose in the reporting period, our grant-making policy states that we will fund work under two interrelated goals:

Goal 1: stop children dying of hunger. Globally there are 45 million children with acute malnutrition, of which over 13 million suffer from sever acute malnutrition. These children are eleven times more likely to die than their healthy peers, but it doesn't have to be this way, as 80% of children that complete treatment are cured. However, currently only 30% of children get the treatment they need. That's why we invest in research to test, and put into practice, better ways to identify and treat these vulnerable children. These research studies have the potential to change national and global policy and practice, part of collective effort to eradicate acute malnutrition and stop millions of children dying each year.

Goal 2: help the poorest families feed themselves. 90% of the world's farmers are small family farms in less economically developed countries. Despite producing 80% of the world's food, many of these smallholder farmers are poor, food insecure and have limited access to markets and services. We want to break this paradox, prioritising countries rated serious or alarming on the Global Hunger Index. We invest in entrepreneurial teams that have scalable ideas to help families become more food secure and increase their resilience to challenges like climate change.

The Foundation's grant-making policy further states that each organisation must:

- benefit a community rather than individuals
- be a not-for-profit organisation
- be pursuing charitable purposes
- consider taking part in The Foundation's scholarship programme which offers employees of Innocent Limited the opportunity to volunteer with partners, using their business skills to bring benefit to the organisation. There are typically three scholarships a year.

During the reporting period, Trustees have agreed to focus our work on preventative nutrition going forward and the Foundation Director has scoped strategy and funding opportunities.

Principal activities of the charity and public benefit

The Trustees have given adequate consideration to Charity Commission published Guidance on the operation of the Public Benefit requirement.

Review of charitable activity

During the reporting year, The Foundation received £950,000 in donations (2023: £950,360). In addition, Innocent Limited paid £50,000 (2023: £50,000) to The Foundation as a licence fee. The charity had no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

The Foundation gave grants to organisations (detailed below) with total donations amounting to £871,423 in the year (2023: £1,040,552). The Foundation works closely with project partners to ensure the greatest impact of the funds it invests in projects.

During the reporting period, The Foundation started or sustained partnerships with 13 organisations. Of these, 10 received payments, listed in the table below (n.b. table reflects payment actuals; accounts are prepared on an accruals basis). We work in collaboration with our partners to achieve specific project objectives. These objectives are mutually agreed at the outset of each project and are set out in a signed Memorandum of Understanding or Deed of Grant (depending on the size of the grant). Progress against project objectives is monitored through six monthly reports and summarised below.

Partner:	***Based in (country):***	***Project in (country):***	***Paid in reporting period (£):***
Action Against Hunger UK	UK	Mali	300,014
Clinton Health Access Initiative	US	Kenya	75,306
Concern Worldwide UK	UK	Kenya	74,386
Empowering Farmers Foundation	Kenya	Kenya	36,993
Global Environment & Technology Foundation	US	US	29,000
KickStart International	US	Multiple (SSA)	50,000
Madagascar Biodiversity Centre (aka Valala Farm)	Madagascar	Madagascar	107,144
Northern Rangelands Trust	Kenya	Kenya	51,875
Save the Children Fund UK	UK	Somalia	311,099
SoteHub	Kenya	Kenya	108,900

Goal 1 Grants

Action Against Hunger UK, Mali (Dec 2021 – Aug 2024): We approved a grant to Action Against Hunger UK (AAH) for a follow-on research project in Mali. The project gathers evidence on the occurrence of relapse after recovery from SAM in children treated by Community Health Workers (CHWs) using the combined protocol of a Mid Upper Arm Circumference band (MUAC) to identify at-risk children and treating them by using ready to use therapeutic food (RUTF). Through this study, AAH aim to show that by combining these two simplified approaches, it results in fewer children relapsing after treatment, and with this, reduces the risk of morbidity and mortality. Furthermore, they hope to evidence lower treatment costs for families and the government and greater cost efficiencies within the national health system. It is hoped with this evidence, AAH can strengthen arguments to the Ministry of Health for the inclusion of combined protocol in the country's primary health care policy and the adoption of the status and salary of CHWs.

During the reporting period, project progress has been significantly impacted by the security situation in Mali. AAH has adapted the study protocol to mitigate risk to staff, extending the follow up period and frequency. The project has progressed; CHWs are supervised weekly; 17,775 children from 6-59 months were screened to determine nutrition status; 503 children in total have been admitted into the study. There have been 16 relapses in the combined protocol group compared to 25 relapses in the standard protocol group.

Concern Worldwide, (extended Mar 2022 – Nov 2024): The project 'Building the evidence on Family MUAC: a study of its effectiveness and cost-effectiveness,' builds on our previous project success with Concern in North Horr in Northern Kenya, training mothers in pastoralist communities to use mid-upper arm circumference (MUAC) bands to screen their children, as an alternative strategy to the standard approach using Community Health Volunteers (CHVs), to improve early detection, referral and prevention of malnutrition among children under-five. The operational study showed mothers had the capacity and motivation to accurately and routinely measure and refer their children for treatment. These results reinforced the need to scale up the Family MUAC approach in similar arid and semi-arid (ASAL) contexts that report high cases of acute malnutrition. But for the National and County Governments to commit resources for scale up, more evidence is required on the effectiveness and cost effectiveness of this approach. This project aims to address that evidence gap by introducing the Family MUAC approach into standard CHV-led screening and referral for acute malnutrition in Marsabit County, where coverage of children suffering SAM remains below the standard for emergencies, and far below what would be expected for a health service for children under-five. By comparing this novel, integrated approach to the current status quo which relies solely on CHVs to screen and refer children at community level, Concern aims to generate practical evidence and recommendations to help the Kenyan health authorities make informed plans to cost and scale up the Family MUAC approach.

During the reporting period Concern has supported 110 Community Health Promoters (CHPs) and Assistants (CHAs). CHPs have conducted MUAC training with 700 mothers in the intervention arm of the study. The end-line evaluation has been delayed due to flooding and displacement of households in Marsabit.

Save The Children, Somaliland (Apr 2022 – July 2025): This project, *'Shifting the Dial in Acute Malnutrition: part of Save the Children's Global Malnutrition Initiative'* is specifically focusing on using a simplified, combined approach for treatment of acute malnutrition and an integrated community case management platform (iCCM+) for acute malnutrition treatment. Analysis in 2019 found that only 18.7% of children with severe acute malnutrition (SAM) in Somaliland were enrolled in treatment despite 79% of facilities offering SAM treatment. The report highlighted a clear need to bring treatment closer to children. Support from the innocent foundation will fund a study to do this by working with community female health workers (FHWs) to pilot adding treatment for acute malnutrition into integrated community case management (iCCM+). This means communities who struggle to access health centres and facilities can get the treatment they need closer to home. Through this new study Save the Children aims to directly address barriers of affordability, accessibility, and availability, by moving treatment services to the community level and delivering them through existing trusted community agents, namely FHWs, and empowering caregivers to identify malnutrition in their own children sooner through training on Family-led mid-upper arm circumference measurement (MUAC). This effectiveness trial will test

the impact of a comprehensive package on coverage, treatment outcomes, and cost effectiveness to determine if this is an appropriate approach to scale up at a national level.

During the reporting period the study protocol was approved by the Ministry of Health and Development (MoHD) and the UCL Review Board. The organisation has signed a memorandum of understanding with Amoud University. 24 enumerators have been nominated and trained for data collection.

Goal 2 Grants

Aga Khan Foundation, Madagascar (Jul 2019 – Oct 2023): The Foundation has funded the Aga Khan Foundation's project to promote better rice growing practices as rice grown locally does not meet national demand and must be supplemented with rice imports. The SPEEDRICE project trained farmers to grow more, better quality rice using the Zanatany Rice Permaculture System (ZRPS). ZRPS includes labour-saving and climate-smart techniques such as direct seeding; farm-made inputs; crop rotation; and no-till methods. This project aimed to help 20,000 farmers grow up to 50% more rice.

By the end of the project term, 23,599 farmers had been trained, surpassing project goals by 18%. 35% of trainees adopted at least one technique and of these, all saw a 50% or better increase to rice-yield. Direct seeding remained the most popular technique with deeper root structures better able to withstand increasing episodes of extreme weather. An external evaluation concluded that labour productivity is higher with the Zanatany method compared to other rice intensification systems.

Empowering Farmers Foundation, Kenya (Jun 2022 - Jul 2025): The Foundation is supporting the Empowering Farmers Foundation (EFF) to revive cashew farming and introduce finger millet intercropping in Matsangoni Ward, Kilifi County, Kenya, where cashew farming has declined due to powdery mildew, mealy bug, and aging tree stock. EFF will grow and distribute a higher-yielding cashew variety which is brand new to Kenya; provide extension services and support to maintain existing and the new cashew trees while introducing finger millet, a healthy staple; and promote the leadership and interests of a farmers' cooperative to secure good prices on the cashew cash crop. EFF will work with 3,300 farmers and aims to improve both household income and health.

During the reporting period, EFF established 12 cashew nurseries; distributed 102,533 cashew seedlings to 3,731 smallholder farmers; distributed finger millet to 995 smallholders and 5 schools; held 12 cooking workshops to promote finger millet consumption.

KickStart International, multiple countries (Mar 2021 to Feb 2024): Having supported research and development of KickStart's Starter Pump, this grant aimed to help KickStart launch the pump across Sub Saharan Africa where climate change is negatively impacting rainfall, and rain-fed crops. During the three-year programme, KickStart hoped to work with 81 partners and 69 agri-dealers to distribute 12,000 pumps across Kenya, Zambia, Malawi, South Sudan, Uganda, Rwanda, Mozambique, and Nigeria. The project tested different ways of reaching smallholder farmers (new financing models, entrepreneurship training, subsidies) and evaluate interventions using an impact study to understand how farm yields and income changes over time.

By the end of the project term, Kickstart had partially met its aims. 11,353 Starter Pumps had been distributed. Kickstart had launched the pumps in Rwanda, Nigeria, South Sudan, Tanzania, Uganda, Malawi, Zambia and Mozambique—additionally they are shipping to Angola, surpassing their aim to launch in 8 countries. To support distribution, Kickstart had partnered with 40 organisations including Siaya Seed SACCO, World Vision, Heifer International, Kitui County, Farming Systems Kenya, Techno Relief and Ripple Effect.

Madagascar Biodiversity Centre (Jun 2023 – Jul 2026): the Madagascar Biodiversity Centre (MBC; also known as Valala Farms) is a Malagasy NGO and sister organisation to the California Academy of Sciences in San Francisco, USA. The team comprises leading entomologists promoting conservation by researching and testing new uses for bugs in a changing climate. Today in Madagascar, c. 1/3 of children under five are stunted, and 7.4m are deficient in protein, iron, and vitamin B12. Meanwhile, drought and cyclones impede domestic food production. The UN has declared a 'Climate Famine'. Meanwhile, 95% of food aid is being imported. With funding from the Innocent Foundation, MBC plans to scale up domestic cricket production, producing protein-

and iron-rich food for 12,000 individuals during the project. They also plan to establish 3 experimental farms to test low-to-no-cost cricket feeds from local agricultural sources. Finally, they plan to publish 2 peer-reviewed papers on their findings.

During the reporting period, the organisation assembled its research team and published a report which found that crickets could be reared quickly and inexpensively on a diet of agricultural waste and Malagasy weeds (search 'Weeds and agro by-products for sustainable farming of edible field cricket, Gryllus madagascarensis'). Three farms have been established. The organisation is producing c. 1,000 kg of cricket powder p.a. for use in high-protein cricket crackers and porridge distributed as food-aid.

Northern Rangelands Trust (extended Jun 2022 – Dec 2024): the Northern Rangelands Trust (NRT) is a Kenyan non-profit organisation working to preserve nature through the conservancy model while advancing the interests of local pastoral, agrarian and fishing communities to achieve food security and stable income. They work with community boards of nature conservancies covering 63,000km^2 of territory across Kenya. With funding from the innocent foundation NRT isworking with five community conservancies (Ndera, Hanshak-Nyongoro, Lower Tana, Ngare Ndare and Biliqo-Bulesa) to achieve food security goals set out by their community boards. The conservancies of Ndera, Hanshak-Nyongoro, and Lower Tana are installing solar-powered fences to reduce human/wildlife conflict on 13 farms; procuring 13 irrigation pumps; and distributing 5,000 mango seedlings. Ngare Ndare conservancy are establishing 60 domestic water pans and tanks for rainwater harvest. Biliqo-Bulesa conservancy have adapted their aims from apiculture at the project outset. NRT responds to changing conservancy needs and we expect most activities to adapt to changing conditions as the project progresses.

From project launch to March 2024, NRT has held consultations with the community conservancies in Ndera, Lower Tana and Hanshak-Nyongoro; fence construction has progressed but was delayed by flooding in early 2024; Biliqo-Bulesa has adapted their plan from building beehives to establishing irrigation due to drought and a consequent lack of flowering plants in the area. Ngare Ndare water pan construction has concluded.

Activities have been impactful: following project support, 32 farming households in Biliqo-Bulesa harvested 150 bags of maize, 3000 kg watermelon, 700 kg tomatoes and 100 kg kale at last harvest—a marked improvement. Farmers in Kisima and Mbuju (Ngare Ndare) have extended their 0.25 acre french bean farms to 0.75 acres with water-pan irrigation. Farmers in Manyangalo and Subuiga (Ngare Ndare) have extended onion farming from 0.25 acres to 0.5 acres.

One Acre Fund, Kenya (Jun 2022 – Nov 2023): The Foundation is supporting One Acre Fund (1AF) to market Kickstart's irrigation pumps to smallholder farmers across Kenya via 'irrigation agents'. Regrettably, following a restructure of their Kenyan operation, Trustees agreed that One Acre Fund was no longer in a position to deliver on project aims and the project was ended.

Renewable World, Nepal (Mar 2020 – Oct 2023): We worked with Renewable World to tackle hunger in Nepal using innovative plastic bag biodigesters. 50 million homes around the world use biodigesters as a healthy alternative to coal, wood, or dung for cooking. Renewable World proposed to support these households even more, by making organic fertiliser as a by-product of generating biogas. Organic material is added to the biodigester and is broken down by bacteria in an oxygen-free environment to create biogas, a cheap source of renewable energy replacing more expensive and harmful fuels. The slurry that is left over can be turned into highly productive organic fertiliser and used to grow food crops. It is a great way of solving multiple problems at once, bringing long term change to Nepal's hungry by improving farming, strengthening livelihoods, and producing clean energy. This project proposed to improve yield in 50% of households in 12 rural communities.

During the project, bag digesters have been installed at 12 sites . Fully 715 households engaged through 26 farmers' groups. 94% of households reported increased agricultural yield with 21% of these reporting an increase over 21%. 73% of respondents reported a notable increase in food security and income levels. 93% reported consuming homegrown products daily. Renewable World notes challenges managing slurry outputs from the bag digester, which is very liquid and difficult to transport.

Semilla Nueva, Guatemala (Oct 2020 – Jul 2023): In Guatemala corn accounts for 50% of rural diets and the country has the world's sixth highest rate of malnutrition. Today, 46% of children suffer from stunting and 70% of farming families live in poverty.

Semilla Nueva has produced a biofortified seed that yields more corn and better-quality corn, for a lower cost to farmers. Their corn has 39% more zinc (in Guatemala a third of children are zinc deficient) and 19% more iron (another common deficiency in Guatemala). Semilla Nueva used our funding to help incentivise local commercial producers to add biofortified seed to their portfolio. This enabled the seed to reach even more families while preserving the low price point for farmers. During this project Semilla Nueva proposed to improve the climate resilience and incomes for 29,000 farmers with their biofortified seed thereby improving nutrition for 7 million people in Guatemala, while refining the best way to partner with the private sector as a precursor to national roll-out. Ultimately, Semilla Nueva would like to see the government incentivise wider distribution of biofortified corn.

Over the project term, 46,820 farming families have purchased the seed. Of these, an estimated 35,000 are repeat customers. They report that 1.49m individuals have improved their nutrition with the bio-fortified seed (302,057 individuals are planting/consuming seed and 1,197,672 individuals are consuming it). Semilla Nueva has shown that their seeds stand up well in a changing climate with yields surpassing commercial seed brands by 15-24% following extreme weather events. They missed their most ambitious original target (7m individuals consume some biofortified maize) but have confirmed follow-on funding from USAID to expand their work and remain intent on their goal.

SoteHub (Jun 2023 – Jan 2026): SoteHub is a Kenyan non-profit and enterprise incubator specialising in rural businesses, youth and tech. Based on the coast, they have worked with youth-led enterprises incl. seaweed farms, hydroponics, tech upcycling and conservation cafes. With funding from the innocent foundation SoteHub is getting low-income farmers in Kenya's coastal region of Kilifi County a larger piece of the profits for their mangos with a tech-assisted value-chain.

Today, in coastal the region, smallholders grow mango for food and income, but crop quality varies, and the value chain is informal, leading to post-harvest losses and poor pay per-mango for farmers. SoteHub aimed to support 1,000 farmers at risk of food insecurity in coastal Kenya to increase yield and income from mango farming through training (topics: orchard management, irrigation, inter-cropping, pest control, pricing); improved tree stock (distribute 70,000 seedlings grafted with higher-yielding mango variety); and access to a market newly regulated by blockchain-assisted tracking (accessible via website).

From launch in June 2023 to the end of the reporting period, SoteHub has identified 1,300 farmers; trained 100 lead farmers; linked 532 farmers and service providers; and distributed 31,928 mango seedlings (96% survival rate).

New Strategy Grants

The innocent foundation is building a new strategy focused on preventative nutrition in consultation with Trustees and partners. It has made two new grants aligned with that strategy during the reporting period.

Clinton Health Access Initiative (Jan 2024 – Feb 2024): CHAI is a US 501(c)3 charitable organisation on a mission is to ensure everyone has access to quality, affordable healthcare. The innocent foundation has funded CHAI to develop a prevention approach and supply strategy to reduce the burden of malnutrition in Kenya.

Global Environment & Technology Foundation (April 2024 – July 2024): GETF is a US 501(c)3 charitable organisation which aims to strengthen health systems and entrepreneurship; to empower women; and to enhance sustainable agriculture and climate resilience. The innocent foundation has funded GETF to envision targets, a consortium-based approach, and the innocent foundation's role in a programmatic strategy to improve preventative nutrition in Kenya.

Emergency Fund Grants

Context: following a donation responding to the 7.8 magnitude earthquake and its aftershocks in Türkiye and Syria in 2023, the innocent foundation has closed its emergency 'exceptional circumstances' fund.

Investment and reserves policy

We currently bank with the Charities Aid Foundation (CAF) Bank.

Our reserves policy sets out the minimum balance of readily available cash held by The Foundation to achieve the required risk-reward profile for The Foundation. At any given time, The Foundation must be able to cover its committed expenditure, and also have the necessary funds to wind down The Foundation's operations should funding cease. In addition, the cumulative committed income must be greater than cumulative committed expenditure.

By committed income, we mean the current bank balance of The Foundation, held in immediately available or short-term deposit accounts plus all pledged income for the future (currently £1million per annum for a minimum of 3 years, subject to certain conditions). By committed expenditure we mean all committed expenditure for active projects plus 6 months wind down costs (estimated at £90,000). Our committed expenditure no longer includes an amount for exceptional circumstances grants; this fund has closed.

Our investment policy categorises The Foundation's cash holdings in three tiers;

- Immediate need: cash spend committed for active projects and forecast for operational and emergency relief within the next 3 months will be held in immediate access accounts.
- Long term need: Committed cash spend for total lifetime of all current projects, including operational and emergency relief spend forecast, may be placed in deposit accounts with maturity of 30 up to a maximum of 90 days, according to planned expenditure schedule.
- Excess: All remaining cash may be placed in 90-day deposit account to maximize interest return.

This meets the appropriate risk, maturity and controls level agreed by the Trustees. Our cash is currently all held in immediate access accounts since the interest gains from using 30 to 90-day deposit accounts are negligible when we also account for the increased administrative burden of maintaining them. We keep this under review.

At the end of the reporting year, our total funds held were £2,120,458 (2023: £2,113,077). Of this, £13,664 represents future funding commitments which we will pay out to our current grant partners in six monthly instalments over the remaining period of signed grant agreements, subject to formal reporting of satisfactory progress against project objectives. The balance £2,106,794 is uncommitted reserves. This meets the requirements of our stated reserves policy.

The Foundation has no tangible fixed assets or programme related investments therefore all assets can be realised immediately or within 30 or 90 days in our notice account.

Going Concern

Trustees have reviewed our finances, risks, future commitments, and projected income and conclude that The Foundation has adequate resources to continue in operational existence for at least twelve months from the signing of this report and financial statements. Trustees have reviewed The Foundation's risk register and have not identified existing or new material uncertainties that, individually or collectively, may cast significant doubt on The Foundation's ability to continue as a going concern for a period of at least twelve months. The Foundation remains committed to delivering its core charitable objectives through grant giving, using funds from our donor's annual donation. Should circumstances change, Trustees remain confident that The Foundation could continue to satisfy its reserves policy to maintain cumulative committed income above cumulative committed expenditure during a wind-down period as described above, now that discretionary 'exceptional-circumstances' funding (£200,000) has been re-allocated to active grant commitments.

We will focus our time, money, and expertise on our search for partners who need our support to test and scale their great ideas. We will continue our policy of spending down our reserves over the coming year in pursuit of our ambitions. We will focus our grant-making based on our learning from past experiences, challenges, and successes, as well as feedback from partners over the foundation's 20-year history.

Disclosure of information to auditors

So far as each of the Trustees at the time the report is approved are aware:

a) there is no relevant audit information of which the auditors are unaware and,

b) that they have taken all the steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Small companies exemption

This report has been prepared in accordance with the special exemptions provided by Part 15 of the Companies Act 2006 relating to small companies.

Approved by the trustees and signed on their behalf by:

Jonathan Wright
Trustee



Date: 9 December 2024

Statement of Trustees' responsibilities
For the Year Ended 30 June 2024

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 Charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on its behalf by:



Jonathan Wright

Date: 9 December 2024

Independent Auditors' Report to the Members of The Innocent Foundation

Opinion

We have audited the financial statements of The Innocent Foundation (the 'charity') for the year ended 30 June 2024 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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 June 2024 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 Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 Trustees' Report.

We have nothing to report in respect of the following matters in relation to which 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' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, 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.

