

**Registered number: 05662690**  
**Charity number: 1112845**

# **THE APAX FOUNDATION**

**(A company limited by guarantee)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**For the year ended 31 December 2020**

**THE APAX FOUNDATION**  
**(A company limited by guarantee)**

**CONTENTS**

	Page
Reference and administrative details of the Charity, its Trustees and advisers	1
Trustees' report	2 - 9
Independent auditor's report to the Trustees of the Apax Foundation	10 - 13
Consolidated statement of financial activities	14
Consolidated balance sheet	15
Charity balance sheet	16
Consolidated statement of cash flows	17
Notes to the financial statements	18 - 34

**THE APAX FOUNDATION**

**(A company limited by guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS**  
**For the year ended 31 December 2020**

<b>Trustees</b>	Sir R M Cohen, Chairman R Haldea, Co-Chief Executive P D Englander, Co-Chief Executive S B Cresswell D N Marks M L Truwit S Singh J Wright
-----------------	---

<b>Company registered number</b>	05662690
----------------------------------	----------

<b>Charity registered number</b>	1112845
----------------------------------	---------

<b>Registered office</b>	33 Jermyn Street London SW1Y 6DN
--------------------------	--

<b>Independent auditor</b>	KPMG LLP Chartered Accountants 15 Canada Square London E14 5GL
----------------------------	--

## **THE APAX FOUNDATION**

**(A company limited by guarantee)**

### **TRUSTEES' REPORT**

**For the year ended 31 December 2020**

The Trustees, who are also the Directors of The Apax Foundation ("the Charity"), present their annual report on the affairs of the Charity and its subsidiary Apax E Member Limited (together "the Group"), and the consolidated financial statements, for the year ended 31 December 2020. The Trustees confirm that the annual report and financial statements of the Company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

Since the group and the Charity qualify as small under section 383 of the Companies Act 2006, the Group strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing document**

The Apax Foundation is a Charitable Company limited by guarantee, incorporated on 23 December 2005 (Company number: 05662690) and registered as a Charity on 27 January 2006 (Charity number: 1112845). It was established under a Memorandum of Association which established the objectives and powers of the Charity and is governed under its Articles of Association. In the event of the Charity being wound up, members are required to contribute an amount not exceeding £10.

The Charity's subsidiary undertaking, Apax E Member Limited, was incorporated on 3 November 2005. The company's primary activity is to receive a profit share from Apax Partners LLP and to make donations to charitable organisations.

### **Trustees**

The Directors of the Charity are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees listed on page 1 served throughout the year unless otherwise stated.

The Trustees of the Apax Foundation meet regularly to review the Charity's donations and grants. The quorum for each meeting is two Trustees or the number nearest to one third of the total number of Trustees, whichever is the greater.

Appointment of Trustees is governed by the Articles of Association of the Charity. The Board of Trustees is authorised to appoint new Trustees.

If the number of Trustees falls below three for any reason, the Trustees must take steps to bring the number up to at least three.

The Apax Foundation has eight trustees who each have one vote. In the event of an equality of votes, the Chairman of the meeting has a casting vote. The Trustees do not own shares and have no beneficial interest in the underlying income or assets of the Foundation. No Trustee has the right to terminate the membership of any other Trustee. The Trustees' opinion is that no person would be regarded as having significant control over at least 25% of the assets of the Company and accordingly, there is no one who needs to be entered into a Register of Persons with Significant Control.

The Trustees are encouraged to familiarise themselves with the Charity and the context within which it operates.

During the year, day-to-day management of the Charity was delegated to K Albert, the Apax Foundation Manager.

## **THE APAX FOUNDATION**

**(A company limited by guarantee)**

## **TRUSTEES' REPORT (CONTINUED)**

**For the year ended 31 December 2020**

### **STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

#### **Related parties**

Apax Partners LLP makes office space available to the Charity for its meetings. The Charity's Correspondent David Marks was a member of Apax Partners LLP until 31 December 2013.

The Charity holds carried interest shares in the Apax Europe VI, Apax Europe VII, Apax VIII, Apax IX, Apax X, AMI Opportunities and Apax Digital funds. It also holds shares in Apax Global Alpha Limited, a Company quoted on the London Stock Exchange.

The funds are advised by Apax Partners LLP and Apax Partners LLP receives advisory fees from these funds. Apax Partners LLP also receives advisory fees from Apax Global Alpha Limited.

Messrs Cresswell, Haldea, Singh, Truwit and Wright were members of Apax Partners LLP during the year ended 31 December 2020. Whilst members of Apax Partners LLP, the Trustees are able to benefit financially from the fund advisory activities of Apax Partners LLP, but not from the Charity itself.

#### **Risk management**

The Trustees meet on a regular basis to consider risks facing the Charity. The Trustees ensure that for each risk identified:

- mitigation procedures are developed;
- responsibilities for implementation and review are assigned; and
- the status is monitored on a regular and timely basis.

The Charity has sufficient expendable funds to meet its foreseeable commitments and the risks associated with governance issues are considered to be low. The Trustees comprise senior investment professionals, a Chartered Accountant and an experienced lawyer. In addition, the Trustees obtain expert professional advice where appropriate.

The Charity funds its annual grant giving through a donation from the Apax E Member Limited, which derives its income from Apax Partners LLP, and income from its quoted and unquoted investments. Income from quoted investments is derived from dividends from its investment in Apax Global Alpha Limited, and from funds held at Vanguard and Rothschild Wealth Management. Income from unquoted investments is principally from carried interest distributions. Continued receipt of these sources of revenue is not guaranteed and if they ceased, the Trustees would need to realise investments to continue the Charity's current level of annual grant giving.

The Trustees do not award grants before they have the certainty of cash resources available to them.

## **THE APAX FOUNDATION**

**(A company limited by guarantee)**

### **TRUSTEES' REPORT (CONTINUED)**

**For the year ended 31 December 2020**

#### **OBJECTIVES AND ACTIVITIES**

The Charity received a number of donations from Apax E Member Limited, which derives its profit as a member of Apax Partners LLP. The Charity does not seek donations from the general public.

The Charity's objectives are:

- the relief of financial hardship, either generally or individually, of people living in socially and economically deprived areas in the United Kingdom and overseas through