Auditors' 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 Auditors' 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. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- our understanding of the charitable company and the sector in which it operates;
- discussion with management and those charged with governance; and
- obtaining an understanding of the charitable company’s policies and procedures regarding compliance with laws and regulations;

We considered the significant laws and regulations to be the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Charities SORP (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK tax legislation.

The charitable company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the Health and Safety at Work etc Act 1974, the Data Protection Act 2018, Employment Rights Act 1996 and the Bribery Act 2010.

Our procedures in respect of the above included:

- review of the financial statement disclosures and agreeing to supporting documentation;
- review of minutes of meetings of those charged with governance for any instance of non-compliance with laws and regulations;
- review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations; and
- review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- obtaining an understanding of the charitable company' policies and procedures relating to:
  - detecting and responding to the risks of fraud; and
  - internal controls established to mitigate risks related to fraud.
- review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risk of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be journals and key estimates and judgements.

Our procedures in respect of the above included:

- testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- assessing significant estimates and judgements made by management for bias, including the allocation of support costs;
- testing the existence and accuracy of income recognised in the year.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditors' report.

Independent Auditors' Report to the Members of The Innocent 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 those matters we are required to state to them in an Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

UHY Hacker Young

Tracey Moore BFP ACA (Senior statutory auditor)
for and on behalf of
UHY Hacker Young
Chartered Accountants
Statutory Auditors
Thames House
Roman Square
Sittingbourne
Kent
ME10 4BJ

Date: 10 December 2024

The Innocent Foundation
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 30 June 2024

	Note	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Income from:				
Donations and legacies	3	950,000	950,000	*950,360*
Investments	4	82,927	82,927	*65,996*
Total income		1,032,927	1,032,927	*1,016,356*
Expenditure on:				
Charitable activities	5	1,025,546	1,025,546	*1,239,268*
Total expenditure		1,025,546	1,025,546	*1,239,268*
Net movement in funds		7,381	7,381	*(222,912)*
Reconciliation of funds:				
Total funds brought forward		2,113,077	2,113,077	*2,335,989*
Total funds carried forward		2,120,458	2,120,458	*2,113,077*

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

The notes on pages 22 to 32 form part of these financial statements.

The Innocent Foundation

(A company limited by guarantee)
Registered number: 05054312

Balance Sheet
As at 30 June 2024

	Note		2024 £		*2023 £*
Current assets					
Debtors	9	1,000,180		*1,000,210*	
Cash at bank and in hand		1,169,826		*1,453,869*	
		2,170,006		*2,454,079*	
Creditors: amounts falling due within one year	10	(49,548)		*(341,002)*	
Net current assets			2,120,458		*2,113,077*
Total net assets			2,120,458		*2,113,077*
Charity funds					
Unrestricted funds	12		2,120,458		*2,113,077*
Total funds			2,120,458		*2,113,077*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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



.....
Jonathan Wright

Date: 9 December 2024

The notes on pages 22 to 32 form part of these financial statements.

The Innocent Foundation
(A company limited by guarantee)

Statement of Cash Flows
For the Year Ended 30 June 2024

	Note	2024 £	*2023 £*
Cash flows from operating activities			
Net cash used in operating activities	14	(316,970)	*(158,315)*
Cash flows from investing activities			
Dividends, interests and rents from investments		32,927	*15,996*
Net cash provided by investing activities		32,927	15,996
Change in cash and cash equivalents in the year		(284,043)	(142,319)
Cash and cash equivalents at the beginning of the year		1,453,869	*1,596,188*
Cash and cash equivalents at the end of the year	15	1,169,826	*1,453,869*

The notes on pages 22 to 32 form part of these financial statements

Notes to the Financial Statements
For the Year Ended 30 June 2024

1. General information

The Charity is a company limited by guarantee (registered number 05054312), which is incorporated in the UK. The address of the registered office is 342 Ladbroke Grove, London, W10 5BU.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The Innocent 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 policy.

2.2 Going concern

No material uncertainties that would cast doubt about the ability of The Foundation to continue as a going concern have been identified by the Trustees.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Investment income comprises licence fees receivable by the Foundation that relate to the exploitation of intellectual property rights. Such fees are recognised in the accounts in accordance with the substance of the relevant agreement.

Donations are recognised on a receivables basis where there is a certainty of receipt and the amount can be reliably measured. Donations are accounted for as unrestricted, unless there are restrictions under the terms on which they are received or solicited.

Donated services
Where services are donated to the Foundation that would normally be purchased from suppliers, this contribution is included in the Statement of Financial Activities based on the value of the contribution to the Foundation.

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates:

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

- It includes grant instalments that have been paid to the partners subject to their adherence to their memorandum of understanding. Grants are charged to the Statement of Financial Activities when an unconditional commitment has been made to provide the grant. Grant commitments made with conditions attached are not recognised as a liability, but are disclosed within the Grant Commitments note in the accounts (note 18).

- It also includes costs of an indirect nature necessary to support the activities.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

2.5 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of financial activities.

2.6 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. No tax charge has arisen during the year.

2.7 Intangible assets

The Foundation is the beneficial owner of the name ‘The Innocent Foundation’ and Logo. In accordance with the requirements of the Charities SORP, the cost of internally generated intangible assets such as brands and logos have not been capitalised by The Foundation and have been written off as expenditure at the time incurred.

2.8 Debtors

Other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid.

2. Accounting policies (continued)

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.11 Financial instruments

The Charity 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.13 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 Charity and which have not been designated for other purposes.

3. Income from donations and legacies

	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Donations	950,000	950,000	*950,360*
Total 2023	*950,360*	*950,360*	

4. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Licence fee	50,000	50,000	*50,000*
Bank interest	32,927	32,927	*15,996*
Total 2024	82,927	82,927	*65,996*

5. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Grant funding of activities 2024 £	Support costs 2024 £	Total funds 2024 £	*Total funds 2023 £*
Hunger alleviation	85,251	871,423	68,872	1,025,546	*1,239,268*
Total 2023	*142,115*	*1,040,552*	*56,601*	*1,239,268*	

5. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2024 £	*Total funds 2023 £*
Staff costs (note 7)	85,251	*142,115*

Analysis of support costs

	Total funds 2024 £	*Total funds 2023 £*
Staff costs (note 7)	27,630	*35,529*
Auditor's remuneration - audit of the Charity's annual accounts	6,840	*6,930*
Governance costs	34,402	*14,142*
Total 2024	68,872	*56,601*

Governance costs incurred in the year comprise professional charges for advice provided to Trustees, expenses in relation to grants and professional subscriptions (2023: professional charges and website charges).

6. Analysis of grants

	Grants to Institutions 2024 £	Total funds 2024 £	*Total funds 2023 £*
Grants payable	871,423	871,423	*1,040,552*
Total 2023	*1,040,552*	*1,040,552*	

6. Analysis of grants (continued)

The Charity has made the following material grants to institutions during the year:

	2024 £	*2023* £
Name of institution		
Action Against Hunger (Mali)	200,089	*133,258*
AfriFarms (Kenya)	-	*11,350*
Aga Khan Foundation (Madagascar)	-	*20,369*
Clinton Health Access Initiative	75,306	-
Concern Worldwide (Kenya)	-	*190,444*
Empowering Farmers Foundation	38,727	*26,455*
GETF	29,000	-
Kickstart International (Kenya, Malawi, Mozambique, Nigeria, Rwanda, South Sudan, Uganda, Zambia)	51,263	*130,000*
Madagascar Biodiversity Centre	41,000	*66,144*
myArgo (Senegal)	-	*33,333*
Northern Rangelands Trust (Kenya)	65,539	*82,535*
One Acre Fund	-	*45,000*
Renewable World (Nepal)	-	*24,377*
Save the Children	311,099	*177,784*
Semilla Nueva (Guatemala)	-	*50,003*
SoteHub	59,400	*49,500*
	871,423	*1,040,552*
	871,423	*1,040,552*

7. Staff costs

Staff are employed by Innocent Limited, who recharge The Foundation with the total related costs. The pension scheme is also administered by that company.

	2024 £	*2023* £
Wages and salaries	96,512	*154,897*
Social security costs	13,096	*15,509*
Contribution to defined contribution pension schemes	3,273	*7,238*
	112,881	*177,644*

7. Staff costs (continued)

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

	2024	*2023*
	No.	*No.*
Staff	*2*	*3*

The number of employees whose total employee benefits (excluding employer pension costs and employer's national insurance contributions) exceeded £60,000 was:

	2024	*2023*
	No.	*No.*
In the band £70,001 - £80,000	-	*1*

As of Summer 2023, it was decided that the key management personnel of the charity comprise of the Trustees. The total employee benefits (including social security costs and employer pension contributions) of the key management personnel were £Nil (2023 - £90,064). This previously compromised of Amy Recknell and Connor Friesen.

. Allocation of staff costs

Staff costs are apportioned between direct grant management costs and support costs on a 80:20 ratio, on the basis of time spent.

	2024	*2023*
	£	*£*
Direct costs in support of grant management (note 5)	88,874	*142,115*
Support and governance costs (note 5)	24,007	*35,529*
	112,881	*177,644*

8. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2023 - £NIL)*.

During the year ended 30 June 2024, expenses totalling £NIL were reimbursed or paid directly to Trustee *(2023 - £433*) relating to travel.

9. Debtors

	2024 £	*2023 £*
Due within one year		
Other debtors	1,000,180	*1,000,210*

10. Creditors: Amounts falling due within one year

	2024 £	*2023 £*
Accruals and deferred income	35,884	*51,048*
Grants accrued - institutional	13,664	*289,954*
	49,548	*341,002*

11. Financial instruments

	2024 £	*2023 £*
Financial assets		
Financial assets measured at fair value through income and expenditure	1,169,826	*1,453,869*

Financial assets measured at fair value through income and expenditure comprise the value of cash held at bank.

12. Statement of funds

Statement of funds - current year

	Balance at 1 July 2023 £	Income £	Expenditure £	Balance at 30 June 2024 £
Unrestricted funds				
General Funds	2,113,077	1,032,927	(1,025,546)	2,120,458

Statement of funds - prior year

	Balance at 1 July 2022 £	*Income £*	*Expenditure £*	*Balance at 30 June 2023 £*
Unrestricted funds				
General Funds	*2,335,989*	*1,016,356*	*(1,239,268)*	*2,113,077*

13. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Total funds 2024 £
Current assets	2,170,006	2,170,006
Creditors due within one year	(49,548)	(49,548)
Total	2,120,458	2,120,458

13. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	*Total funds 2023 £*
Current assets	*2,454,079*	*2,454,079*
Creditors due within one year	*(341,002)*	*(341,002)*
Total	*2,113,077*	*2,113,077*

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

	2024 £	*2023 £*
Net income/expenditure for the period (as per Statement of Financial Activities)	7,381	*(222,912)*
Adjustments for:		
Dividends, interests and rents from investments	(32,927)	*(15,996)*
Decrease/(increase) in debtors	30	*(120)*
(Decrease)/ increase in creditors	(291,454)	*80,713*
Net cash used in operating activities	(316,970)	*(158,315)*

15. Analysis of cash and cash equivalents

	2024 £	*2023 £*
Cash in hand	1,169,826	*1,453,869*
Total cash and cash equivalents	1,169,826	*1,453,869*

16. Analysis of changes in net debt

	At 1 July 2023 £	Cash flows £	At 30 June 2024 £
Cash at bank and in hand	1,453,869	(284,043)	1,169,826
	1,453,869	(284,043)	1,169,826

17. Grant commitments

At the year end the charity had committed £290,094 of funding to support identified organisations by the end of 2026 (2023 - £1,389,169 by the end of 2026). The funding is dependent upon those organisations meeting specific performance criteria. As such, these have not been recognised as a liability in the accounts. These commitments will be funded from unrestricted reserves.

18. Pension commitments

The Foundation operates a defined contribution pension scheme. The assets of the scheme are held separately from those of The Foundation in an independently administered fund. The pension cost charge represents contributions payable by The Foundation to the fund and amounted to £3,273 (2023 - £7,238). No amounts were outstanding to be paid over to the pension scheme at the year end.

19. Related party transactions

Innocent Limited ('the company') and its shareholders donated £950,000 to The Foundation during the 12-month period to 30 June 2024 (2023 - £950,000). In addition, Innocent Limited paid The Foundation £50,000 (2023 - £50,000) for a licence fee which allows the company to use The Foundation's logo with limitations. These amounts were communicated to The Foundation, but received subsequent to the Balance Sheet date. Accordingly £1,000,000 is included in debtors (2023: £1,000,000).

During the year Innocent Limited incurred £120,039 (2023 - £175,710) in respect of employment costs. As staff seconded from the company to The Foundation spend 100% of their time running The Foundation, this was recharged to The Foundation and at the year-end £28,142 (2023 - £36,057) was outstanding and owed to Innocent Limited.

Innocent Limited donates other services to The Foundation, such as the use of office space and other incidental administrative expenses. It has not been considered possible to reliably estimate the value of the contribution to The Foundation and accordingly these costs have not been included in these financial statements.

THE INNOCENT FOUNDATION

England & Wales - Charity number 1104289

Accounts

Registered number: 05054312
Charity number: 1104289

The Innocent Foundation

(A company limited by guarantee)

Trustees' Report and Financial Statements

For the Year Ended 30 June 2023

The Innocent Foundation
(A company limited by guarantee)

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The Innocent Foundation
(A company limited by guarantee)

Reference and Administrative Details of the Charity, its Trustees and Advisers
For the Year Ended 30 June 2023

Trustees

Adam Balon
Christina Archer
Camilla Knox-Peebles
Jon Wright
Nicholas Canney
Richard Reed
Sarah-Jane Norman

The Innocent Foundation Guardians

Alex Anthony
Alice Wall
Arantxa Calzado
Birgitta Sigurdardottir
Borja Alcat
Dan Jones
Elliot Day
Emma Fisher
Georgie Fogelman
Jiri Staats
Kate Northam
Laura Thompson
Leila Dekali
Linda Landin
Lindsey Steven
Luciana Anelli
Mayya Lukianenko
Mayya Marinova
Millie Cooper
Sam Woollett
Tariq Khan-Fontain
Tom Burchess
Tom Emberson
Ursi Kotratschek
Vika Vinnikova
Werdah Hussain

Employees

Foundation Director	Vanessa Fox	(resigned 30 April 2023)
	Amy Recknell	(from 1 July 2023)
Foundation Portfolio Manager	Amy Recknell	(until 30 June 2023)
	Connor Friesen	(from 1 July 2023)

Reference and Administrative Details of the Charity, its Trustees and Advisers For the Year Ended 30 June 2023

Address of Charity and Registered Office

The Innocent Foundation
342 Ladbroke Grove
London W10 5BU

Auditors

UHY Kent LLP t/a UHY Hacker Young
Thames House
Roman Square
Sittingbourne
Kent
ME10 4BJ

Bankers

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4JQ

The Trustees of The Innocent Foundation ("The Foundation"), who are also directors of the charity for the purposes of the Companies Act, are pleased to present their annual report and financial statements for the year ended 30 June 2023.

Trustees

Currently Trustees are elected and appointed on a need basis. As the sole Member of The Foundation, Innocent Limited appoints Trustees in agreement with the Trustees' Board. The Memorandum and Articles of Association support a minimum of three Trustees. Of the seven current Trustees, three Founder Trustees have been on the board since inception in 2004. Nick Canney and Sarah-Jane Norman are current employees of Innocent Limited and Christina Archer and Camilla Knox-Peebles are external appointments. Trustees serve a four-year term, with the option for the Trustees to reappoint. New Trustees attend suitable induction and training with The Foundation Director and existing Trustees to familiarise themselves with the charity, its governance and the context within which it operates.

Management

The Trustees are supported in the day-to-day management of The Foundation by The Foundation Director and Portfolio Manager.

The Foundation staff support the effective running of The Foundation by managing relationships with partner organisations. They make grant recommendations to the Trustees in accordance with agreed grant-making policies. Trustees make decisions about grants at Trustee Meetings which are typically held on a quarterly basis.

The Foundation employees' pay and remuneration are set with reference to sector benchmarks and are periodically reviewed against comparable organisations using market data. Pay and benefit changes are approved by the full Trustee Board. The Foundation's employees receive ongoing performance management and an annual feedback report which provides feedback from the Trustees, Foundation Guardians and external grant partners.

The Director is helped by Foundation Guardians who are employees of Innocent Limited. They are identified through an invitation to all Innocent Limited employees to get more actively involved in The Foundation as volunteers and are appointed for a period of c. two years. The Foundation Guardians volunteer their time to work with partner organisations, update other Innocent Limited employees about The Foundation, and act as ambassadors for The Foundation.

Legal status

The charitable, limited by guarantee, company was incorporated on 24 February 2004 (company registration number 05054312) and registered with the Charity Commission on 11 June 2004 (charity registration number 1104289). It is governed by the Company Memorandum and Articles of Association.

Related Parties

The charitable company's sole member is Innocent Limited, and The Foundation is primarily funded through donations from Innocent Limited and its shareholders. The Trustees recognise their charitable responsibilities and state formally that the charity's activities will always be consistent with achieving its objects. Any benefit which may accrue to Innocent Limited from The Foundation's activities will be incidental and outweighed by the contribution to The Foundation's charitable objectives. Please see note 20 for further Related Party transaction details.

The Foundation is a member of the Association of Charitable Foundations and update our operating policies with reference to peers in this network.

Working in the context of COVID-19

We continue to be aware that COVID-19 and its repercussions have put additional pressure on our partners and made changes to local operating conditions requiring adaptation. During the reporting period, we have stayed in regular contact with partners to understand any ongoing impacts and have offered flexible funding reallocation, the adaptation of project activities and more generous reporting timelines.

We have maintained several ways of working to manage this evolving situation, and adapted others.

1. **Staying informed and adjusting plans.**

   We have continued to run in-person monitoring visits as travel restrictions normalise. We continue to solicit updates from partners on financial and operational pressures arising from COVID-19, as well as mitigation plans. These written and verbal updates take place during our bi-annual reporting cycle and alert us to necessary adjustments to project plans, budgets and terms.

   Where our reviews indicate broader financial pressures on an organisation, we continue to run a 'financial health check' by soliciting further financial details (e.g. unaudited accounts; donor pipeline) and reviewing historical audited accounts to inform our support plans.

2. **Flexibility.**

   During the reporting period, critical hunger, economic impacts (e.g. state fertilizer subsidy), and continued logistical backlogs have delayed or changed partners' plans. As a result, during the reporting period we granted a no-cost extension to Action Against Hunger UK; we adapted project objectives with One Acre Fund; and rephased Renewable World's budget to create the necessary flexibility for partners to continue to pursue their outcomes in changing circumstances.

3. **Budget increases.**

   The Foundation Director maintains delegated authority to add up to £10,000 to an existing grant on three occasions within the financial year, thereby ensuring fast and flexible support for our partners during challenging times.

   This authority was not used in the reporting period.

4. **Emergency funding.**

   The Foundation has not made any further COVID-19 emergency grants during the reporting period, however in accordance with our reserves policy, we have allocated £200,000 which Trustees can utilise in response to future emergencies. In February 2023, £100,000 of this allocation was split equally between three partners (Concern Worldwide UK; Save the Children Fund UK; and Action Against Hunger UK) responding to the earthquake in Türkiye and Syria.

5. **Partnership Fund.**

   Many NGOs have faced financial pressures arising from COVID-19, alongside growing needs within the communities they serve, putting well-run organisations in difficult positions. In November 2020, we launched our Partnership Fund making unrestricted grants to two partners (Action Against Hunger UK; Ripple Effect) to make operational and strategic changes to emerge from the COVID-19 crisis better able to deliver on their charitable objectives.

   We made no new grants under the Partnership Fund in the reporting period and have not allocated new resources to the fund for the coming year.

Risk Management

The Trustees have conducted a review of the major risks to which The Foundation is exposed. Risks are assessed on the basis of their likelihood and potential impact, along with the mitigation strategies in place to manage them in line with the board's risk appetite. They are recorded in a risk register which is updated and approved annually by the Trustees. Where appropriate, systems or procedures have been established to manage the risks the charity faces. the Foundation Director continually monitors changes in risk levels or emergence of new risks that may impact upon the organisation and escalates any concerns to the Trustees. The Trustees consider the following to be the key risks that The Foundation faced during the reporting period:

- *NGO is unable to deliver project due to failure in internal financial controls; or project-, project office-, or organisational (group) failure*: We work through independent partners who deliver projects to alleviate hunger with our funding. There is a risk that some of the projects we support may fail to achieve their objectives if our partners lack the capacity to deliver, especially when operating in challenging contexts. It is also possible that a partner may experience other adverse events such as fraud, theft, safeguarding issues, or other incidents which harm their work, beneficiaries, or reputation. Apart from failing to deliver effective support to hungry people, this could also damage our reputation.

  To mitigate these risks, we conduct thorough due diligence on our partners before providing funding. We adopt a risk-based approach, using risk factors including the size of the grant, the nature of the applicant, the nature of the project, the geographic location of the project and the nature of the relationship between The Foundation and the applicant. Our 'due diligence review' of grant applicants assesses organisational- and project finances; project planning and resourcing; organisation leadership, staffing and policy frameworks; reputation and references; and relationship to prospective service users. We monitor all our projects biannually through a formalised report review process undertaken by a member of the foundation team and a Project Guardian. This includes accounting for departures from planned project spending and participating in a financial health check if regular reporting signals risks to financial stability. We also ask our partners to inform us if they report a Serious Incident to the Charity Commission. Where concerns are noted, we provide feedback to partners and follow up on minor issues. If major concerns arise, our standard grant agreement terms and conditions enable us to terminate a grant. We encourage open conversation with our partners on their adaptation (ways of working, financing) to external pressures.

- *Internal financial control failure:* Risks are minimised by the implementation of procedures for authorising and recording of transactions and projects. An annual review is completed of all processes using the Charity Commission's Internal Financial Controls Checklist. Any findings from our annual external audit are also considered and acted upon. For example, due to the close working relationship with our donor and the small foundation team, our auditor considers both *revenue recognition* and *management override* as two inherent risks of our model. We mitigate against these by providing our auditor with records of planned budget and actual spend, alongside banking records and a sample of relevant contracts/agreements. Our finance Guardians and foundation staff meet bi-monthly to review and update financial schedules of spend.

- *Loss of key staff*: The Foundation usually operates with two employees. Inevitably resources are spread thinly, and detailed knowledge of operations is concentrated. To mitigate this, an operations manual exists to document key resources and processes. Two Finance Guardians are responsible for financial reporting, analysis and managing the annual audit to ensure knowledge and experience is shared.

- *Risk to reputation of foundation or donor:* the innocent foundation and its donor innocent drinks work hard to maintain a high standard of operations. Negative public discourse on the ethics, sustainability or effectiveness of the foundation or its donor could damage our reputation, our partnerships, and our ability to operate efficiently for the benefit of our partners and their service-users. We have robust processes in place to address and learn from negative public discourse and follow weekly alerts on public forums.

Objects of the charity

The objects of the charity are to advance all purposes charitable under the law of England and Wales. The purpose of The Foundation over the reporting period was to help the world's hungry.

As a grant-giving organisation we seek out other non-governmental organisations, charities and not-for-profit organisations working in the field of hunger alleviation to offer them the opportunity to apply for funding to deliver their projects.

To achieve our purpose in the reporting period, our grant-making policy states that we will fund work under two interrelated goals:

Goal 1: stop children dying of hunger. Globally there are 45 million children with acute malnutrition, of which over 13 million suffer from sever acute malnutrition. These children are eleven times more likely to die than their healthy peers, but it doesn't have to be this way, as 80% of children that complete treatment are cured. However, currently only 30% of children get the treatment they need. That's why we invest in research to test, and put into practice, better ways to identify and treat these vulnerable children. These research studies have the potential to change national and global policy and practice, part of collective effort to eradicate acute malnutrition and stop millions of children dying each year.

Goal 2: help the poorest families feed themselves. 90% of the world's farmers are small family farms in less economically developed countries. Despite producing 80% of the world's food, many of these smallholder farmers are poor, food insecure and have limited access to markets and services. We want to break this paradox, prioritising countries rated serious or alarming on the Global Hunger Index. We invest in entrepreneurial teams that have scalable ideas to help families become more food secure and increase their resilience to challenges like climate change.

The Foundation's grant-making policy further states that each organisation must:

- benefit a community rather than individuals
- be a not-for-profit organisation
- be pursuing charitable purposes
- consider taking part in The Foundation's scholarship programme which offers employees of Innocent Limited the opportunity to volunteer with partners, using their business skills to bring benefit to the organisation. There are typically three scholarships a year.

During the reporting period, the foundation consulted stakeholders including service users, partners and our donor, to inform our next five-year strategy (in development).

Principal activities of the charity and public benefit

The Trustees have given adequate consideration to Charity Commission published Guidance on the operation of the Public Benefit requirement.

Review of charitable activity

During the reporting year, The Foundation received £950,360 in donations (year ended 30 June 2022: £949,730). In addition, Innocent Limited paid £50,000 to The Foundation as a licence fee. The charity had no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

The Foundation gave grants to organisations (detailed below) with total donations amounting to £1,040,552 in the year (year ended 30 June 2022: £881,981). The Foundation works closely with project partners to ensure the greatest impact of the funds it invests in projects.

During the reporting period, The Foundation started or sustained partnerships with 15 organisations. Of these, 3 received emergency funds to respond to the earthquake in Türkiye/Syria. These are listed in the table below (n.b. table reflects payment actuals in the reporting period, whereas accounts have been prepared on an accruals basis). Where projects have reported substantive new outputs during the reporting period which have not been shared in previous reports, further details are shared below. We work in collaboration with our partners to achieve specific project objectives. These objectives are mutually agreed at the outset of each project and are set out in a signed Memorandum of Understanding or Deed of Grant (depending on the size of the grant). Progress against project objectives is monitored through six monthly reports.

Partner	***Partner based in (country):***	***Project in (country):***	***Total pledged (£):***	***Paid in reporting period (£):***
Action Against Hunger UK (Türkiye/Syria earthquake)	UK	Türkiye/Syria	£33,333	£33,333
AfriFarms	UK	Kenya	£46,921	£11,350
Aga Khan Foundation	UK	Madagascar	£101,550	£20,369
ALIMA	France	DRC	£755,848	£14,758
Concern Worldwide UK (Family MUAC Research)	UK	Kenya	£300,000	£82,725
Concern Worldwide UK (Türkiye/Syria earthquake)	UK	Türkiye/Syria	£33,333	£33,333
Empowering Farmers Foundation	Kenya	Kenya	£151,406	£77,419
KickStart International	US	Multiple (SSA)	£360,000	£200,000
Madagascar Biodiversity Centre	Madagascar	Madagascar	£271,144	£0
myAgro	US	Senegal	£200,000	£33,333
Northern Rangelands Trust	Kenya	Kenya	£148,074	£82,535
One Acre Fund	UK	Kenya	£150,000	£105,000
Renewable World	UK	Nepal	£154,166	£38,104
Save the Children Fund UK (iCCM+)	UK	Somalia	£600,000	£144,451
Save the Children Fund UK (Türkiye/Syria earthquake)	UK	Türkiye/Syria	£33,333	£33,333
Semilla Nueva	US	Guatemala	£150,003	£50,003
SoteHub	Kenya	Kenya	£198,000	£0

Goal 1 Grants

Action Against Hunger UK, Mali (Dec 2021 – Aug 2024): We approved a grant to Action Against Hunger UK (AAH) for a follow-on research project in Mali, to collate data on the rate of relapse amongst children suffering from severe acute malnutrition (SAM) receiving support from a Community Health Worker (CHW) versus those who rely on treatment at a medical facility. Due to external changes to the Mali health system and an uptake in CHW treating children with SAM, the control group for this activity (SAM children being treated at a medical facility) no longer exists. In June 2022, trustees agreed a change to the primary research question to account for these external changes. The project will now focus on gathering evidence on the occurrence of relapse after recovery from SAM in children treated by CHWs using the combined protocol of a Mid Upper Arm Circumference band (MUAC) to identify at-risk children and treating them by using ready to use therapeutic food (RUTF). Through this new study, AAH aim to show that by combining these two simplified approaches, it results in fewer children relapsing after treatment, and with this, reduces the risk of morbidity and mortality. Furthermore, they hope to evidence lower treatment costs for families and the government and greater cost efficiencies within the national health system. It is hoped with this evidence, AAH can strengthen arguments to the Ministry of Health for the inclusion of combined protocol in the country's primary health care policy and the adoption of the status and salary of CHWs.

During the reporting period, AAH has developed and approved their new research protocol; trained 20 CHWs on management of acute malnutrition and research activities; begun monthly support for- and data collection from CHWs. In the ten months to December 2022, CHWs screened 5,425 children under five for acute malnutrition using mid-upper arm circumference measurement. 163 children were admitted into the study.

Concern Worldwide, (Mar 2022 – Oct 2023): The project 'Building the evidence on Family MUAC: a study of its effectiveness and cost-effectiveness,' builds on our previous project success with Concern in North Horr in Northern Kenya, training mothers in pastoralist communities to use mid-upper arm circumference (MUAC) bands to screen their children, as an alternative strategy to the standard approach using Community Health Volunteers (CHVs), to improve early detection, referral and prevention of malnutrition among children under-five. The operational study showed mothers had the capacity and motivation to accurately and routinely measure and refer their children for treatment. These results reinforced the need to scale up the Family MUAC approach in similar arid and semi-arid (ASAL) contexts that report high cases of acute malnutrition. But for the National and County Governments to commit resources for scale up, more evidence is required on the effectiveness and cost effectiveness of this approach. This project aims to address that evidence gap by introducing the Family MUAC approach into standard CHV-led screening and referral for acute malnutrition in Marsabit County, where coverage of children suffering SAM remains below the standard for emergencies, and far below what would be expected for a health service for children under-five. By comparing this novel, integrated approach to the current status quo which relies solely on CHVs to screen and refer children at community level, Concern aims to generate practical evidence and recommendations to help the Kenyan health authorities make informed plans to cost and scale up the Family MUAC approach.

During the reporting period Concern has set-up their research team; developed their research design and submitted their Ethic Research Protocol to the KEMRI Ethic Research Committee. In the year to March 2023, Concern undertook their baseline survey of 1,394 households in the intervention- and control groups, as well as running training for the former. The survey found that screening coverage was below 50% in both groups but that screening effectively promoted referral to a health facility (referral rate between 76-87%). 4% of children with moderate acute malnourishment (MAM) in the control group reached hospital and were enrolled in a treatment programme, whereas 75% of children in the intervention group were. Analysis of cost and cost effectiveness found transportation was a significant cost for families and care providers, and that this could be managed by moving screening and services closer to home.

Save The Children, Somaliland (Apr 2022 – July 2025): This project, *'Shifting the Dial in Acute Malnutrition: part of Save the Children's Global Malnutrition Initiative'* is specifically focusing on using a simplified, combined approach for treatment of acute malnutrition and an integrated community case management platform (iCCM+) for acute malnutrition treatment. Analysis in 2019 found that only 18.7% of children with severe acute

malnutrition (SAM) in Somaliland were enrolled in treatment despite 79% of facilities offering SAM treatment. The report highlighted a clear need to bring treatment closer to children. Support from the innocent foundation will fund a study to do this by working with community female health workers (FHWs) to pilot adding treatment for acute malnutrition into integrated community case management (iCCM+). This means communities who struggle to access health centres and facilities can get the treatment they need closer to home. Through this new study Save the Children aims to directly address barriers of affordability, accessibility, and availability, by moving treatment services to the community level and delivering them through existing trusted community agents, namely FHWs, and empowering caregivers to identify malnutrition in their own children sooner through training on Family-led mid-upper arm circumference measurement (MUAC). This effectiveness trial will test the impact of a comprehensive package on coverage, treatment outcomes, and cost effectiveness to determine if this is an appropriate approach to scale up at a national level.

Legal delays with partnership contracts alongside a funding gap have delayed the start of the project. The Foundation granted a no-cost extension to July 2025. During the reporting period 1 July 2022 to 30 June 2023: a pilot study on iCCM+ was conducted in five selected iCCM sites and two reserve sites to test, improve and refine the prototype for scale up in the main study. An iCCM+ Research Design workshop was held to officially launch the iCCM+ research project. Save the Children and Ministry of Health Development (MOHD) teams conducted monthly supportive supervision visits to iCCM+ sites to provide technical support and guidance to FHWs and document most common challenges and lesson learnt for better implementation. Community mobilisation and sensitisation was conducted in the iCCM+ sites to orientate the target community on iCCM+ services and improve community acceptance.

Goal 2 Grants

AfriFarms, Kenya (extended to April 2022 – May 2023): The Foundation is funding AfriFarms to design and test a lightweight, solar-powered fridge. In Tana River County, Kenya, fisherfolk find that the fish they catch in the morning are no longer fresh by the afternoon; meaning they are either not edible or of a poor nutritional content. This means a reduced income and a poorer diet for struggling communities. A fridge helps fish stay fresh, remain edible and fetch a higher price when it comes to selling at market. The project is testing fridges with 50 fishermen and women, gathering data on usage, temperature, location, income and other metrics to assess the viability of the fridges for wider roll-out. The start of this project was delayed from July 2020 to April 2022 due to COVID-19. To the end of the reporting period, AfriFarms have constructed 50 fridges; relocated the project from Lake Naivasha to Tana River Country on a relative need basis; and begun their impact study.

Aga Khan Foundation, Madagascar (Jul 2019 – Oct 2023): The Foundation has funded the Aga Khan Foundation's project to promote better rice growing practices as rice grown locally does not meet national demand and must be supplemented with rice imports. The SPEEDRICE project trained farmers to grow more, better quality rice using something called the Zanatany Rice Permaculture System (ZRPS). ZRPS includes labour-saving and climate-smart techniques such as direct seeding; farm-made inputs; crop rotation; and no-till methods. This project aimed to help 20,000 farmers grow up to 50% more rice.

By the end of December 2022, 22,054 farmers had been trained, surpassing project goals by 10%. Direct seeding remains the most popular method, adopted by 8,116 farmers total; self-production of inputs has been adopted by 5,073 farmers; crop association and rotation has been adopted by 2,836 farmers; and minimum or no-till, which has had the least uptake through the programme, has been adopted by 111 farmers. Offering farmers a 'menu' of interventions at different commitment-levels appears to have encouraged adoption.

We are proud to report that the Aga Khan Foundation has won funds to scale up this method in Madagascar's central plateau and in India. The final phase of the project has focused on creating resources for smallholders and service organisations to carry the method forward. This project has been granted a no-cost extension to October 2023 to complete these resources and final reporting.

Empowering Farmers Foundation, Kenya (Jun 2022 - Jul 2025): The Foundation is supporting the Empowering Farmers Foundation (EFF) to revive cashew farming and introduce finger millet intercropping in Matsangoni Ward, Kilifi County, Kenya, where cashew farming has declined due to powdery mildew, mealy

bug, and aging tree stock. EFF will grow and distribute a higher-yielding cashew variety which is brand new to Kenya; provide extension services and support to maintain existing and the new cashew trees while

introducing finger millet, a healthy staple; and promote the leadership and interests of a farmers' cooperative to secure good prices on the cashew cash crop. EFF will work with 3,300 farmers and aims to improve both household income and health.

In the year to June 2023, EFF established 150 farmer groups, each guided by a lead farmer who is receiving continuous training and upskilling on cashew agronomy and care, as well as soil fertility and water conservation. 100,050 cashew seedlings were propagated and distributed during the April-June rainy season to 3,618 farmers. A cashew farmer cooperative was formally registered and trained, and they managed to secure a small pilot offtake agreement during the December 2022 harvest season. EFF also ran a 6-month long publicity and sensitization campaign aimed at the reintroduction of finger millet as a more nutritious and drought-resistant alternative to maize. This was done through working with community health volunteers, running school awareness camps, organizing women's cooking workshops, setting up demo plots for training, participating in radio talk shows, printing branded collateral (posters, murals, t-shirts), and producing a catchy jingle. This culminated in 1,050 farmers receiving certified finger millet seeds which were planted during the rains on a quarter of an acre each.

KickStart International, multiple countries (Mar 2021 to Feb 2024): Having supported research and development of KickStart's Starter Pump, this grant aims to help KickStart launch the pump across Sub Saharan Africa where climate change is negatively impacting rainfall, and rain-fed crops. During the three-year programme, KickStart hopes to work with 81 partners and 69 agri-dealers to distribute 12,000 pumps across Kenya, Zambia, Malawi, South Sudan, Uganda, Rwanda, Mozambique, and Nigeria. The project will also test different ways of reaching smallholder farmers (new financing models, entrepreneurship training, subsidies) and evaluate interventions using an impact study to understand how farm yields and income changes over time.

From project launch to the end of June 2023, over 10,600 Starter Pumps have been officially sold and distributed. Kickstart is partnering with 31 total organisations across all countries in the innocent foundation project and 49 agri-dealers. Kickstart held product launches in Kenya, Malawi, Mozambique, Nigeria, Rwanda, Uganda, and Zambia. Kickstart launched in South Sudan on June 8th, 2023.

Madagascar Biodiversity Centre (Jun 2023 – Jul 2026): the Madagascar Biodiversity Centre (MBC; also known as Valala Farms) is a Malagasy NGO and sister organisation to the California Academy of Sciences in San Francisco, USA. The team comprises leading entomologists promoting conservation by researching and testing new uses for bugs in a changing climate. Today in Madagascar, c. 1/3 of children under five are stunted, and 7.4m are deficient in protein, iron, and vitamin B12. Meanwhile, drought and cyclones impede domestic food production. The UN has declared a 'Climate Famine'. Meanwhile, 95% of food aid is being imported. With funding from the Innocent Foundation, MBC plans to scale up domestic cricket production, producing protein- and iron-rich food for 12,000 individuals during the project. They also plan to establish 3 experimental farms to test low-to-no-cost cricket feeds from local agricultural sources. Finally, they plan to publish 2 peer-reviewed papers on their findings.

The project launched at the end of June 2023 and has no impacts to report to the end of the reporting period.

myAgro, Senegal (Jan 2020 – Dec 2022): myAgro is a non-profit social enterprise that reaches smallholder farmers through a network of Village Entrepreneurs, encouraging them to save up their own funds to invest in high-quality seed, fertiliser, tools, and agricultural training packages to significantly increase their yields and income. Using mobile phone scratch cards and mobile money, farmers can save up small amounts of money each week towards a complete package of agricultural inputs delivered just in time for planting. With our funding, myAgro worked to expand in Senegal and test new vegetable packages for farmers, especially women farmers, in the Casamance region.

During the project term, accounting for repeat enrolment, myAgro enrolled 64,198 farmers against a project target of 75,000; met targets on female farmers reached (40%) and packages developed for sale (5);

surpassed targets on villages served (2,737 vs 1,616). Impact: compared to a control group, myAgro farmers had 155% higher yields and earned an average of USD394 more than non-participating farmers. This is all part of their 'North Star' aim to help 1 million small-scale farmers to increase their income by $1.50 per day by 2026.

Northern Rangelands Trust (Jun 2022 – Oct 2024): the Northern Rangelands Trust (NRT) is a Kenyan non-profit organisation working to preserve nature through the conservancy model while advancing the interests of local pastoral, agrarian and fishing communities to achieve food security and stable income. They work with community boards of nature conservancies covering 63,000km^2 of territory across Kenya. With funding from the innocent foundation NRT plans to work with five community conservancies (Ndera, Hanshak-Nyongoro, Lower Tana, Ngare Ndare and Biliqo-Bulesa) to achieve food security goals set out by their community boards. The conservancies of Ndera, Hanshak-Nyongoro, and Lower Tana plan to install solar-powered fences to reduce human/wildlife conflict on 13 farms; procure 13 irrigation pumps; and distribute 5,000 mango seedlings. Ngare Ndare conservancy plan to establish 60 domestic water pans and tanks for rainwater harvest. Biliqo-Bulesa conservancy plan to build a bee-house for community use. NRT responds to changing conservancy needs and we expect these activities to adapt to changing conditions as the project progresses.

From project launch to April 2023, NRT has held consultations with the community conservancies in Ndera, Lower Tana and Hanshak-Nyongoro; they have delayed establishing mango nurseries due to late rains; Biliqo-Bulesa has adapted their plan from building beehives to establishing irrigation due to drought and a consequent lack of flowering plants in the area. Procurement has begun for project materials.

One Acre Fund, Kenya (Jun 2022 - Jul 2024): The Foundation is supporting One Acre Fund (1AF) to market Kickstart's irrigation pumps to smallholder farmers across Kenya via 'irrigation agents'. In Kenya, and across much of SSA, many smallholder farmers rely on rain-fed agriculture. Rains are becoming less reliable in a changing climate, impacting yields and income. In this context, irrigation pumps are valuable but costly and, with the price of other farm inputs on the rise, farmers may hesitate to invest. One Acre Fund aims to enable farmers to take the leap into irrigation with a 'rent-to-try-and-buy' model. At the outset of the project, One Acre Fund had the ambitious aim of engaging 192,880 farmers through 12,055 agents to make 28,932 pump sales during the project term.

Internal restructuring and external factors (e.g., state fertilizer subsidy) have impacted project activities. From the project launch to the end of June 2023, 1AF has onboarded 28 irrigation agents, engaged 280 farmers, and sold 120 pumps, below targets. At the end of the reporting period, the innocent foundation was in discussion with 1AF about future activities.

Renewable World, Nepal (Mar 2020 – Oct 2023): We worked with Renewable World to tackle hunger in Nepal using innovative plastic bag biodigesters. 50 million homes around the world use biodigesters as a healthy alternative to coal, wood, or dung for cooking. Renewable World proposed to support these households even more, by making organic fertiliser as a by-product of generating biogas. Organic material is added to the biodigester and is broken down by bacteria in an oxygen-free environment to create biogas, a cheap source of renewable energy replacing more expensive and harmful fuels. The slurry that is left over can be turned into highly productive organic fertiliser and used to grow food crops. It is a great way of solving multiple problems at once, bringing long term change to Nepal's hungry by improving farming, strengthening livelihoods, and producing clean energy. This project proposed to improve yield in 50% of households in 12 rural communities.

From project launch to May 2023, bag digesters have been installed at 12 sites and are producing gas and slurry. 758 individuals have taken part in multiple training sessions to improve agricultural outputs for themselves and 3,032 family members. We expect an evaluation of project impacts in the coming reporting period. The budget has been rephased following project delays and final reporting is expected in November 2023.

Semilla Nueva, Guatemala (Oct 2020 – Jul 2023): In Guatemala corn accounts for 50% of rural diets and the country has the world's sixth highest rate of malnutrition. Today, 46% of children suffer from stunting and 70% of farming families live in poverty. Semilla Nueva has produced a biofortified seed that yields more corn

and better-quality corn, for a lower cost to farmers. Their corn has 39% more zinc (in Guatemala a third of children are zinc deficient) and 19% more iron (another common deficiency in Guatemala). Semilla Nueva is using our funding to help incentivise local commercial producers to add biofortified seed to their portfolio. This enables the seed to reach even more families while preserving the low price point for farmers. During this project Semilla Nueva proposed to improve the climate resilience and incomes for 29,000 farmers with their biofortified seed thereby improving nutrition for 7 million people in Guatemala, while refining the best way to partner with the private sector as a precursor to national roll-out. Ultimately, Semilla Nueva would like to see the government incentivise wider distribution of biofortified corn.

Over the project term to the end of June 2023, Semilla Nueva has reached 35,000 farming families. They report that 1.49m individuals have improved their nutrition with the bio-fortified seed (302,057 individuals are planting/consuming seed and 1,197,672 individuals are consuming it). They are undertaking an external evaluation to determine the seed's impact on nutrition (especially zinc deficiency). Results will be available in January 2024. In the meantime, Semilla Nueva has shown that their seeds stand up well in a changing climate with yields surpassing commercial seed brands by 15-24% following extreme weather events. They appear unlikely to meet their most ambitious original target (7m individuals consume some biofortified maize) but have made impressive strides and have plans in development for national and international expansion following the project period.

SoteHub (Jun 2023 – Jan 2026): SoteHub is a Kenyan non-profit and enterprise incubator specialising in rural businesses, youth and tech. Based on the coast, they have worked with youth-led enterprises incl. seaweed farms, hydroponics, tech upcycling and conservation cafes. With funding from the innocent foundation SoteHub plans to get low-income farmers in Kenya's coastal region of Kilifi County a larger piece of the profits for their mangos with a tech-assisted value-chain.

Today, in coastal the region, smallholders grow mango for food and income, but crop quality varies, and the value chain is informal, leading to post-harvest losses and poor pay per-mango for farmers. SoteHub aims to support 1,000 farmers at risk of food insecurity in coastal Kenya to increase yield and income from mango farming through training (topics: orchard management, irrigation, inter-cropping, pest control, pricing); improved tree stock (distribute 70,000 seedlings grafted with higher-yielding mango variety); and access to a market newly regulated by blockchain-assisted tracking (accessible via website).

The project launched at the end of June 2023 and has no impacts to report to the end of the reporting period.

Emergency Fund Grants

Context: On 6 February 2023, a 7.8 magnitude earthquake and its aftershocks struck Türkiye and Syria killing tens of thousands of people. The innocent foundation maintains a rolling emergency fund to respond to need in exceptional circumstances. On 15 February 2023, the foundation used £100,000 from the emergency fund to make three unrestricted grants of £33,333 to three current partners with active emergency responses in the region: Action Against Hunger UK; Concern UK; and Save the Children Fund UK. We expect impact reports outside the reporting period.

Investment and reserves policy

We currently bank with the Charities Aid Foundation (CAF) Bank.

Our reserves policy sets out the minimum balance of readily available cash held by The Foundation to achieve the required risk-reward profile for The Foundation. At any given time, The Foundation must be able to cover its committed expenditure, and also have the necessary funds to wind down The Foundation's operations should funding cease. In addition, the cumulative committed income must be greater than cumulative committed expenditure.

By committed income, we mean the current bank balance of The Foundation, held in immediately available or short-term deposit accounts plus all pledged income for the future (currently £1million per annum for a minimum of 3 years, subject to certain conditions). By committed expenditure we mean all committed

expenditure for active projects plus 6 months wind down costs (estimated at £90,000) plus £200,000 for exceptional circumstances grants.

Our investment policy categorises The Foundation's cash holdings in three tiers;

- Immediate need: cash spend committed for active projects and forecast for operational and emergency relief within the next 3 months will be held in immediate access accounts.
- Long term need: Committed cash spend for total lifetime of all current projects, including operational and emergency relief spend forecast, may be placed in deposit accounts with maturity of 30 up to a maximum of 90 days, according to planned expenditure schedule.
- Excess: All remaining cash may be placed in 90-day deposit account to maximize interest return.

This meets the appropriate risk, maturity and controls level agreed by the Trustees. Our cash is currently all held in immediate access accounts since the interest gains from using 30 to 90 day deposit accounts are negligible when we also account for the increased administrative burden of maintaining them. We keep this under review.

At the end of the reporting year, our total funds held were £2,113,077 (year ended 30 June 2022: £2,335,989). Of this, £1,389,169 represents future funding commitments which we will pay out to our current grant partners in six monthly instalments over the remaining period of signed grant agreements, subject to formal reporting of satisfactory progress against project objectives. The balance £723,908 is uncommitted reserves. This meets the requirements of our stated reserves policy.

The Foundation has no tangible fixed assets or programme related investments therefore all assets can be realised immediately or within 30 or 90 days in our notice account.

Going Concern

Trustees have reviewed our finances, risks, future commitments, and projected income and conclude that The Foundation has adequate resources to continue in operational existence for at least twelve months from the signing of this report and financial statements. Trustees have reviewed The Foundation's risk register and have not identified existing or new material uncertainties that, individually or collectively, may cast significant doubt on The Foundation's ability to continue as a going concern for a period of at least twelve months. The Foundation remains committed to delivering its core charitable objectives through grant giving, using funds from our donor's annual donation. Should circumstances change, Trustees remain confident that The Foundation could continue to satisfy its reserves policy to maintain cumulative committed income above cumulative committed expenditure during a wind-down period as described above, provided discretionary 'exceptional-circumstances' funding (£200,000) is re-allocated to active grant commitments.

Future plans

In 2023-24, we will continue to support the twin goals identified in our 2018 strategic review:

- Goal 1: stop children dying of hunger
- Goal 2: help the poorest families feed themselves

We will focus our time, money, and expertise on our search for partners who need our support to test and scale their great ideas. We will continue our policy of spending down our reserves over the coming year in pursuit of our ambitions. Meanwhile, we will continue our strategic review, focusing our grant-making based on our learning from past experiences, challenges, and successes, as well as feedback from partners over the foundation's 19-year history.

Disclosure of information to auditors

So far as each of the Trustees at the time the report is approved are aware:

a) there is no relevant audit information of which the auditors are unaware and,

b) that they have taken all the steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Small companies exemption

This report has been prepared in accordance with the special exemptions provided by Part 15 of the Companies Act 2006 relating to small companies.

Approved by the trustees and signed on their behalf by:

Jonathan Wright
Trustee

Date: 18 January 2024

Statement of Trustees' responsibilities
For the Year Ended 30 June 2023

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 Charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on its behalf by:

Jonathan Wright

Date: 18 January 2024

Independent Auditors' Report to the Members of The Innocent Foundation

Opinion

We have audited the financial statements of The Innocent Foundation (the 'charity') for the year ended 30 June 2023 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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 June 2023 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 Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 Trustees' Report.

We have nothing to report in respect of the following matters in relation to which 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' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, 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.

Auditors' 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 Auditors' 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. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

How the audit was considered capable of detecting irregularities, including fraud:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the charity through discussions with management, and from our commercial knowledge and experience in the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the charitable company, including the Charities Act 2011 and the Companies Act 2006;
- we assessed the extent of the compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's accounts to material misstatement, including obtaining an understanding of how fraud might occur by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected or alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgments and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditors' report.

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 those matters we are required to state to them in an Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Tracey Moore BFP ACA (Senior statutory auditor)
for and on behalf of
UHY Kent LLP
Chartered Accountants
Statutory Auditors
Thames House
Roman Square
Sittingbourne
Kent
ME10 4BJ

25 January 2024

The Innocent Foundation
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 30 June 2023

	Note	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Income from:				
Donations and legacies	3	950,360	950,360	*949,730*
Investments	4	65,996	65,996	*51,025*
Total income		1,016,356	1,016,356	*1,000,755*
Expenditure on:				
Charitable activities	5	1,239,268	1,239,268	*1,085,815*
Total expenditure		1,239,268	1,239,268	*1,085,815*
Net movement in funds		(222,912)	(222,912)	*(85,060)*
Reconciliation of funds:				
Total funds brought forward		2,335,989	2,335,989	*2,421,049*
Total funds carried forward	13	2,113,077	2,113,077	*2,335,989*

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

The notes on pages 23 to 33 form part of these financial statements.

The Innocent Foundation

(A company limited by guarantee)
Registered number: 05054312

Balance Sheet
As at 30 June 2023

	Note		2023 £		*2022 £*
Current assets					
Debtors	10	1,000,210		*1,000,090*	
Cash at bank and in hand		1,453,869		*1,596,188*	
		2,454,079		*2,596,278*	
Creditors: amounts falling due within one year	11	(341,002)		*(260,289)*	
Net current assets			2,113,077		*2,335,989*
Total net assets			2,113,077		*2,335,989*
Charity funds					
Unrestricted funds	13		2,113,077		*2,335,989*
Total funds			2,113,077		*2,335,989*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 18 January 2024 and signed on their behalf by:

.....
Jonathan Wright

The notes on pages 23 to 33 form part of these financial statements.

The Innocent Foundation
(A company limited by guarantee)

Statement of Cash Flows
For the Year Ended 30 June 2023

	Note	2023 £	*2022 £*
Cash flows from operating activities			
Net cash used in operating activities	15	(158,313)	*(820,006)*
Cash flows from investing activities			
Dividends, interests and rents from investments		15,996	*1,025*
Net cash provided by investing activities		15,996	1,025
Change in cash and cash equivalents in the year		(142,317)	(818,981)
Cash and cash equivalents at the beginning of the year		1,596,188	*2,415,169*
Cash and cash equivalents at the end of the year	16	1,453,871	*1,596,188*

The notes on pages 23 to 33 form part of these financial statements

Notes to the Financial Statements
For the Year Ended 30 June 2023

1. General information

The Charity is a company limited by guarantee (registered number 05054312), which is incorporated in the UK. The address of the registered office is 342 Ladbroke Grove, London, W10 5BU.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The Innocent 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 policy.

2.2 Going concern

No material uncertainties that would cast doubt about the ability of The Foundation to continue as a going concern have been identified by the Trustees.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Investment income comprises licence fees receivable by the Foundation that relate to the exploitation of intellectual property rights. Such fees are recognised in the accounts in accordance with the substance of the relevant agreement.

Donations are recognised on a receivables basis where there is a certainty of receipt and the amount can be reliably measured. Donations are accounted for as unrestricted, unless there are restrictions under the terms on which they are received or solicited.

Donated services
Where services are donated to the Foundation that would normally be purchased from suppliers, this contribution is included in the Statement of Financial Activities based on the value of the contribution to the Foundation.

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates:

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

- It includes grant instalments that have been paid to the partners subject to their adherence to their memorandum of understanding. Grants are charged to the Statement of Financial Activities when an unconditional commitment has been made to provide the grant. Grant commitments made with conditions attached are not recognised as a liability, but are disclosed within the Grant Commitments note in the accounts (note 18).

- It also includes costs of an indirect nature necessary to support the activities.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to strategic management of the charity.

2.5 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of financial activities.

2.6 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. No tax charge has arisen during the year.

2.7 Intangible assets

The Foundation is the beneficial owner of the name ‘The Innocent Foundation’ and Logo. In accordance with the requirements of the Charities SORP, the cost of internally generated intangible assets such as brands and logos have not been capitalised by The Foundation and have been written off as expenditure at the time incurred.

2.8 Debtors

Other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid.

2. Accounting policies (continued)

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.11 Financial instruments

The Charity 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.13 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 Charity and which have not been designated for other purposes.

3. Income from donations and legacies

	Unrestricted funds 2023 £	**Total funds 2023 £**	*Total funds 2022 £*
Donations	950,360	950,360	*949,730*
Total 2022	*949,730*	*949,730*	

4. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Licence fee	50,000	50,000	*50,000*
Bank interest	15,996	15,996	*1,025*
Total 2023	65,996	65,996	*51,025*
Total 2022	*51,025*	*51,025*	

5. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Total 2023 £	*Total 2022 £*
Hunger alleviation	1,239,268	1,239,268	*1,085,815*
Total 2022	*1,085,815*	*1,085,815*	

6. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Grant funding of activities 2023 £	Support costs 2023 £	Total funds 2023 £	*Total funds 2022 £*
Hunger alleviation	142,115	1,040,552	56,601	1,239,268	*1,085,815*
Total 2022	*151,128*	*881,981*	*52,706*	*1,085,815*	

6. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2023 £	*Total funds 2022 £*
Staff costs (note 8)	142,115	*151,128*

Analysis of support costs

	Total funds 2023 £	*Total funds 2022 £*
Staff costs (note 8)	35,529	*37,184*
Auditor's remuneration - audit of the Charity's annual accounts	6,930	*6,300*
Governance costs	14,142	*9,222*
Total 2023	56,601	*52,706*

Governance costs incurred in the year comprise professional charges for advice provided to Trustees and professional subscriptions (2022: professional charges and website charges).

7. Analysis of grants

	Grants to Institutions 2023 £	**Total funds 2023 £**	*Total funds 2022 £*
Grants payable	1,040,552	1,040,552	*881,981*
Total 2022	*881,981*	*881,981*	

7. Analysis of grants (continued)

The Charity has made the following material grants to institutions during the year:

	2023	*2022*
	£	*£*
Name of institution		
Action Against Hunger (Mali)	133,258	*99,925*
AfriFarms (Kenya)	11,350	-
Aga Khan Foundation (Madagascar)	20,369	*36,499*
ALIMA (Democratic Republic of the Congo)	-	*29,516*
Concern Worldwide (Kenya)	190,444	*138,835*
Empowering Farmers Foundation	26,455	*50,964*
Kickstart International (Kenya, Malawi, Mozambique, Nigeria, Rwanda, South Sudan, Uganda, Zambia)	130,000	*120,000*
Madagascar Biodiversity Centre	66,144	-
myArgo (Senegal)	33,333	*66,668*
Northern Rangelands Trust (Kenya)	82,535	-
One Acre Fund	45,000	*60,000*
Practical Action (Malawi)	-	*(6,440)*
Renewable World (Nepal)	24,377	*54,211*
Save the Children	177,784	*144,451*
Semilla Nueva (Guatemala)	50,003	*70,000*
Send a Cow (Zambia)	-	*17,352*
SoteHub	49,500	-
	1,040,552	*881,981*
	1,040,552	*881,981*

8. Staff costs

Staff are employed by Innocent Limited, who recharge The Foundation with the total related costs. The pension scheme is also administered by that company.

	2023	*2022*
	£	*£*
Wages and salaries	154,897	*164,608*
Social security costs	15,509	*16,705*
Contribution to defined contribution pension schemes	7,238	*6,999*
	177,644	*188,312*

8. Staff costs (continued)

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

	2023 No.	*2022 No.*
Staff	3	*4*

The number of employees whose total employee benefits (excluding employer pension costs and employer's national insurance contributions) exceeded £60,000 was:

	2023 No.	*2022 No.*
In the band £70,001 - £80,000	1	-

The key management personnel of the charity comprise the trustees and the senior management team. The total employee benefits (including social security costs and employer pension contributions) of the key management personnel were £90,064 (2022 - £43,050).

. Allocation of staff costs

Staff costs are apportioned between direct grant management costs and support costs on a 80:20 ratio, on the basis of time spent.

	2023 £	*2022 £*
Direct costs in support of grant management (note 6)	142,115	*151,128*
Support and governance costs (note 6)	35,529	*37,184*
	177,644	*188,312*

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2022 - £NIL)*.

During the year ended 30 June 2023, expenses totalling £433 were reimbursed or paid directly to 1 Trustee *(2022 - £Nil*) relating to travel.

10. Debtors

	2023 £	*2022* *£*
Due within one year		
Other debtors	1,000,210	*1,000,090*

11. Creditors: Amounts falling due within one year

	2023 £	*2022* *£*
Accruals and deferred income	51,047	*50,840*
Grants accrued - institutional	289,955	*209,449*
	341,002	*260,289*

12. Financial instruments

	2023 £	*2022* *£*
Financial assets		
Financial assets measured at fair value through income and expenditure	1,453,869	*1,596,188*

Financial assets measured at fair value through income and expenditure comprise the value of cash held at bank.

13. Statement of funds

Statement of funds - current year

	Balance at 1 July 2022 £	Income £	Expenditure £	Balance at 30 June 2023 £
Unrestricted funds				
General Funds	2,335,989	1,016,356	(1,239,268)	2,113,077

Statement of funds - prior year

	Balance at 1 July 2021 £	*Income £*	*Expenditure £*	*Balance at 30 June 2022 £*
Unrestricted funds				
General Funds	*2,421,049*	*1,000,755*	*(1,085,815)*	*2,335,989*

14. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Total funds 2023 £
Current assets	2,454,079	2,454,079
Creditors due within one year	(341,002)	(341,002)
Total	2,113,077	2,113,077

14. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	*Total funds 2022 £*
Current assets	*2,596,278*	*2,596,278*
Creditors due within one year	*(260,289)*	*(260,289)*
Total	*2,335,989*	*2,335,989*

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

	2023 £	*2022 £*
Net expenditure for the year (as per Statement of Financial Activities)	(222,912)	*(85,060)*
Adjustments for:		
Dividends, interests and rents from investments	(15,996)	*(1,025)*
Increase in debtors	(120)	*(983,755)*
Increase in creditors	78,781	*249,834*
Net cash used in operating activities	(160,247)	*(820,006)*

16. Analysis of cash and cash equivalents

	2023 £	*2022 £*
Cash in hand	1,453,871	*1,596,188*
Total cash and cash equivalents	1,453,871	*1,596,188*

17. Analysis of changes in net debt

	At 1 July 2022 £	Cash flows £	At 30 June 2023 £
Cash at bank and in hand	1,596,188	(142,319)	1,453,869
	1,596,188	(142,319)	1,453,869

18. Grant commitments

At the year end the charity had committed £1,389,169 of funding to support identified organisations by the end of 2026 (2022 - £1,114,235 by the end of 2024). The funding is dependent upon those organisations meeting specific performance criteria. As such, these have not been recognised as a liability in the accounts. These commitments will be funded from unrestricted reserves.

19. Pension commitments

The Foundation operates a defined contribution pension scheme. The assets of the scheme are held separately from those of The Foundation in an independently administered fund. The pension cost charge represents contributions payable by The Foundation to the fund and amounted to £7,238 (2022 - £6,998). No amounts were outstanding to be paid over to the pension scheme at the year end.

20. Related party transactions

Innocent Limited ('the company') and its shareholders donated £950,000 to The Foundation during the 12-month period to 30 June 2023 (2022 - £950,000). In addition, Innocent Limited paid The Foundation £50,000 (2022 - £50,000) for a licence fee which allows the company to use The Foundation's logo with limitations. These amounts were communicated to The Foundation, but received subsequent to the Balance Sheet date. Accordingly £1,000,000 is included in debtors (2022: £1,000,000).

During the year Innocent Limited incurred £175,710 (2022 - £188,312) in respect of employment costs. As staff seconded from the company to The Foundation spend 100% of their time running The Foundation, this was recharged to The Foundation and at the year-end £36,057 (2022 - £38,414) was outstanding and owed to Innocent Limited.

Innocent Limited donates other services to The Foundation, such as the use of office space and other incidental administrative expenses. It has not been considered possible to reliably estimate the value of the contribution to The Foundation and accordingly these costs have not been included in these financial statements.

THE INNOCENT FOUNDATION

England & Wales - Charity number 1104289

Accounts

Registered number: 05054312
Charity number: 1104289

The Innocent Foundation

(A company limited by guarantee)

Trustees' Report and Financial Statements

For the Year Ended 30 June 2022

The Innocent Foundation
(A company limited by guarantee)

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The Innocent Foundation
(A company limited by guarantee)

Reference and Administrative Details of the Charity, its Trustees and Advisers
For the year ended 30 June 2022

Trustees

Adam Balon
Christina Archer
Camilla Knox-Peebles
Douglas Lamont (resigned 24 May 2022)
Jon Wright
Nicholas Canney (appointed 4 July 2022)
Richard Reed
Sarah-Jane Norman

The Innocent Foundation Guardians

Alex Anthony
Alice Wall
Arantxa Calzado
Christiaan van Doornik
Dan Jones
Daniel Angadi
Jiri Staats
Kate Northam
Keith Nelson
Laura Thompson
Leila Dekali
Linda Landin
Lindsey Steven
Luciana Anelli
Lucy Peel
Malin Hjertén
Mayya Marinova
Millie Cooper
Nikoletta Spyropoulou
Sam Woollett
Tariq Khan-Fontain
Tom Burchess
Tom Emberson
Ursi Kotratschek
Werdah Hussain

Employees

Foundation Director	Vanessa Fox	(began 4 January 2021)
	Ben Summers	(Acting – secondment ended 30 September 2021)
	Kate Franks	(returned from maternity leave 28 June 2021, resigned 25 October 2021)
Foundation Portfolio Manager	Amy Recknell	(maternity leave)
	Connor Friesen	(maternity cover)
Senior Development Manager	Laura Polaine	(began 19 July 2021, resigned 31 May 2022)

Reference and Administrative Details of the Charity, its Trustees and Advisers
For the year ended 30 June 2022

Address of Charity and Registered Office

The Innocent Foundation
342 Ladbroke Grove
London W10 5BU

Auditors

UHY Kent LLP t/a UHY Hacker Young
Thames House
Roman Square
Sittingbourne
Kent
ME10 4BJ

Bankers

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4JQ

Trustees' Report

The Trustees of The Innocent Foundation ("The Foundation"), who are also directors of the charity for the purposes of the Companies Act, are pleased to present their annual report and financial statements for the year ended 30 June 2022.

Trustees

Currently Trustees are elected and appointed on a need basis. As the sole Member of The Foundation, Innocent Limited appoints Trustees in agreement with the Trustees' Board. The Memorandum and Articles of Association support a minimum of three Trustees. Of the seven current Trustees, three Founder Trustees have been on the board since inception in 2004. Sarah-Jane Norman is a current employee of Innocent Limited and Christina Archer and Camilla Knox-Peebles are external appointments. Douglas Lamont was an employee of Innocent Limited, resigning his role at the firm and Foundation during the reporting period (see above). Trustees serve a four-year term, with the option for the Trustees to reappoint. New Trustees attend suitable induction and training with The Foundation Director and existing Trustees to familiarise themselves with the charity, its governance and the context within which it operates.

Management

The Trustees are supported in the day-to-day management of The Foundation by The Foundation Director and Portfolio Manager. During the reporting period, The Foundation employed a Senior Development Manager to provide additional capacity.

The Foundation staff support the effective running of The Foundation by managing relationships with partner organisations. They make grant recommendations to the Trustees in accordance with agreed grant-making policies. Trustees make decisions about grants at Trustee Meetings which are typically held on a quarterly basis.

The Foundation employees' pay and remuneration are set with reference to sector benchmarks and are periodically reviewed against comparable organisations using market data. Pay and benefit changes are approved by the full Trustee Board. The Foundation's employees receive ongoing performance management and an annual feedback report which provides feedback from the Trustees, Foundation Guardians and external grant partners.

The Director is helped by Foundation Guardians who are employees of Innocent Limited. They are identified through an invitation to all Innocent Limited employees to get more actively involved in The Foundation as volunteers and are appointed for a period of two years. The Foundation Guardians volunteer their time to work with partner organisations, update other Innocent Limited employees about The Foundation, and act as ambassadors for The Foundation.

Legal status

The charitable, limited by guarantee, company was incorporated on 24 February 2004 (company registration number 05054312) and registered with the Charity Commission on 11 June 2004 (charity registration number 1104289). It is governed by the Company Memorandum and Articles of Association.

Related Parties

The charitable company's sole member is Innocent Limited, and The Foundation is primarily funded through donations from Innocent Limited and its shareholders. The Trustees recognise their charitable responsibilities and state formally that the charity's activities will always be consistent with achieving its objects. Any benefit which may accrue to Innocent Limited from The Foundation's activities will be incidental and outweighed by the contribution to The Foundation's charitable objectives. Please see note 20 for further Related Party transaction details.

Working during the COVID-19 pandemic

We continue to be aware that the COVID-19 pandemic has put additional pressure on our partners and made changes to local operating conditions requiring adaptation. During the reporting period, we have stayed in regular contact with partners to understand any ongoing impact and have offered flexible funding reallocation, the adaptation of project activities and more generous reporting timelines.

We have maintained several new ways of working to manage this dynamic situation, and adapted others.

1. **Staying informed and adjusting plans.**

   As travel restrictions have eased and our monitoring visits have resumed, we have discontinued COVID-19 impact reports with a view to limiting reporting burden for partners. We continue to solicit updates from partners on financial and operational pressures arising from COVID-19, as well as mitigation plans. These written and verbal updates take place during our bi-annual reporting cycle and alert us to necessary adjustments to project plans, budgets and terms.

   Where our reviews indicate broader financial pressures on an organisation, we run a 'financial health check' by soliciting further financial details (e.g. unaudited accounts; donor pipeline) and reviewing historical audited accounts to inform our support plans.

2. **Flexibility.**

   During the reporting period, travel restrictions, limits on group activities, and shipping challenges have delayed or changed partners' plans. As a result, during the reporting period we granted a no-cost extension to AfriFarms; a project term extension and budget increase to ALIMA; and we have adapted project milestones with Renewable World and Kickstart International to create the necessary flexibility for partners to continue to pursue their outcomes in changing circumstances.

3. **Budget increases.**

   During the pandemic, The Foundation allocated additional funding where partners requested support for unforeseen project costs such as the purchase of personal protective equipment. In the reporting period we committed an extra £29,516 to ALIMA to cover salary costs during a six-month project term extension.

   The Foundation Director maintains delegated authority to add up to £10,000 to an existing grant on three occasions within the financial year, thereby ensuring fast and flexible support for our partners during challenging times.

4. **Emergency funding.**

   The Foundation has not make any further COVID-19 emergency grants during the reporting period, however in accordance with our reserves policy, we have allocated £200,000 which Trustees can utilise in response to future emergencies.

5. **Partnership Fund.**

   Many NGOs have faced financial pressures arising from COVID-19, alongside growing needs within the communities they serve, putting well-run organisations in difficult positions. In November 2020, we launched our Partnership Fund—our most significant COVID-19 response—which used our free reserves to protect the key capabilities of two long-term partners, selected based on financial need and strategic importance to The Foundation's ambitions. This funding was unrestricted but targeted at known partners with plans to make operational or strategic changes to emerge from the COVID-19 crisis better able to deliver on their charitable objectives. Two partners received a grant from our Partnership Fund, Action Against Hunger (£568,000) and Ripple Effect (formerly Send a Cow; £332,000). In both instances, the grant covered anticipated budget deficits, enabling each organisation to forge ahead with their plans.

   Both partners made their final reports on use of Partnership Funds in April 2022. Using the funds, Action Against Hunger has maintained a viable level of free reserves and continued work to adapt their fundraising strategy, implementing their 5-year strategy to save the lives of 500k severely malnourished children and helping 9.5m vulnerable people increase their resilience to food crises.

Ripple Effect has implemented their Africa Forward strategy to locate management and coordination roles nearer to the countries and communities they serve. With the help of Partnership Funds, Ripple Effect has reduced their operating deficit and increased their level of free reserves.

Our 2021-22 budget includes a modest (£50,000) allocation for additional Partnership Fund grants but no new grants have been made using this fund.

Risk Management

The Trustees have conducted a review of the major risks to which The Foundation is exposed. Risks are assessed on the basis of their likelihood and potential impact, along with the mitigation strategies in place to manage them in line with the board's risk appetite. They are recorded in a risk register which is regularly reviewed by the Trustees and updated and approved annually. Where appropriate, systems or procedures have been established to manage the risks the charity faces. The Foundation Director continually monitors changes in risk levels or emergence of new risks that may impact upon the organisation and escalates any concerns to the Trustees. The Trustees consider the following to be the key risks that The Foundation faces:

- *Funding from our principal donor, Innocent Limited, reduces or stops:* The Foundation has a rolling minimum annual £1m commitment agreed with Innocent Limited, with a two-year notice clause of any change, subject to certain conditions. If this risk were to materialise, our key concern would be to ensure that any ongoing grant commitments to partner organisations can be met. This is mitigated by our reserves policy which requires that we have enough reserves to cover these commitments.
- *COVID-19 and implications on external financial, organisational or programmatic failure*: We work through independent partners who deliver projects to alleviate hunger with our funding. There is a risk that some of the projects we support may fail to achieve their objectives if our partners lack the capacity to deliver, especially when operating in challenging contexts. It is also possible that a partner may experience other adverse events such as fraud, theft, safeguarding issues or other incidents which harm their work, beneficiaries or reputation. Apart from failing to deliver effective support to hungry people, this could also damage our reputation.

  To mitigate these risks, we conduct thorough due diligence on our partners before providing funding. We adopt a risk-based approach, using risk factors including the size of the grant, the nature of the applicant, the nature of the project, the geographic location of the project and the nature of the relationship between The Foundation and the applicant. We monitor all our projects biannually through a formalised report review process. We also ask our partners to inform us if they report a Serious Incident to the Charity Commission. Where concerns are noted, we provide feedback to partners and follow up on minor issues. If major concerns arise, our standard grant agreement terms and conditions enable us to terminate a grant.

  We encourage open conversation with our partners on their adaptation (ways of working, financing) to pressures arising from the COVID-19 pandemic. We maintain a record of the elevated likelihood of these external financial and organisational risks in our risk register. However, the overall risk output remains amber and does not deviate from the level of risk we can tolerate. We continue to run mitigation activities as described above.
- *Internal financial control failure:* Risks are minimised by the implementation of procedures for authorisation of transactions and projects. An annual review is completed of all processes using the Charity Commission's Internal Financial Controls Checklist. Any findings from our annual external audit are also considered and acted upon.
- *Health and safety of staff and volunteers when visiting project*s: Foundation staff, Trustees and Innocent employee volunteers visit projects around the world most years. To ensure their health and safety, comprehensive guidance is provided and risk assessments are completed before a trip is approved. Pre-trip security briefings are conducted with input from host organisations, FCDO travel advice and external security advisory services. Travellers are required to obtain and comply with independent health advice before departure. Comprehensive travel insurance is in place. International travel resumed in April 2022

following suspension in March 2020. Trip risk assessments and travel insurance have been reviewed to consider COVID-19 safety.

- *Loss of key staff*: The Foundation usually operates with two employees. Inevitably resources are spread thinly, and detailed knowledge of operations is concentrated. To mitigate this, an operations manual exists to document key resources and processes. This was used during the reporting period to structure inductions for the Senior Development Manager, Foundation Portfolio Manager (maternity cover), and new Foundation Director. Two Finance Guardians are responsible for financial reporting, analysis and managing the annual audit to ensure knowledge and experience is shared.

Objects of the charity

The objects of the charity are to advance all purposes charitable under the law of England and Wales. The purpose of The Foundation over the reporting period was to help the world's hungry.

As a grant-giving organisation we seek out other non-governmental organisations, charities and not-for-profit organisations working in the field of hunger alleviation to offer them the opportunity to apply for funding to deliver their projects.

To achieve our purpose in 2021-22, our grant-making policy states that we will fund work under two interrelated goals:

Goal 1: stop children dying of hunger. Globally there are 45 million children with acute malnutrition, of which over 13 million suffer from sever acute malnutrition. These children are eleven times more likely to die than their healthy peers, but it doesn't have to be this way, as 80% of children that complete treatment are cured. However, currently only 30% of children get the treatment they need. That's why we invest in research to test, and put into practice, better ways to identify and treat these vulnerable children. These research studies have the potential to change national and global policy and practice, part of collective effort to eradicate acute malnutrition and stop millions of children dying each year.

Goal 2: help the poorest families feed themselves. 90% of the world's farmers are small family farms in less economically developed countries. Despite producing 80% of the world's food, many of these smallholder farmers are poor, food insecure and have limited access to markets and services. We want to break this paradox, prioritising countries rated serious or alarming on the Global Hunger Index. We invest in entrepreneurial teams that have scalable ideas to help families become more food secure and increase their resilience to challenges like climate change.

The Foundation's grant-making policy further states that each organisation must:

- benefit a community rather than individuals
- be a not-for-profit organisation
- be pursuing charitable purposes
- consider taking part in The Foundation's scholarship programme which offers employees of Innocent Limited the opportunity to volunteer with partners, using their business skills to bring benefit to the organisation. There are up to three scholarships a year.

Principal activities of the charity and public benefit

The Trustees have given adequate consideration to Charity Commission published Guidance on the operation of the Public Benefit requirement.

Review of charitable activity

During the reporting year, The Foundation received £949,730 in donations (year ending June 2021 - £949,640). In addition, Innocent Limited paid £50,000 to The Foundation as a licence fee. The charity had no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

The Foundation gave grants to organisations (detailed below) with total donations amounting to £881,981 in the year (year ending June 2021 - £1,437,535). The Foundation works closely with project partners to ensure the greatest impact of the funds it invests in projects.

The Foundation supported 17 projects during this reporting period. These are listed in the table below. Where projects have reported substantive new outputs during the reporting period which have not been shared in previous reports, further details are shared below. We work in collaboration with our partners to achieve specific project objectives. These objectives are mutually agreed at the outset of each project and are set out in a signed Memorandum of Understanding or Deed of Grant (depending on the size of the grant). Progress against project objectives is monitored through six monthly reports.

Partner	***Partner based in (country):***	***Project in (country):***	***Total pledged (£):***	***Paid in reporting period (£):***
Action Against Hunger (Partnership Fund)	UK	n/a	£568,000	£nil
Action Against Hunger (SAM Relapse Research)	UK	Mali	£399,939	£99,925
AfriFarms	UK	Kenya	£46,921	£nil
Aga Khan Foundation	UK	Madagascar	£101,550	£36,499
ALIMA	France	DRC	£755,848	£29,516
Concern Worldwide UK (Family MUAC Research)	UK	Kenya	£300,000	£138,835
Concern Worldwide UK (Mother MUAC Research)	UK	Kenya	£122,754	£nil
Empowering Farmers Foundation	Kenya	Kenya	£151,406	£50,964
KickStart International	US	Multiple (SSA)	£360,000	£120,000
myAgro	US	Senegal	£200,000	£66,668
One Acre Fund	UK	Kenya	£150,000	£60,000
Practical Action	UK	Malawi	£160,546	-£6,440
Renewable World	UK	Nepal	£154,166	£54,211
Ripple Effect aka Send a Cow (Push:Pull)	UK	Zambia	£153,827	£17,352
Ripple Effect aka Send a Cow (Partnership Fund)	UK	n/a	£332,000	£nil
Save the Children	UK	Somalia	£600,000	£144,451
Semilla Nueva	US	Guatemala	£150,003	£70,000

Goal 1 Grants

Action Against Hunger UK, Mali (Dec 2021 – Aug 2024): We approved a grant to Action Against Hunger UK (AAH) for a follow-on research project in Mali, to collate data on the rate of relapse amongst children suffering from severe acute malnutrition (SAM) receiving support from a Community Health Worker (CHW) versus those who rely on treatment at a medical facility. Due to external changes to the Mali health system and an uptake in CHW treating children with SAM, the control group for this activity (SAM children being treated at a medical facility) no longer exists. In June 2022, trustees agreed a change to the primary research question to account for these external changes. The project will now focus on gathering evidence on the occurrence of relapse after recovery from SAM in children treated by CHWs using the combined protocol of a Mid Upper Arm Circumference band (MUAC) to identify at-risk children, and treating them by using ready to use therapeutic food (RUTF). Through this new study, AAH aim to show that by combining these two simplified approaches, it results in fewer children relapsing after treatment, and with this, reduces the risk of morbidity and mortality. Furthermore, they hope to evidence lower treatment costs for families and the government and greater cost efficiencies within the national health system. It's hoped with this evidence, AAH can strengthen arguments to the Ministry of Health for the inclusion of combined protocol in the country's primary health care policy and the adoption of the status and salary of CHWs.

Due to the changes in research focus, this project encountered a six-month delay, resulting in a no-cost extension through to August 2023.

ALIMA, Democratic Republic of Congo (Aug 2018 – Jun 2022): We are funding OptiMA, a research project investigating how to optimise acute malnutrition treatment in children aged from 6 to 59 months. It is a community-based randomised nutrition trial of a simplified treatment protocol in Kasai Occidental, Democratic Republic of Congo. The Alliance for International Medical Action (ALIMA) is leading it, working with INSERM at the Université de Bordeaux. The project aims to simplify diagnosis and treatment of acute malnutrition in children without compromising the quality of care. If successful, OptiMA will initiate nutritional support earlier, and give more children access to treatment for a similar cost to the current approach. The OptiMA study concluded its field phase in July 2020. Compared to the national protocol, OptiMA treated 30% more children using 20% less therapeutic food, with significantly better weight, muscle and sub-cutaneous fat gain over six months. In 2021 The Foundation granted an additional £129,869 to support ALIMA to complete added analysis on the wealth of data collected. Followed in January 2022 by another commitment of £29,516 to support the salary costs of the scientific project lead, to manage the publication into several peer-reviewed papers and the presentation of findings at two conferences in Dakar and Kinshasa.

Concern Worldwide, (Mar 2022 – Oct 2023): The project 'Building the evidence on Family MUAC: a study of its effectiveness and cost-effectiveness,' builds on our previous project success with Concern in North Horr in Northern Kenya, training mothers in pastoralist communities to use MUAC bands to screen their children, as an alternative strategy to the standard approach using Community Health Volunteers (CHVs), to improve early detection, referral and prevention of malnutrition among children under-five. The operational study showed mothers had the capacity and motivation to accurately and routinely measure and refer their children for treatment. These results reinforced the need to scale up the Family MUAC approach in similar ASAL contexts that report high cases of acute malnutrition, but for the National and County Governments to commit resources for scale up, more evidence is required on the effectiveness and cost effectiveness of this approach. This project aims to address that evidence gap by introducing the Family MUAC approach into standard CHV led screening and referral for acute malnutrition in Marsabit County, where coverage of children suffering SAM remains below the standard for emergencies, and far below what would be expected for a health service for children under-five. By comparing this novel, integrated approach to the current status quo which relies solely on CHVs to screen and refer children at community level, Concern aims to generate practical evidence and recommendations to help the Kenyan health authorities make informed plans to cost and scale up the Family MUAC approach.

Save The Children, Somaliland (Apr 2022 – May 2024): This project, 'Shifting the Dial in Acute Malnutrition: part of Save the Children's Global Malnutrition Initiative' is specifically focusing on using a simplified combined approach for treatment of acute malnutrition and an integrated community case management platform

(iCCM+) for acute malnutrition treatment. Analysis in 2019 found that only 18.7% of children with severe acute malnutrition in Somaliland were enrolled in treatment despite 79% of facilities offering SAM treatment. The report highlighted a clear need to bring treatment closer to children. This study will do this by working with community female health workers (FHWs) to pilot adding treatment for acute malnutrition into integrated community case management (iCCM+). This means communities who struggle to access health centres and facilities can get the treatment they need closer to home. Through this new study Save the Children aims to directly address barriers of affordability, accessibility, and availability, by moving treatment services to the community level and delivering them through existing trusted community agents, namely FHWs and empowering caregivers to identify malnutrition in their own children sooner through training on Family-led MUAC. This effectiveness trial will test the impact of a comprehensive package on coverage, treatment outcomes and cost effectiveness to determine if this is an appropriate approach to scale up at a national level.

Goal 2 Grants

AfriFarms, Kenya (extended to April 2022 – May 2023): The Foundation is funding AfriFarms to design and test a lightweight, solar-powered fridge. In Tana River County, Kenya, fisherfolk find that the fish they catch in the morning are no longer fresh by the afternoon; meaning they are either not edible or of a poor nutritional content. This means a reduced income and a poorer diet for struggling communities. A fridge helps fish stay fresh, remain edible and fetch a higher price when it comes to selling at market. The project will test fridges with 50 fishermen and women, gathering data on usage, temperature, location, income and other metrics to assess the viability of the fridges for wider roll-out. The start of this project has been delayed from July 2020 to 1 April 2022 due to COVID-19. During the reporting period, AfriFarms have constructed 25 fridges and relocated the project from Lake Naivasha to Tana River Country on a relative need basis.

Aga Khan Foundation, Madagascar (Jul 2019 – Jul 2023): The Foundation is funding the Aga Khan Foundation's project to promote better rice growing practices as rice grown locally doesn't meet national demand and must be supplemented with rice imports. The SPEEDRICE project trains farmers to grow more, better quality rice using something called the Zanatany Rice Permaculture System (ZRPS). ZRPS combines a series of techniques in rice growing, including labour-saving and climate-smart techniques. This project aims to help 20,000 farmers grow up to 50% more rice. By the end of June 2022, 21,543 farmers had been trained, with 73.7% of farmers putting ZRPS training into practice. Extreme weather had a large impact on rice farming in Madagascar during the reporting period but the yields of ZRPS farmers remained at- or well-above historical averages, depending on location, ranging from 1.5 tons per hectare to 6.6 tons per hectare. We are proud to report that the Aga Khan Foundation has won funds from European state donors to scale up this method in Madagascar's central plateau.

Empowering Farmers Foundation, Kenya (Jun 2022 - Jul 2025): The Foundation is supporting the Empowering Farmers Foundation (EFF) to revive cashew farming and introduce finger millet intercropping in Kilifi County, Kenya, where cashew farming has declined due to powdery mildew, mealy worm, and aging tree stock. EFF will grow and distribute a higher-yielding cashew variety which is brand new to Kenya; provide extension services and support to maintain existing trees while introducing finger millet, a healthy staple; and promote the leadership and interests of a farmers' cooperative to secure good prices on the cashew cash crop. EFF will work with 3,300 farmers and aims to improve both household income and health.

KickStart International, multiple countries (Mar 2021 to Feb 2024): Having supported research and development of KickStart's Starter Pump, this grant aims to help KickStart launch the pump across Sub Saharan Africa where climate change is negatively impacting rainfall, and rain-fed crops. During the three-year programme, KickStart hopes to work with 81 partners and 69 agri-dealers to distribute 12,000 pumps across Kenya, Zambia, Malawi, South Sudan, Uganda, Rwanda, Mozambique and Nigeria. The project will also test different ways of reaching smallholder farmers (new financing models, entrepreneurship training, subsidies) and evaluate interventions using an impact study to understand how farm yields and income changes over time. From project launch to the end of March 2022, Kickstart has sold 1,400 pumps through active partnerships with 25 agri-dealers and 11 other organisations (non-profits; SACCOs). 84% of farmers surveyed had increased yields after beginning use. Global shipping delays have delayed project launches in all countries excl. Kenya, Rwanda and Uganda. Remaining launches are now planned for 2023.

myAgro, Senegal (Jan 2020 – Dec 2022): myAgro is a non-profit social enterprise that reaches smallholder farmers through a network of Village Entrepreneurs, encouraging them to save up their own funds to invest in high-quality seed, fertiliser, tools and agricultural training packages to significantly increase their yields and income. Using mobile phone scratch cards and mobile money, farmers can save up small amounts of money each week towards a complete package of agricultural inputs delivered just in time for planting. With our funding, myAgro is expanding in Senegal and testing new vegetable packages for farmers, especially women farmers, in the Casamance region. From project launch to the end of January 2022, myAgro has enrolled a total of 87,014 farmers (45,152 farmers in 2021 and 41,862 in 2022), surpassing their 70,000 target. myAgro's 2021 impact evaluation shows farmers in Senegal, on average, growing 221% more food and earning $255 in additional income compared to a control group. This is all part of their 'North Star' aim to help 1 million small-scale farmers to increase their income by $1.50 per day by 2026.

One Acre Fund, Kenya (Jun 2022 - Jul 2024): The Foundation is supporting One Acre Fund to market Kickstart's irrigation pumps to smallholder farmers across Kenya via 'irrigation agents'. In Kenya, and across much of SSA, many smallholder farmers rely on rain-fed agriculture. Rains are becoming less reliable in a changing climate, impacting yields and income. In this context, irrigation pumps are valuable but costly and, with the price of other farm inputs on the rise, farmers may hesitate to invest. One Acre Fund aims to enable farmers to take the leap into irrigation with a 'rent-to-try-and-buy' model. They have the ambitious aim of engaging 192,880 farmers through 12,055 agents to make 28,932 pump sales during the project term.

Practical Action, Malawi (Feb 2020 – Oct 2021): In the Balaka District, 70% of farmers save seeds from their harvest to re-plant the next year. Practical Action has worked to breathe new life into this age-old practice, alongside local partners and scientists by encouraging farmers to use traditional, local and climate-resilient seeds. This project closed early in October 2021 following the closure of Practical Action's Malawi office. Learning from this experience, we work to remain sensitive to financial pressures faced by the organisations we support in the wake of the COVID-19 pandemic. We will continue to monitor financial reports for risk and maintain an open dialogue to adapt projects where necessary. From launch to project close, Practical Action trained 30 Lead Farmer who trained a further 720 farmers on seed selection and multiplication, alongside soil and water conservation practices (against a target of 750). Further, 135 PICS storage bags were distributed to project participants at the project close.

Renewable World, Nepal (Mar 2020 – Oct 2023): We are helping Renewable World tackle hunger in Nepal using innovative plastic bag biodigesters. 50 million homes around the world use biodigesters as a healthy alternative to coal, wood or dung for cooking. Renewable World wants these households to benefit even more, by making organic fertiliser as by-product of generating biogas. Organic material is added to the biodigester and is broken down by bacteria in an oxygen-free environment to create biogas, a cheap source of renewable energy replacing more expensive and harmful fuels. The slurry that's left over can be turned into highly productive organic fertiliser and used to grow food crops. It's a great way of solving multiple problems at once, bringing long term change to Nepal's hungry by improving farming, strengthening livelihoods and producing clean energy. This project aims to improve yield in 50% of households in 12 rural communities through this project. From project launch to March 2022, bag digesters have been installed at 9 sites and are producing gas and slurry. 782 individuals have received training to improve agricultural outputs. This project has experienced further delays—especially to establishing a local supply chain and market for the bag digesters—which Renewable World attributes to COVID-19. As a result, we have agreed a budget rephrase following the end of this reporting period.

Ripple Effect (formerly Send a Cow), Zambia (Aug 2019 – Jan 2022): Pests eating valuable crops prevent hungry people harvesting the food they have grown and getting the nutrition they need. We worked with Ripple Effect, who changed their name from Send a Cow this year, to protect Zambia's cereal crops from pests like Stemborer moths, parasitic Striga weed and Fall Armyworm. Ripple Effect aimed to train 500 farmers in the 'Push:Pull' approach, intercropping Desmodium and Napier grass to protect cereal crops from pest damage and yield losses. As the grasses can also be used for animal fodder, this aimed to improve livestock productivity. By the project close, Ripple Effect had reached its target of training 500 farmers. Uptake from farmers was relatively low following the training, with only 13% of farmers using one or both plants to control pests. Ripple Effect attributes this to challenges meeting demand for seed/seedlings mid-project owing to sporadic rains, and a short project term disrupted by COVID-19. Nevertheless, an external

review by Total Land Care reports improved food security in 60% of trained households and improved livestock care practices in 61%. Outcomes from this project have affirmed our Foundation's commitment to supporting rain-fed smallholders with hand-powered irrigation. Ripple Effect has shared learning with project teams in Zambia, Kenya and Uganda through a formal cross-country learning forum resolving, for instance, to foreground the benefits of both plants as livestock fodder in future marketing to farmers.

Semilla Nueva, Guatemala (Oct 2020 – Jul 2023): In Guatemala corn accounts for 50% of rural diets and the country has the world's sixth highest rate of malnutrition. Today, 46% of children suffer from stunting and 70% of farming families live in poverty. Semilla Nueva has produced a biofortified seed that yields more corn and better-quality corn, for a lower cost to farmers. Their corn has 39% more zinc (in Guatemala a third of children are zinc deficient) and 19% more iron (another common deficiency in Guatemala). Semilla Nueva is using our funding to help incentivise local commercial producers to add biofortified seed to their portfolio. This enables the seed to reach even more families while preserving the low price point for farmers. During this project Semilla Nueva plans to improve the climate resilience and incomes for 29,000 farmers with their biofortified seed thereby improving nutrition for 7 million people in Guatemala, while refining the best way to partner with the private sector as a precursor to national roll-out. Ultimately, Semilla Nueva would like to see the government incentivise wider distribution of biofortified corn.

In the six months to June 2022, Semilla Nueva has reached 10,607 farming families (compared to 12,663 throughout 2021). 72,000 family members are consuming biofortified seed and seed has been sold on to 278,500 others for consumption. Semilla Nueva continues to refine their seed, improving on issues (size, colour, germination humidity) and continues to pursue their ambitious target with confidence.

Partnership Fund Grants

Context: The Innocent Foundation partnership fund 2020 sought to extend material support to a small number of its existing, strongly aligned partners whose income and operations were severely affected by COVID-19 to ensure they emerged from the pandemic in a good position to forge ahead with their purpose. It was decided that the funding would be one-off and would be granted without the usual restrictions.

Action Against Hunger (Oct 2020 - Apr 2022) AAH has remained a viable organisation throughout the pandemic, with support from our partnership funding. Their success is partially reflected in their Q4 2021 opening reserves of £1.74m, an increase of £917k against pre-partnership fund forecasts. They have achieved their proposed milestones including, building a 5-year strategy focused on saving lives of 500,000 SAM children; helping 9.5m vulnerable people to improve their livelihoods and their resilience to food crises; and agreeing a long-term organisational commitment to significantly develop their individual giving income stream.

Ripple Effect (formerly Send a Cow) (Oct 2020 – Apr 2022) Ripple Effect has, with our support, been able to remain viable and financially stable. They closed the 2021 financial year with unrestricted reserves of £1.07m, a slight increase. We also provided support for Ripple Effect's Africa Forward strategy which has seen the transfer of core aspects of their work from the UK to a regional hub in Kenya. This project is successfully strengthening senior representation in Africa. Partnership funding has allowed Ripple Effect to establish a designated reserve to be used for catalytic investment–providing 'seed' funding for follow-on projects in Kenya and Ethiopia. This has helped Ripple Effect to ensure sustainability and to pursue their partnership approach, whilst also aligning with our own goal 2 strategic priorities.

Investment and reserves policy

We currently bank with the Charities Aid Foundation (CAF) Bank.

Our reserves policy sets out the minimum balance of readily available cash held by The Foundation to achieve the required risk-reward profile for The Foundation. At any given time, The Foundation must be able to cover its committed expenditure, and also have the necessary funds to wind down The Foundation's operations should funding cease. In addition, the cumulative committed income must be greater than cumulative committed expenditure.

By committed income, we mean the current bank balance of The Foundation, held in immediately available or short-term deposit accounts plus all pledged income for the future (currently £1million per annum for a minimum of 3 years, subject to certain conditions). By committed expenditure we mean all committed expenditure for active projects plus 6 months wind down costs (estimated at £90,000) plus £200,000 for exceptional circumstances grants.

Our investment policy categorises The Foundation's cash holdings in three tiers;

- Immediate need: cash spend committed for active projects and forecast for operational and emergency relief within the next 3 months will be held in immediate access accounts.
- Long term need: Committed cash spend for total lifetime of all current projects, including operational and emergency relief spend forecast, may be placed in deposit accounts with maturity of 30 up to a maximum of 90 days, according to planned expenditure schedule.
- Excess: All remaining cash may be placed in 90-day deposit account to maximize interest return.

This meets the appropriate risk, maturity and controls level agreed by the Trustees. Our cash is currently all held in immediate access accounts since the interest gains from using 30 to 90 day deposit accounts are negligible when we also account for the increased administrative burden of maintaining them. We keep this under review.

At the end of the reporting year, our total funds held were £2,335,989 (year ending June 2021 - £2,421,049). Of this, £1,114,235 represents future funding commitments which we will pay out to our current grant partners in six monthly instalments over the remaining period of signed grant agreements, subject to formal reporting of satisfactory progress against project objectives. The balance £1,221,754 is uncommitted reserves. This meets the requirements of our stated reserves policy.

The Foundation has no tangible fixed assets or programme related investments therefore all assets can be realised immediately or within 30 or 90 days in our notice account.

Going Concern

Trustees have reviewed our finances, risks, future commitments and projected income and conclude that The Foundation has adequate resources to continue in operational existence for at least twelve months from the signing of this report and financial statements. Trustees have reviewed The Foundation's risk register and have not identified existing or new material uncertainties that, individually or collectively, may cast significant doubt on The Foundation's ability to continue as a going concern for a period of at least twelve months. The Foundation remains committed to delivering its core charitable objectives through grant giving, using funds from our donor's annual donation. Should circumstances change, Trustees remain confident that The Foundation could continue to satisfy its reserves policy to maintain cumulative committed income above cumulative committed expenditure during a wind-down period as described above, provided discretionary 'exceptional-circumstances' funding (£200,000) is re-allocated to active grant commitments.

Future plans

In 2022-23, we will continue to pursue the twin goals identified in our 2018 strategic review:

- Goal 1: stop children dying of hunger
- Goal 2: help the poorest families feed themselves

To achieve these goals, we will focus our time, money and expertise on making fewer, bigger, riskier grants to fund world class innovation. We'll continue our search for partners, from UK-based charities to organisations from around the world, who may be charities, but could also be universities, research institutes, or other innovators, who need our support to test and scale their great ideas. We will continue our policy of spending down our reserves over the coming year in pursuit of our goal 1 and goal 2 ambitions.

This year will bring us to the end of our current strategy cycle, and we plan to launch a refreshed strategy by the close of the financial year (June 2023). In preparation for this, we are consulting current and prospective partners, researchers and donors from across our network in both public and private fora.

Events following year-end

Nick Canney, CEO of our donor Innocent Limited was appointed as a Trustee on 4 July 2022, replacing Douglas Lamont. Amy Recknell, Portfolio Manager returned from maternity leave on 3 August 2022.

Disclosure of information to auditors

So far as each of the Trustees at the time the report is approved are aware:

a) there is no relevant audit information of which the auditors are unaware and,

b) that they have taken all the steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Small companies exemption

This report has been prepared in accordance with the special exemptions provided by Section 415A of the Companies Act 2006 relating to small companies.

Approved by the trustees and signed on their behalf by:



Jonathan Wright
Trustee

Date: 15 March 2023

Statement of Trustees' responsibilities
For the Year Ended 30 June 2022

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 Charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on its behalf by:



Jonathan Wright
(Chair of Trustees)

Date: 15 March 2023

Independent Auditors' Report to the Members of The Innocent Foundation

Opinion

We have audited the financial statements of The Innocent Foundation (the 'charity') for the year ended 30 June 2022 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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 June 2022 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 Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 Trustees' Report.

We have nothing to report in respect of the following matters in relation to which 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' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, 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.

Auditors' 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 Auditors' 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. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

How the audit was considered capable of detecting irregularities, including fraud:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the charity through discussions with management, and from our commercial knowledge and experience in the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the charitable company, including the Charities Act 2011 and the Companies Act 2006;
- we assessed the extent of the compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's accounts to material misstatement, including obtaining an understanding of how fraud might occur by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected or alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgments and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditors' report.

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 those matters we are required to state to them in an Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

UHY Kent LLP

Allan Hickie BSc FCA (Senior statutory auditor)
for and on behalf of
UHY Kent LLP
Chartered Accountants
Statutory Auditors
Thames House
Roman Square
Sittingbourne
Kent
ME10 4BJ

Date: 20 March 2023

The Innocent Foundation
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 30 June 2022

	Note	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Income from:				
Donations and legacies	3	949,730	949,730	*949,640*
Investments	4	51,025	51,025	*50,215*
Total income		1,000,755	1,000,755	*999,855*
Expenditure on:				
Charitable activities	5	1,085,815	1,085,815	*1,581,554*
Total expenditure		1,085,815	1,085,815	*1,581,554*
Net movement in funds		(85,060)	(85,060)	*(581,699)*
Reconciliation of funds:				
Total funds brought forward		2,421,049	2,421,049	*3,002,748*
Net movement in funds		(85,060)	(85,060)	*(581,699)*
Total funds carried forward	13	2,335,989	2,335,989	*2,421,049*

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

The notes on pages 22 to 32 form part of these financial statements.

The Innocent Foundation

(A company limited by guarantee)
Registered number: 05054312

Balance Sheet
As at 30 June 2022

	Note		2022 £		*2021 £*
Current assets					
Debtors	10	1,000,090		*16,335*	
Cash at bank and in hand		1,596,188		*2,415,169*	
		2,596,278		*2,431,504*	
Creditors: amounts falling due within one year	11	(260,289)		*(10,455)*	
Net current assets			2,335,989		*2,421,049*
Total assets less current liabilities			2,335,989		*2,421,049*
Net assets excluding pension asset			2,335,989		*2,421,049*
Total net assets			2,335,989		*2,421,049*
Charity funds					
Restricted funds	13		-		-
Unrestricted funds	13		2,335,989		*2,421,049*
Total funds			2,335,989		*2,421,049*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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



Jonathan Wright
(Chair of Trustees)

Date: 15 March 2023

The notes on pages 22 to 32 form part of these financial statements.

The Innocent Foundation
(A company limited by guarantee)

Statement of Cash Flows
For the Year Ended 30 June 2022

	2022 £	*2021* *£*
Cash flows from operating activities		
Net cash used in operating activities	(820,006)	*(640,062)*
Cash flows from investing activities		
Dividends, interests and rents from investments	1,025	*215*
Net cash provided by investing activities	1,025	215
Change in cash and cash equivalents in the year	(818,981)	(639,847)
Cash and cash equivalents at the beginning of the year	2,415,169	*3,055,016*
Cash and cash equivalents at the end of the year	1,596,188	*2,415,169*

The notes on pages 22 to 32 form part of these financial statements

Notes to the Financial Statements
For the Year Ended 30 June 2022

1. General information

The Charity is a company limited by guarantee (registered number 05054312), which is incorporated in the UK. The address of the registered office is 342 Ladbroke Grove, London, W10 5BU.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The Innocent 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 policy.

2.2 Going concern

No material uncertainties that would cast doubt about the ability of The Foundation to continue as a going concern have been identified by the Trustees.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Investment income comprises licence fees receivable by the Foundation that relate to the exploitation of intellectual property rights. Such fees are recognised in the accounts in accordance with the substance of the relevant agreement.

Donations are recognised on a receivable basis where there is a certainty of receipt and the amount can be reliably measured. Donations are accounted for as unrestricted, unless there are restrictions under the terms on which they are received or solicited.

Donated services
Where services are donated to the charity that would normally be purchased from suppliers, this contribution is included in the financial statements as an estimate based on the value of the contribution to the charity.

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates:

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.
- It includes grant instalments that have been paid to the partners subject to their adherence to their memorandum of understanding. Grants are charged to the Statement of Financial Activities when an unconditional commitment has been made to provide the grant. Grant commitments made with conditions attached are not recognised as a liability, but are disclosed within the Grant Commitments note in the accounts (note 18).
- It also includes costs of an indirect nature necessary to support the activities.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to strategic management of the charity.

2.5 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of financial activities.

2.6 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. No tax charge has arisen during the year.

2.7 Intangible assets

The Foundation is the beneficial owner of the name ‘The Innocent Foundation’ and Logo. In accordance with the requirements of the Charities SORP, the cost of internally generated intangible assets such as brands and logos have not been capitalised by the Foundation and have been written off as expenditure at the time incurred.

2.8 Debtors

Other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2. Accounting policies (continued)

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.11 Financial instruments

The Charity 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.13 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 Charity and which have not been designated for other purposes.

3. Income from donations and legacies

	Unrestricted funds 2022 £	**Total funds 2022 £**	*Total funds 2021 £*
Donations	949,730	949,730	*949,640*
Total 2021	*949,640*	*949,640*	

4. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Licence fee	50,000	50,000	*50,000*
Bank interest	1,025	1,025	*215*
	51,025	51,025	*50,215*
Total 2021	*50,215*	*50,215*	

5. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Total 2022 £	*Total 2021 £*
Hunger alleviation	1,085,815	1,085,815	*1,581,554*
Total 2021	*1,581,554*	*1,581,554*	

6. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £	*Total funds 2021 £*
Hunger alleviation	151,128	881,981	52,706	1,085,815	*1,581,554*
Total 2021	*106,428*	*1,437,535*	*37,591*	*1,581,554*	

6. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2022 £	*Total funds 2021 £*
Staff costs (note 8)	151,128	*106,428*

Analysis of support costs

	Total funds 2022 £	*Total funds 2021 £*
Staff costs (note 8)	37,184	*30,340*
Auditor's remuneration - audit of the Charity's annual accounts	6,300	*5,790*
Governance costs	9,222	*1,461*
	52,706	*37,591*

Governance costs incurred in the year comprise professional charges for advice provided to Trustees and professional subscriptions (2021: professional charges and website charges).

7. Analysis of grants

	Grants to Institutions 2022 £	**Total funds 2022 £**	*Total funds 2021 £*
Grants payable	881,981	881,981	*1,437,535*
Total 2021	*1,437,535*	*1,437,535*	

The Charity has made the following material grants to institutions during the year:

7. Analysis of grants (continued)

	2022 £	*2021 £*
Name of institution		
Action Against Hunger (Mali)	99,925	-
Action Against Hunger (UK - Partnership fund)	-	*568,000*
Aga Khan Foundation (Madagascar)	36,499	-
ALIMA (Democratic Republic of the Congo)	29,516	*218,286*
Concern Worldwide (Kenya)	138,835	-
Empowering Farmers Foundation	50,964	-
Kickstart International (Kenya)	-	*26,544*
Kickstart International (Kenya, Malawi, Mozambique, Nigeria, Rwanda, South Sudan, Uganda, Zambia)	120,000	*70,000*
myArgo (Senegal)	66,668	*66,666*
One Acre Fund	60,000	-
Practical Action (Malawi)	(6,440)	*42,546*
Renewable World (Nepal)	54,211	*39,101*
Save the Children	144,451	-
Semilla Nueva (Guatemala)	70,000	*30,000*
Send a Cow (UK - Partnership fund)	-	*332,000*
Send a Cow (Zambia)	17,352	*44,392*
	881,981	*1,437,535*
	881,981	*1,437,535*

8. Staff costs

Staff are employed by Innocent Limited, who recharge the Foundation with the total related costs. The pension scheme is also administered by that company.

	2022 £	*2021 £*
Wages and salaries	164,608	*114,837*
Social security costs	16,705	*15,093*
Contribution to defined contribution pension schemes	6,999	*6,838*
	188,312	*136,768*

8. Staff costs (continued)

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

	2022 No.	*2021* *No.*
Staff	4	*5*

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the charity comprise the trustees and the senior management team. The total employee benefits (including social security costs and employer pension contributions) of the key management personnel were £43,050 (2021 - £Nil).

. Allocation of staff costs

Staff costs are apportioned between direct grant management costs and support costs on a 80:20 ratio, on the basis of time spent.

	2022 £	*2021* *£*
Direct costs in support of grant management	151,128	*106,428*
Support and governance costs	37,184	*30,340*
	188,312	*136,768*

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2021 - £NIL)*.

During the year ended 30 June 2022, no Trustee expenses have been incurred *(2021 - £NIL)*.

10. Debtors

	2022 £	*2021* *£*
Due within one year		
Other debtors	1,000,090	*16,335*
	1,000,090	*16,335*

11. Creditors: Amounts falling due within one year

	2022 £	*2021 £*
Accruals and deferred income	50,840	*10,455*
Grants accrued - institutional	209,449	-
	260,289	*10,455*

12. Financial instruments

	2022 £	*2021 £*
Financial assets		
Financial assets measured at fair value through income and expenditure	1,596,188	*2,415,169*

Financial assets measured at fair value through income and expenditure comprise the value of cash held at bank.

13. Statement of funds

Statement of funds - current year

	Balance at 1 July 2021 £	Income £	Expenditure £	Balance at 30 June 2022 £
Unrestricted funds				
General Funds	2,421,049	1,000,755	(1,085,815)	2,335,989

Statement of funds - prior year

	Balance at 1 July 2020 £	*Income £*	*Expenditure £*	*Balance at 30 June 2021 £*
Unrestricted funds				
General Funds	*3,002,748*	*999,855*	*(1,581,554)*	*2,421,049*

14. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Total funds 2022 £
Current assets	2,596,278	2,596,278
Creditors due within one year	(260,289)	(260,289)
Total	2,335,989	2,335,989

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	*Total funds 2021 £*
Current assets	*2,431,504*	*2,431,504*
Creditors due within one year	*(10,455)*	*(10,455)*
Total	*2,421,049*	*2,421,049*

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

	2022 £	*2021 £*
Net expenditure for the year (as per Statement of Financial Activities)	(85,060)	*(581,699)*
Adjustments for:		
Dividends, interests and rents from investments	(1,025)	*(215)*
Increase in debtors	(983,755)	*(16,335)*
Increase/(decrease) in creditors	249,834	*(41,813)*
Net cash used in operating activities	(820,006)	*(640,062)*

16. Analysis of cash and cash equivalents

	2022 £	*2021 £*
Cash in hand	1,596,188	*2,415,169*
Total cash and cash equivalents	1,596,188	*2,415,169*

17. Analysis of changes in net debt

	At 1 July 2021 £	Cash flows £	At 30 June 2022 £
Cash at bank and in hand	2,415,169	(818,981)	1,596,188
	2,415,169	(818,981)	1,596,188

18. Grant commitments

At the year end the charity had committed £1,114,235 (2021 - £684,162) of funding to support identified organisations by the end of 2024. The funding is dependent upon those organisations meeting specific performance criteria. As such, these have not been recognised as a liability in the accounts. These commitments will be funded from unrestricted reserves.

19. Pension commitments

The Foundation operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Foundation in an independently administered fund. The pension cost charge represents contributions payable by the Foundation to the fund and amounted to £6,998 .

20. Related party transactions

Innocent Limited ('the company') and its shareholders donated £950,000 to The Foundation during the 12-month period to 30 June 2022 (2021 - £950,000). In addition, Innocent Limited paid The Foundation £50,000 (2021 - £50,000) for a licence fee which allows the company to use The Foundation's logo with limitations. These amounts were communicated to the Foundation, but received subsequent to the Balance Sheet date. Accordingly £1,000,000 is included in debtors (2021: £16,335).

During the year Innocent Limited incurred £188,312 (2021 - £136,768) in respect of employment costs. As staff seconded from the company to the Foundation spend 100% of their time running The Foundation, this was recharged to The Foundation and at year-end £38,414 (2021 - £3,733) was outstanding and owed to Innocent Limited.

Innocent Limited donates other services to the Foundation, such as the use of office space and other incidental administrative expenses. It has not been considered possible to reliably estimate the value of the contribution to the Foundation and accordingly these costs have not been included in these financial statements.

THE INNOCENT FOUNDATION

England & Wales - Charity number 1104289

Accounts

The Innocent Foundation (a company limited by guarantee)

Report and Financial Statements

Year Ended

30 June 2021

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Administrative Details

Trustees
Adam Balon
Christina Archer
Camilla Knox-Peebles
Douglas Lamont
Jon Wright
Richard Reed
Sarah-Jane Norman

The Innocent Foundation Guardians
Alex Anthony
Arantxa Calzado
Christiaan van Doornik
Dan Jones
Daniel Angadi
Emma Jackson
Jade Bullock
Jimmy Long
Jiri Staats
Kate Northam
Keith Nelson
Laura O'Connoll
Leila Dekali
Linda Landin
Louisa Handley
Lucy Peel
Malin Hjerten
Mayya Marinova
Nikoletta Spyropoulou
Rhian Williams
Robyn Vitols
Sam Woollett
Simon Reid
Tariq Khan-Fontain
Tim Dorsett
Tom Burchess
Tom Emberson
Ursi Kotratschek

Employees
Kate Franks (Foundation Director – on maternity leave)
Ben Summers (Acting Foundation Director)
Amy Recknell (Foundation Portfolio Manager – on maternity leave)
Connor Friesen (Foundation Portfolio Manager – maternity cover, appointed May 2021 to start employment 31 August 2021)
Laura Polaine (Senior development Manager – fixed term contract, appointed June 2021 to start employment 19 July 2021)

Auditors
Crowe U.K. LLP
Aquis House
49-51 Blagrave Street
Reading
Berkshire RG1 1PL

Bankers
CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent ME19 4JQ

Trustees' Annual Report

Address of Charity and Registered Address
The Innocent Foundation
342 Ladbroke Grove
London W10 5BU

The Trustees of The Innocent Foundation ("The Foundation"), who are also directors of the charity for the purposes of the Companies Act, are pleased to present their annual report and financial statements for the year ended 30 June 2021.

Trustees

Currently Trustees are elected and appointed on a need basis. As the sole Member of The Foundation, Innocent Limited appoints Trustees in agreement with the Trustees' Board. The Memorandum and Articles of Association support a minimum of three Trustees. Of the seven current Trustees, three Founder Trustees have been on the board since inception in 2004. Sarah-Jane Norman and Douglas Lamont are current employees of Innocent Limited and Christina Archer and Camilla Knox-Peebles are external appointments. Trustees serve a two-year term, with the option for the Trustees to reappoint.

New Trustees attend suitable induction and training with The Foundation Director and existing Trustees to familiarise themselves with the charity, its governance and the context within which it operates.

Management

The Trustees are supported in the day-to-day management of The Foundation by The Foundation Director and Portfolio Manager. For the 2021-22 financial year, The Foundation has appointed a Senior Development Manager on a 12-month fixed term contract to provide additional capacity.

The Foundation staff support the effective running of The Foundation by managing relationships with partner organisations. They make grant recommendations to the Trustees in accordance with agreed grant-making policies. Trustees make decisions about grants at Trustee Meetings which are typically held on a quarterly basis.

The Foundation employees' pay and remuneration are set with reference to sector benchmarks and are periodically reviewed against comparable organisations using market data. Pay and benefit changes are approved by the full Trustee Board. The Foundation's employees receive

ongoing performance management and an annual feedback report which provides feedback from the Trustees, Foundation Guardians and external grant partners.

The Director is helped by Foundation Guardians who are employees of Innocent Limited. They are identified through an invitation to all Innocent Limited employees to get more actively involved in The Foundation as volunteers and are appointed for a period of two years. The Foundation Guardians volunteer their time to work with partner organisations, update other Innocent Limited employees about The Foundation, and act at as ambassadors for The Foundation.

Legal status

The charitable, limited by guarantee, company was incorporated on 24 February 2004 (company registration number 05054312) and registered with the Charity Commission on 11 June 2004 (charity registration number 1104289). It is governed by the Company Memorandum and Articles of Association.

Related Parties

The charitable company's sole member is Innocent Limited, and The Foundation is primarily funded through donations from Innocent Limited and its shareholders. The Trustees recognise their charitable responsibilities and state formally that the charity's activities will always be consistent with achieving its objects. Any benefit which may accrue to Innocent Limited from The Foundation's activities will be incidental and outweighed by the contribution to The Foundation's charitable objectives. Please see note 14 for further Related Party transaction details.

Changing ways of working in response to COVID-19

We are aware that the COVID-19 pandemic has put additional pressure on our partners and changes to local operating conditions in country may necessitate projects are delayed, redesigned or closed. We stay in regular contact with partners to understand any ongoing impact and have offered flexible funding reallocation, the adaptation of project activities and more generous reporting timelines.

With the continuation of the pandemic, we have added structure to managing this dynamic situation.

1. **Staying informed and adjusting plans.**

   The Foundation suspended all international travel during the reporting period. Without the option for monitoring visits, we asked our partners to complete a COVID-19 impact form in addition to their routine reporting. This document describes how COVID-19 is impacting project delivery and provides broader context on the geographical region as 'waves' of cases occur in different regions at different times. By summarising activities that have been paused, delayed, or altered we can work with our partners in an agile way. Recording mitigation efforts and lessons learnt helps us all to reflect and may highlight opportunities where The Foundation can share good practice across the different partners we support. The form sets out future review dates for what is a dynamic situation.

2. **Flexibility.**

   Travel restrictions and limits on group activities has made it impossible for our partners to deliver certain project activities on time. In the reporting period we granted no cost extensions to AfriFarms, Aga Khan Foundation and Concern Worldwide. With the seasonal nature of the agricultural projects we fund, some of these extensions add 12 months to the project lifecycle.

For Send a Cow, a no cost extension was not suitable. Instead, we updated the budget allocation of our funding to bring greater emphasis on project evaluation and learning, in response to the challenges faced.

3. Budget increases.

The Foundation allocated additional funding where partners requested support for unforeseen project costs such as the purchase of personal protective equipment. In the reporting period Renewable World received an extra £4,445 and Practical Action received an extra £10,546 (this larger amount included funds to hire a local consultant when one of Practical Action's employees was unable to travel across international borders to support project delivery).

Going forward, a contingency fund of £30,000 has been included into our 2020-21 budget and The Foundation has updated our Delegation of Authority policy. Under this new policy, The Foundation Director can now add up to £10,000 to an existing grant on three occasions within the financial year, thereby ensuring fast and flexible support for our partners during challenging times.

4. Emergency funding.

In May and June 2020, The Foundation made four emergency grants to support partners with COVID-19 response projects. In the reporting period, our partners continued to deliver these projects including awareness raising activities, setting up sanitation facilities and providing seeds where agricultural supply chains had been disrupted. The Foundation did not make any further COVID-19 emergency grants, however in accordance with our reserves policy, we have £200,000 which Trustees can utilise in response to future emergencies.

5. Partnership Fund.

Many NGOs are suffering unprecedented drops in their income due to the economic impact of COVID-19, while facing growing needs within the communities they serve. This is putting even the best run organisations in incredibly difficult positions. In June 2020, The Foundation contacted 11 of our active and previous partners to better understand their financial situation and identify opportunities to help using our free reserves. Each partner was assessed for financial need and for strategic importance to The Foundation's ambitions.

This resulted in our most significant COVID-19 response, the launch of our Partnership Fund in November 2020. In a time of crisis, we wanted to use our funds to protect the key capabilities of our long-term partners and ensure consistent progress towards our Goal 1 and Goal 2 ambitions. This funding was unrestricted but targeted at partners who were actively planning to make operational or strategic changes that strengthen their organisation to emerge from the COVID-19 crisis better able to deliver on their charitable objectives. Two partners received a grant from our Partnership Fund, Action Against Hunger (£568,000) and Send a Cow (£332,000). In both instances, the grant covered anticipated budget deficits, enabling each organisation to forge ahead with their plans. Each partner continues to update The Foundation each quarter (until April 2022) on how their organisational changes are progressing and on their latest financial situation.

Our 2020-21 budget includes a modest (£50,000) allocation for additional Partnership Fund grants.

Risk Management

The Trustees have conducted a review of the major risks to which The Foundation is exposed. Risks are assessed on the basis of their likelihood and potential impact, along with the mitigation strategies in place to manage them in line with the board's risk appetite. They are recorded in a risk register which is regularly reviewed by the Trustees and updated and approved annually. Where appropriate, systems or procedures have been established to manage the risks the charity

faces. The Foundation Director continually monitors changes in risk levels or emergence of new risks that may impact upon the organisation and escalates any concerns to the Trustees. The Trustees consider the following to be the key risks that The Foundation faces:

- *Funding from our principle donor, Innocent Ltd, reduces or stops:* The Foundation has a rolling minimum annual £1m commitment agreed with Innocent ltd, with a two-year notice clause of any change, subject to certain conditions. If this risk were to materialise, our key concern would be to ensure that any ongoing grant commitments to partner organisations can be met. This is mitigated by our reserves policy which requires that we have enough reserves to cover these commitments.

- *COVID-19 and implications on external financial, organisational or programmatic failure*: We work through independent partners who deliver projects to alleviate hunger with our funding. There is a risk that some of the projects we support may fail to achieve their objectives if our partners lack the capacity to deliver, especially when operating in challenging contexts. It is also possible that a partner may experience other adverse events such as fraud, theft, safeguarding issues or other incidents which harm their work, beneficiaries or reputation. Apart from failing to deliver effective support to hungry people, this could also damage our reputation.

  To mitigate these risks, we conduct thorough due diligence on our partners before providing funding. We adopt a risk-based approach, using risk factors including the size of the grant, the nature of the applicant, the nature of the project, the geographic location of the project and the nature of the relationship between The Foundation and the applicant. We monitor all our projects biannually through a formalised report review process. We also ask our partners to inform us if they report a Serious Incident to the Charity Commission. Where concerns are noted, we provide feedback to partners and follow up on minor issues. If major concerns arise, our standard grant agreement terms and conditions enable us to terminate a grant.

  With the COVID-19 pandemic, organisations have had to react quickly to adopt remote working and supervision processes. Many organisations, and individuals, are also facing financial challenges as the economic impact of the pandemic is felt. Therefore, we have updated our risk register to reflect the elevated likelihood of these external financial and organisational risks. However, the overall risk output remains amber and does not deviate from the level of risk we can tolerate. We have also strengthened our mitigation activities (as described above) to include specific COVID-19 impact reporting and made No Cost Extensions or additional funding available to our partners to maintain adequate capacity to deliver successful projects.

- *Internal financial control failure:* Risks are minimised by the implementation of procedures for authorisation of transactions and projects. An annual review is completed of all processes using the Charity Commission's Internal Financial Controls Checklist. Any findings from our annual external audit are also considered and acted upon.

- *Health and safety of staff and volunteers when visiting projects*: Foundation staff, Trustees and Innocent employee volunteers visit projects around the world most years. To ensure their health and safety, comprehensive guidance is provided and risk assessments are completed before a trip is approved. Pre-trip security briefings are conducted with input from host organisations, FCDO travel advice and external security advisory services. Travellers are required to obtain and comply with independent health advice before departure. Comprehensive travel insurance is in place. All international travel was suspended from March 2020 until further notice due to the COVID-19 pandemic. Trip risk assessments and travel insurance will be updated to consider COVID-19 safety before international travel resumes.

- *Loss of key staff*: The Foundation usually operates with two employees. Inevitably resources are spread thinly, and detailed knowledge of operations is concentrated. To mitigate this, an

operations manual exists to document key resources and processes. Two Finance Guardians are responsible for financial reporting, analysis and managing the annual audit to ensure knowledge and experience is shared. During the reporting period, Trustees approved a temporary headcount increase to three employees, appointing a full-time Senior Development Manager in June 2021 (on a fixed-term contract for July 2021 to July 2022). This will improve The Foundation's resilience to staff changes and facilitate more time to be dedicated to strategic planning.

Objects of the charity

The objects of the charity are to advance all purposes charitable under the law of England and Wales. The purpose of The Foundation over the reporting period was to help the world's hungry.

As a grant-giving organisation we seek out other non-governmental organisations, charities and not-for-profit organisations working in the field of hunger alleviation to offer them the opportunity to apply for funding to deliver their projects.

To achieve our purpose in 2020-21, our grant-making policy states that we will fund work under two interrelated goals:

Goal 1: stop children dying of hunger. Globally there are 45 million children with acute malnutrition, of which over 13 million suffer from sever acute malnutrition. These children are eleven times more likely to die than their healthy peers, but it doesn't have to be this way, as 80% of children that complete treatment are cured. However, currently only 30% of children get the treatment they need. That's why we invest in research to test, and put into practice, better ways to identify and treat these vulnerable children. These research studies have the potential to change national and global policy and practice, part of collective effort to eradicate acute malnutrition and stop millions of children dying each year.

Goal 2: help the poorest families feed themselves. 90% of the world's farmers are small family farms in less economically developed countries. Despite producing 80% of the world's food, many of these smallholder farmers are poor, food insecure and have limited access to markets and services. We want to break this paradox, prioritising countries rated serious or alarming on the Global Hunger Index. We invest in entrepreneurial teams that have scalable ideas to help families become more food secure and increase their resilience to challenges like climate change.

The Foundation's grant-making policy further states that each organisation must:

- benefit a community rather than individuals
- be a not-for-profit organisation
- be pursuing charitable purposes
- consider taking part in The Foundation's scholarship programme which offers employees of Innocent Limited the opportunity to volunteer with partners, using their business skills to bring benefit to the organisation. There are up to three scholarships a year.

Principal activities of the charity and public benefit

The Trustees have given adequate consideration to Charity Commission published Guidance on the operation of the Public Benefit requirement.

Review of charitable activity

During the reporting year, The Foundation received £949,640 in donations (year ending June 2020 - £950,147). Innocent Ltd donated £950,000, but a refund to Innocent Ltd for an overpayment in year 2020 has been accounted for. In addition, Innocent Ltd paid £50,000 to The Foundation as a licence fee. The charity had no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

The Foundation gave grants to organisations (detailed below) with total donations amounting to £1,437,535 in the year (year ending June 2020 - £1,283,479). The Foundation works closely with project partners to ensure the greatest impact of the funds it invests in projects.

The Foundation supported 18 projects during this reporting period. We work in collaboration with our partners to achieve specific project objectives. These objectives are mutually agreed at the outset of each project and are set out in a signed Memorandum of Understanding or Deed of Grant (depending on the size of the grant). Progress against project objectives is monitored through six monthly reports.

Goal 1 Grants

ALIMA, Democratic Republic of Congo (Aug 2018 – Dec 2021): We are funding OptiMA, a research project investigating how to optimise acute malnutrition treatment in children aged from 6 to 59 months. It is a community-based randomised nutrition trial of a simplified treatment protocol in Kasai Occidental, Democratic Republic of Congo. The Alliance for International Medical Action (ALIMA) is leading it, working with INSERM at the Université de Bordeaux. The project aims to simplify diagnosis and treatment of acute malnutrition in children without compromising the quality of care. If successful, OptiMA will initiate nutritional support earlier, and give more children access to treatment for a similar cost to the current approach. The OptiMA study concluded its field phase in July 2020. Compared to the national protocol, OptiMA treated 30% more children using 20% less therapeutic food, with significantly better weight, muscle and sub-cutaneous fat gain over six months. In 2021 The Foundation granted an additional £129,869 to support ALIMA to complete additional analysis on the wealth of data collected. ALIMA is now working on seven peer-reviewed papers and have already presented some findings at a conference organised by Médecins Sans Frontières.

Concern Worldwide, Kenya (Aug 2018 – Dec 2021): The CeaSurge project combines Concern Worldwide's well regarded IMAM Surge Approach with Family MUAC to improve early detection, referral and prevention of acute malnutrition in Kenya. Concern Worldwide, supported by Trinity College Dublin's School of Medicine, is working in areas where the Surge Approach has set up early warning systems to prepare health systems to respond to increased demand for nutrition services. In this research, caregivers are trained to use Mid-Upper Arm Circumference (MUAC) identify acute malnutrition in children. The project brings together these two separate severe acute malnutrition interventions that we know work, to find out if they operate even more effectively when combined and enhance the delivery of nutrition services at the community level. This study has now demonstrated that caregivers can identify malnourished children and refer them early. One major principle of malnutrition management is early identification. Out of all the referrals done in the intervention sites, almost a third were referred by mothers. Given that only 32% of the mothers were trained in the area, there is a huge potential for scale up. In its later stages, this study contributed to the Kenyan Ministry of Health adopting the approach to support continuity of nutrition services in the context of COVID-19. Concern Worldwide sits on the technical committee guiding implementation, so far 10 counties have started to roll out the approach (with a target of 18 counties). The Foundation has granted a No Cost Extension to December 2021 for Concern Worldwide to work on research dissemination.

Washington University of St Louis, Sierra Leone (Aug 2018 – Oct 2020): This project is "The Hi-MAM Study: Treatment of High-Risk Moderate Acute Malnutrition using expanded admission

criteria" Led by Washington University School of Medicine, it also includes Project Peanut Butter and the Centre for Global Child Health at the Toronto Hospital for Sick Kids. One of the best ways to combat severe acute malnutrition and its associated risks is to intervene before children become severely malnourished in the first place. The research team have identified four high-risk indicators which may signal that a child is about to deteriorate from moderate to severe acute malnutrition and tested two different types of early intervention to see if they can prevent severe acute malnutrition and help children survive and thrive.

The research found that the provision of therapeutic food and antibiotics to high-risk children with moderate acute malnutrition (MAM) improved short-term recovery (at three months) and reduced short-term risk of deterioration. However, recovery rates were still suboptimal, and differences were not sustained after six months suggesting further research is needed. A longer, more holistic package of interventions may be needed. Likewise, the definition of high-risk children with MAM needs further study. In the context where this research took place, the study highlighted several criteria for identifying high-risk children. Appropriate criteria were found to be; low mid-upper arm circumference, low weight-for-age, declining anthropometry, young age, twin status, history of severe acute malnutrition and recent morbidity. Overall, the results build on previous studies and support a shift in current management of acute malnutrition in favour of a model which provides a continuum of care for all acutely malnourished children through better identification of risk. This is an important area of research as there is currently no consistent guidance on how best to manage more than 30 million children suffering from moderate acute malnutrition around the world.

Goal 2 Grants

AfriFarms, Kenya (Autumn 2021 – Autumn 2022): On the shores of Lake Naivasha, Kenya, fisherfolk find that the fish they catch in the morning are no longer fresh by the afternoon; meaning they are either not edible or of a poor nutritional content. This means a reduced income and a poorer diet for struggling communities. The Foundation is funding the design and testing of a lightweight, solar-powered fridge so that fish stay fresh, remain edible and fetch a higher price when it comes to selling at market. The project will test fridges with 50 fishermen and women, gathering data on usage, temperature, location, income and other metrics to assess the viability of the fridges for wider roll-out. The start of this project has been delayed from July 2020 due to COVID-19. Some preparatory activities are ongoing, including stakeholder mapping and engagement, and supply chain analysis. AfriFarms anticipate launching the project in the Autumn 2021, if it is safe and permissible to do so. The Foundation periodically checks in with AfriFarms and updates our mutual MoU as appropriate to reflect changing timelines.

Aga Khan Foundation, Madagascar (Jul 2019 – Jul 2023): The Foundation is funding the Aga Khan Foundation's project to promote better rice growing practices as rice grown locally doesn't meet national demand and has to be supplemented with rice imports. The SPEEDRICE project trains farmers to grow more, better quality rice using something called the Zanatany Rice Permaculture System (ZRPS). ZRPS combines a series of techniques in rice growing, including labour-saving and climate-smart techniques. This project plans to help 20,000 farmers grow up to 50% more rice. By January 2021, training had been given to 12,077 farmers, and year one harvest results from August 2020 revealed that the lowest yield recorded was 3.5 tons per hectare, a 133% increase on the historical average yields from traditional growing methods. Lockdowns in Madagascar in response to COVID-19 has delayed progress on some activities. However, acknowledging the promising start to the project, The Foundation has granted a 12-month No Cost Extension. This means an additional full rice growing season can be incorporated to add credibility to the project data collected, as well as provide time to complete all planned activities.

KickStart International, Kenya (Jul 2019 – Nov 2020): The Foundation has supported KickStart's research and development process for their new 'Starter Pump'. The Starter Pump is expected to retail across KickStart's markets in sub-Saharan Africa at ~$50 (half the price of their

popular Hip Pump model). The pump will help smallholder farmers reliant on rain-fed agriculture to access affordable irrigation, increase their harvests and incomes and escape poverty. Through this project, KickStart has successfully established the process to mass-produce a quality product. In the reporting period, KickStart proceeded to distribute the first batch of 200 pumps in Kenya, with every single farmer benefiting from increased yields and a tool to adapt to a changing climate. 180 of these farmers were able to sell surplus food, this additional income helped 900 family members take a step out of poverty and helped 9,000 people access more fruit and vegetables from within their local community (increasingly important during the pandemic). After this successful pilot project, The Foundation continues to support KickStart to make the Starter Pump available in seven other countries in Africa.

KickStart International, multiple countries (Mar 2021 to Feb 2024): With the research and development complete on KickStart's Starter Pump, this new £360,000 grant will help KickStart launch the starter pump in 7 other countries. During the next three years, KickStart hope to work with 81 partners and 69 agri-dealers to distribute 12,000 pumps across Kenya, Zambia, Malawi, South Sudan, Uganda, Rwanda, Mozambique and Nigeria. The project will also test different ways of reaching smallholder farmers (new financing models, entrepreneurship training, subsidies) and evaluate interventions using an impact study to understand how farm yields and income changes over time.

myAgro, Senegal (Jan 2020 – Dec 2022): myAgro is a non-profit social enterprise that reaches smallholder farmers through a network of Village Entrepreneurs, encouraging them to save up their own funds to invest in high-quality seed, fertiliser, tools and agricultural training packages. Using mobile phone scratch cards, farmers can save up small amounts of money each week towards a complete package of agricultural inputs delivered just in time for planting. With our funding, myAgro will also test new vegetable packages for farmers in the Casamance region of Senegal. In 2020, myAgro's efforts across Senegal saw them serve nearly 39,000 farmers despite a four-month lockdown just before the planting season. On average, farmers grew 0.39 hectares and increased income by 35%. myAgro were quick to adapt to the pandemic, offering discounts to farmers, re-introducing a 1/8th hectare package, and replacing face to face visits with a call centre, radio broadcasts and video training materials. Going forward, myAgro hope to accelerate to reach 75,000 farmers in Senegal by the end of 2022. It is all part of their aim to help 1 million small-scale farmers to increase their income by $1.50 per day by 2025.

Practical Action, Malawi (Feb 2020 – Oct 2021): In the Balaka District, 70% of farmers save seeds from their harvest to re-plant the next year. Practical Action is breathing new life into this age-old practice, alongside local partners and scientists to encourage farmers to use traditional, local and climate-resilient seeds. So far, 30 Lead Farmers have trained a further 720 farmers on seed selection and multiplication, alongside soil and water conservation practices. This has been complemented by Practical Action's work developing a policy briefing on farmer saved seeds and organising a national farmers' rights conference.

Unfortunately, significant changes in the operating context have made it much harder for Practical Action to deliver this project in full. In June 2021, Practical Action wrote to The Foundation recommending that we agree a plan for the early closure of this project. Practical Action had notified us in August 2020 of their decision to close their Malawi office, intending to support the project from their office in Zimbabwe. However, with the continuation of the pandemic and related travel restrictions, this has undermined Practical Action's ability to adequately support the project from Zimbabwe. Further discussions with Practical Action revealed that the Malawi office closed after a large project with another donor ended, this had provided the bedrock for other activities in Malawi. These situations could arise more frequently as many of our partners receive funding from sources that are under financial pressure (due to COVID-19 or reductions in the UK's FCDO budget). Subsequently, we have updated our due diligence process to assess the financial resilience of prospective partners at global and country level.

We continue to monitor this project each month to bring it to a responsible conclusion. Remaining activities focus on supporting farmers with the second planting season, while other members of the Malawi Agrobiodiversity Network remain involved in government advocacy.

Renewable World, Nepal (Mar 2020 – Oct 2023): We are helping Renewable World tackle hunger in Nepal using innovative plastic bag biodigesters. 50 million homes around the world use biodigesters as a healthy alternative to coal, wood or dung for cooking. Renewable World wants these households to benefit even more, by making organic fertiliser as by-product of generating biogas. Organic material is added to the biodigester and is broken down by bacteria in an oxygen-free environment to create biogas, a cheap source of renewable energy replacing more expensive and harmful fuels. The slurry that's left over can be turned into highly productive organic fertiliser and used to grow food crops. It's a great way of solving multiple problems at once, bringing long term change to Nepal's hungry by improving farming, strengthening livelihoods and producing clean energy. In the first year of the project Renewable World has completed a baseline survey, detailed project planning, distributed marketing materials and selected the sites and partners to work with. As part of this process The Foundation increased our funding to Renewable World by £4,445. This additional funding supported Renewable World to contract a closer biodigester manufacturer and help mitigate COVID-19 related disruptions to supply.

In October 2020, Renewable World notified us of a Serious Incident which had been reported to the UK Charity Commission. One of Renewable World's principal partners, RWEA, had misappropriated funds. As the RWEA partner only worked with Renewable World in Kenya, operations in Nepal (including the project funded by The Foundation) were not affected in any way. As such, The Foundation Director and Trustee members of the Risk and Finance Sub-Committee agreed The Foundation was not materially affected and did not need to inform the UK Charity Commission directly. The Foundation did update our due diligence checks on Renewable World as a global entity and requested further clarifications in two areas:

i. How quickly would their improved partner management processes be embedded. We learnt that all staff, including those in Nepal, had been trained by April 2021.

ii. The impact on Renewable World's balance sheet. We learnt that by the end of June reserves were £49,000 above target. We are satisfied that the Nepal project is not at risk and will have ultimately been strengthened by the improvements made to partnership management across Renewable World.

Semilla Nueva, Guatemala (Oct 2020 – Jul 2023):

In Guatemala corn accounts for 50% of rural diets and the country has the world's sixth highest rate of malnutrition. Today, 46% of children suffer from stunting and 70% of farming families live in poverty. Semilla Nueva has produced a biofortified seed that yields more corn and better-quality corn, for a lower cost to farmers. Their corn has 39% more zinc (in Guatemala a third of children are zinc deficient) and 19% more iron (another common deficiency in Guatemala). Semilla Nueva will use our funding to help incentivise local commercial producers to add biofortified seed to their portfolio. This enables the seed to reach even more families while preserving the low price point for farmers. During this project Semilla Nueva will reach four times as many farmers with their biofortified seed, while refining the best way to partner with the private sector as a precursor to national roll-out. Ultimately, Semilla Nueva would like to see the government incentivise wider distribution of biofortified corn.

In 2021 Semilla Nueva has reached over 10,000 farming families with more nutritious corn seed (up from 7,000 families in 2020). The Guatemalan government has also launched a programme to produce and distribute biofortified seeds, estimates indicate the programme reached 30-60,000 subsistence farming families between April and June 2021. In the years ahead Semilla Nueva will continue to expand sales and build pilots to inform public policy.

Send a Cow, Zambia (Aug 2019 – Jan 2022): Pests eating valuable crops prevents hungry people harvesting the food they have grown and getting the nutrition they need. We are working

with Send a Cow to protect Zambia's cereal crops as pests like Stemborer moths, parasitic Striga weed and Fall Armyworm are a big problem. Send a Cow will train farmers in the 'Push:Pull' approach. intercropping Desmodium and Napier grass to protect cereal crops from pest damage and yield losses. The grasses can also be used for animal fodder. So far, the project has identified the best plant combinations for the Zambian context, set up farmer field schools and trained 481 farmers on the approach (with 62% using it). Data collected in May 2021 showed the percentage of farmers affected by the target pests had decreased by 96% to 68%. It has taken time to optimise this novel approach and the final phase of this project will now incorporate a greater emphasis on sharing project learnings with other organisations and with colleagues in other countries where Send a Cow are starting to train farmers using the Push:Pull approach.

Partnership Fund Grants

Action Against Hunger (Oct 2020 - Apr 2022) In the reporting period The Foundation approved unrestricted funding to support Action Against Hunger's work in investing in activities that will be foundational for their future success. Action Against Hunger International and Action Against Hunger UK have approved their new strategic plans for 2021-2025, and launched a new website to better engage with donors. They had a successful winter appeal with a 100% increase in online donations compared to the prior year and recruited new regular givers (3x more than their 2019 appeal). Additionally, they hosted a webinar to share learning about improving severe acute malnutrition treatment coverage in the community which was attended by 120 practitioners.

Send a Cow (Oct 2020 – Apr 2022) In the reporting period The Foundation approved unrestricted funding to support Send a Cow's work in investing in activities that will be foundational for their future success. Part of the funds go towards their 'Africa Forward' strategy which focuses on Send a Cow being increasingly led from Africa, transitioning over a period of two years. To date a new organisational structure has been finalised with more leadership in Africa. The funding has already facilitated a phased hand-over between staff for better continuity and organisational memory. They have launched an improved project monitoring framework using their new Better Life Index, and migrated legacy servers to the 'cloud'. Recruitment and office scoping in Nairobi has begun as part of the process of 'shifting power' to Africa.

COVID-19 Emergency Response Grants

Oxfam, Bangladesh (Jun – Oct 2020) The Foundation supported Oxfam's Covid emergency response to reach 1,135 households living in rural, urban and Rohingya refugee camps in Bangladesh, with cash grants and protective equipment (masks, gloves, hand sanitiser).

Feedback Madagascar, Madagascar (May 2020 – Feb 2021) Feedback Madagascar with funds from The Foundation reached 300,000 people in Southern Central Madagascar in their emergency response to COVID-19. Six new municipal 'SLC' committees ("*Structure Locale de Concertation*") were established and each SLC set up community emergency readiness committees to support with information dissemination, protocols on isolation, hygiene and sanitation. Support also included seventeen digital "flash" frontal non-contact thermometers provided to 17 government health centres, 200 solar-powered loudspeakers and information on COVID-19 in the form of bulletins & songs given to community volunteer educators, and a waterpoint COVID-19 protocol and training provided for 36 existing water point management committees.

Send a Cow, Kenya, Rwanda, Uganda and Zambia (May-Jul 2020) Send a Cow with funding from The Foundation, launched an emergency response reaching communities in Kenya, Rwanda, Uganda and Zambia with key messages on COVID-19 prevention and spread, provision of health and hygiene kits, and delivery of emergency food supplies. The types of activities included the following: i) in Kenya, 633 households across 30 self-help groups and 245

community members were reached with training on COVID-19 prevention, and seven touch free public handwashing stations were installed; ii) in Rwanda, Rwamagana district 2,553 face masks and 180 hand sanitisers were delivered to equip district youth volunteers to support their communities in COVID-19 prevention, and emergency food supplies of rice, beans and maize flour were distributed to 100 households in three districts; iii) in Uganda, health and hygiene inputs were provided, for example in Kamuli district, 150 masks and 150 bottles of hand sanitiser were provided to the local health centre, and iv) in Zambia, 240 IEC materials on COVID-19 were produced to be displayed at public places including markets, schools and health centres.

Concern Worldwide, Ethiopia (Jun – Sep 2020) Concern, with funding from The Foundation, implemented an integrated emergency livelihood and hygiene and sanitation response in the Southern Nations, Nationalities and Peoples (SNNP) Region of Ethiopia. Livelihood support was through seed provision which included 37,500 kg of haricot bean seeds distributed to 3,000 poor households. The seeds are early maturing, high yielding, nutritionally-rich contributing to improved livelihoods and good nutritional outcomes. At the Health Facilities 112 handwashing stands were installed serving around 32,000 people. The design of the handwashing stands were such that they operate without direct hand contact to reduce the risk of COVID-19 transmission. Awareness creation on key COVID-19 prevention measures was made possible through local broadcast radio covering key messages on COVID-19 facts, prevention measures, its socio economic impact and mitigation in local languages. Approximately, 1.5 million people in the SNNP region were able to access this information including marginalised groups in remote rural areas. As COVID-19 has a multidimensional impact on extremely poor households further support was provided with school exercise books and sanitary materials to 816 vulnerable school girls in the Gurage zone.

Investment and reserves policy

We currently bank with the Charities Aid Foundation (CAF) Bank.

Our reserves policy sets out the minimum balance of readily available cash held by The Foundation to achieve the required risk-reward profile for The Foundation. At any given time, The Foundation must be able to cover its committed expenditure, and also have the necessary funds to wind down The Foundation's operations should funding cease. In addition, the cumulative committed income must be greater than cumulative committed expenditure.

By committed income, we mean the current bank balance of The Foundation, held in immediately available or short-term deposit accounts plus all pledged income for the future (currently £1million per annum for a minimum of 3 years, subject to certain conditions). By committed expenditure we mean all committed expenditure for active projects plus 6 months wind down costs (estimated at £90,000) plus £200,000 for exceptional circumstances grants.

Our investment policy categorises The Foundation's cash holdings in three tiers;

- Immediate need: cash spend committed for active projects and forecast for operational and emergency relief within the next 3 months will be held in immediate access accounts.
- Long term need: Committed cash spend for total lifetime of all current projects, including operational and emergency relief spend forecast, may be placed in deposit accounts with maturity of 30 up to a maximum of 90 days, according to planned expenditure schedule.
- Excess: All remaining cash may be placed in 90-day deposit account to maximize interest return.

This meets the appropriate risk, maturity and controls level agreed by the Trustees. Our cash is currently all held in immediate access accounts since the interest gains from using 30 to 90 day deposit accounts are negligible when we also account for the increased administrative burden of maintaining them. We keep this under review.

At the end of the reporting year, our total funds held were £2,422,251 (year ending June 2020 £3,002,748). Of this, £684,162 represents future funding commitments which we will pay out to our current grant partners in six monthly instalments over the remaining period of signed grant agreements, subject to formal reporting of satisfactory progress against project objectives. The balance £1,738,089 is uncommitted reserves. This meets the requirements of our stated reserves policy.

The Foundation has no tangible fixed assets or programme related investments therefore all assets can be realised immediately or within 30 or 90 days in our notice account.

Future plans

In 2021-22, we will continue to pursue the twin goals identified in our 2018 strategic review:

- Goal 1: stop children dying of hunger
- Goal 2: help the poorest families feed themselves

To achieve these goals, we will focus our time, money and expertise on making fewer, bigger, riskier grants to fund world class innovation. We'll continue our search for partners, from UK-based charities to organisations from around the world, who may be charities, but could also be universities, research institutes, or other innovators, who need our support to test and scale their great ideas. We have established strong global research connections for our goal 1 work, an annual application cycle for goal 2, and increased management headcount. This sets The Foundation up to:

- Continue to support our existing partners through COVID-19 adaptations.

  We have budgeted to relaunch project monitoring visits (when it is safe to do so and with a revised risk assessment process). If this is not possible, we intend to keep our project reporting process under review to ensure it remains agile and robust. Our budget includes contingency funding to support adaptations to projects and we will also consider further emergency grants, or exceptional grants made through our Partnership Fund, to support partners with their work to tackle the COVID-19 pandemic should the need arise. Finally, we plan to open a new bank account to facilitate online payments to overseas accounts (to make it quicker to make grants to international partners).

- Accelerate our grant-making over the next two years.

  We intend to spend down our high reserves to our reserves policy level in pursuit of our goal 1 and goal 2 ambitions. We have already shortlisted applications as part of a new goal 1 funding call. In goal 2, we intend to use our additional headcount to review the opportunities for funding smallholder agricultural projects in response to increasing food insecurity and the other challenges presented by COVID-19. All new grant applications will be subject to the enhanced due diligence processes described above.

This report has been prepared in accordance with the special exemptions provided by Section 415A of the Companies Act 2006 relating to small companies.

So far as each of the Trustees at the time the report is approved are aware:

a) there is no relevant audit information of which the auditors are unaware and,

b) that they have taken all the steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

Approved by the trustees on 11/10/2021 and signed on their behalf by:



Jonathan Wright
Trustee

Statement of Trustees' responsibilities

The Trustees (who are also directors of The Innocent 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.

Independent Auditor's Report to the Members and Trustees of The Innocent Foundation

Opinion

We have audited the financial statements of The Innocent Foundation ('the charitable company') for the year ended 30 June 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2021 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

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

information, we are required to report that fact.

We have nothing to report in this regard.

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 their 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' exemptions in preparing the trustees' directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 16, 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.

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

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

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

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

We obtained an understanding of the legal and regulatory frameworks within which the charitable company 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, the Charities Act 2011, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the charity's operations were the Charity Commission regulations and General Data Protection Regulation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

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

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

Use of our report

This report is made solely to the 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 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 members as a body, for our audit work, for this report, or for the opinions we have formed.



Janette Joyce
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

Reading

30 November 2021

Statement of financial activities (including income and expenditure account) for the year ended 30 June 2021

	Notes	*Year ended 30 June 2021* £	*Year ended 30 June 2020* £
Incoming resources			
Donations and Legacies	2	949,640	950,147
Income from Investments	3	215	4,742
Other income	4	50,000	50,000
Total income		999,855	1,004,889
Resources expended			
Expenditure on Charitable Activities	5,7	(1,581,554)	(1,431,987)
Total expenditure		**(1,581,554)**	**(1,431,987)**
Net movement in funds		(581,699)	(427,098)
Funds brought forward		3,002,748	3,429,846
Funds carried forward		2,421,049	3,002,748

All incoming resources and resources expended derive from continuing activities.

There are no recognised gains or losses other than as shown in the statement of financial activities above.

The notes on pages 24 to 28 form part of these financial statements.

Balance sheet

	Notes	*As at 30 June 2021* £	*As at 30 June 2020* £
Current assets			
Debtors	9	16,335	0
Cash at bank	11	2,415,169	3,055,016
		2,431,504	3,055,016
***Creditors**: amounts falling due within one year*	10	(10,455)	(52,268)
Net current assets		2,421,049	3,002,748
Represented by:			
Reserves – unrestricted funds		2,421,049	3,002,748

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 11/10/2021 by

Jonathan Wright
Trustee

The notes on pages 24 to 28 form part of these financial statements.

Statement of Cash Flows

	Notes	*Year ended 30 June 2021* £	*Year ended 30 June 2020* £
Cash generated / (used) by operating activities		**(640,062)**	**(385,193)**
Cash flows from investing activities			
Interest income	3	215	4,742
Cash provided by investing activities		**215**	**4,742**
Increase / (decrease) in cash and cash equivalents in the year		(639,847)	(380,451)
Cash and cash equivalents at the beginning of the year		3,055,016	3,435,467
Total cash and cash equivalents at the end of the year		**2,415,169**	**3,055,016**
Reconciliation of cash flows from operating activities			
Net income for the reporting period		**(581,699)**	**(427,098)**
Adjustments for:			
Investment income		(215)	(4,742)
Increase / (decrease) in creditors		(58,148)	46,647
Net Cash provided by operating activities		**(640,062)**	**(385,193)**

Notes to the financial statements at 30 June 2021

Charity Information

The Charity is a company limited by guarantee (registered number 05054312), which is incorporated in the UK. The address of the registered office is 342 Ladbroke Grove, London, W10 5BU.

1. Accounting policies

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2015), applicable UK accounting standards including the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Companies Act 2006.

The Innocent 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 policy note(s).

The principal accounting policies adopted in the preparation of the financial statements are as follows:

Fund accounting

- The charity's general fund consists of funds which the charity may use for its purposes at its discretion.
- The charity has no restricted funds.

Incoming resources

All incoming resources are recognised once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability. Services received in kind are recognised in the financial statements where the amounts are quantifiable.

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured. Donations are accounted for as unrestricted, unless there are restrictions under the terms on which they are received or solicited.

Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates:

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.
- It includes grant instalments that have been paid to the partners subject to their adherence to their memorandum of understanding. Grants are charged to the statement of financial activities when an unconditional commitment has been made to provide the grant. Grant commitments made with conditions attached are not recognised as a liability, but are disclosed within the Future Commitments note in the accounts.
- It also includes costs of an indirect nature necessary to support the activities.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to strategic management of the charity.

Donated services

Where services are donated to the charity that would normally be purchased from suppliers, this contribution is included in the financial statements as an estimate based on the value of the contribution to the charity.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Going concern

No material uncertainties that would cast doubt about the ability of The Foundation to continue as a going concern have been identified by the Trustees.

Financial Instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. All basic financial instruments are held at amortised cost.

Cash at bank

The Foundation's Investment policy sets out where cash can be held. All cash is currently held in instant access bank accounts.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2. Donations

	Year ended 30 June 2021 £	*Year ended 30 June 2020* £
Unrestricted		
Innocent Ltd	950,000	950,000
Other	-360	147
	949,640	950,147

3. Income from Investments

	Year ended 30 June 2021 £	*Year ended 30 June 2020* £
Unrestricted		
Other	215	4,742
	215	4,742

4. Other income

	Year ended 30 June 2021 £	*Year ended 30 June 2020* £
Unrestricted		
Licence fee paid by Innocent Ltd	50,000	50,000
	50,000	50,000

5. Grant making costs

	Year ended 30 June 2021 £	*Year ended 30 June 2020* £
Restricted donations		
Ace Africa (Kenya)	-	12,710
AfriFarms (Kenya)	-	35,571
Aga Khan Foundation (Madagascar)	-	44,682
ALIMA (Democratic Republic of the Congo)	218,286	249,528
Blue Ventures (Madagacar)	-	15,505
Concern Worldwide (Kenya)	-	57,898
Concern Worldwide (Ethiopia – COVID-19)	-	90,000
Feedback Madagascar (Madagascar)	-	23,394
Feedback Madagascar (Madagascar – COVID-19)	-	89,953
Kickstart International (Kenya)	26,544	51,538
Kickstart International (Rwanda)	-	15,726
Kickstart International (Kenya, Malawi, Mozambique, Nigeria, Rwanda, South Sudan, Uganda, Zambia)	70,000	-
MicroLoan Foundation (Malawi)	-	37,703
MyAgro (Senegal)	66,666	33,353
Oxfam (Bangladesh – COVID-19)	-	90,001
Practical Action (Malawi)	42,546	25,000
Renewable World (Nepal)	39,101	36,477
Semilla Nueva (Guatemala)	30,000	-
Send a Cow (Zambia)	44,392	92,083
Send a Cow (Rwanda, Uganda, Zambia – COVID-19)	-	84,781
Washington University (Sierra Leone)	-	197,576
Unrestricted donations		
Action Against Hunger (UK – Partnership fund)	568,000	-
Send a Cow (UK – Partnership fund)	332,000	-
	1,437,535	1,283,479
Grant management costs		
80% of Foundation Employees time	**106,428**	**94,979**
Governance Expenditure	**37,592**	**53,529**
	1,581,554	**1,431,987**

6. Employees

During the reporting period there were three employees – The Foundation Director (on maternity leave for the majority of the year), the Acting Foundation Director and The Foundation Portfolio Manager. All employees are co-employed by The Foundation and Innocent Ltd and they spend 100% of their time running The Foundation. During the reporting period two new employees were appointed to start in the 2021/22 financial year on 12-month fixed term contracts. One employee as maternity cover The Foundation Portfolio Manager, the second appointment is a new role, a Senior Development Manager to improve The Foundation's resilience to staff changes and facilitate more time to be dedicated to strategic planning. The Trustees and The Foundation Guardians (employed by Innocent Limited) also work one to two hours per month on a voluntary basis.

7. Governance expenditure

During the year the charity incurred £37,592 (2020 – £53,529) in governance expenditure which came in the form of professional charges, website charges, holiday pay accrual and 20% of The Foundation's employee's salaries. Administrative expenditure includes £5,790 (including VAT) in respect of the Auditor's remuneration (2020 – £5,340 including VAT).

No remuneration was paid to the Trustees. Trustees claimed £nil for travel expenses (2020 – two trustees claimed £238).

8. Tax

The company is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

No tax charge arose in the period.

9. Debtors

The debtors balance of £16,335 (2020 £nil) comprises accrual for an expected Credit Note from Innocent Ltd, with a deduction for a refund to Innocent Ltd from The Foundation for an overpayment of 'Give as you earn' donations in 2020.

	30 June 2021 £	*30 June 2020* £
Innocent Ltd underpayment of 'Give as you earn' in 2021	390	-
Payroll refund from Innocent Ltd	17,147	-
Innocent Ltd overpayment of 'Give as you earn' in 2020	-1,202	-
	16,335	-

10. Creditors: amounts falling due within one year

The creditors balance of £10,455 (2020 £52,268) comprises the Auditor's fee accrual, holiday pay accrual and refund to Innocent Ltd.

	30 June 2021 £	*30 June 2020 £*
Audit fee (including VAT)	5,520	5,070
Salary Accrual	-	40,514
Holiday Pay Accrual	3,733	5,482
Refund to Innocent Ltd (accrued for)	1,202	1,202
	10,455	52,268

11. Financial Instruments

Financial Assets measured at amortised cost: Cash held £2,415,169 (2020: £3,055,016)
Financial Liabilities measured at amortised cost: Creditors £10,455 (2020: £52,268)

Total interest income for basic financial assets was £215 (2020: £4,742)

12. Issued share capital

The company is limited by guarantee and does not have share capital.

13. Future commitments

At the year end the charity had committed £684,162 (2020 – £652,975) of funding to support identified organisations by the end of 2023. The funding is dependent upon those organisations meeting specific performance criteria. As such, these have not been recognised as a liability in the accounts. These commitments will be funded from unrestricted reserves.

14. Related party transactions

Innocent Ltd and its shareholders donated £950,000 to The Foundation during the 12-month period to 30 June 2021 (2020 - £950,000). In addition, Innocent Ltd paid The Foundation £50,000 (2020 - £50,000) for a licence fee which allows the company to use The Foundation's logo with limitations. During the year, no Trustees were shareholders of Innocent Ltd or its related companies and two Trustees; Douglas Lamont and Sarah-Jane Norman, were employed by Innocent Ltd. Kate Franks, Ben Summers and Amy Recknell are the management personnel and are co-employed by Innocent Ltd as The Foundation Director, Action Foundation Director and Foundation Portfolio Manager respectively. They work out of the Innocent Ltd head office in London and work with Innocent employees (The Foundation Guardians and two Trustees). During the year Innocent Limited incurred £133,035 (2020 - £118,724) in respect of their employment costs. As they spend 100% of their time running The Foundation, this was recharged to The Foundation and at year-end £3,733 (2020 - £40,514) was outstanding and owed to Innocent Ltd. Taking in to account the expected refund of £16,335 from Innocent Ltd, £12,602 is owed The Foundation at year-end.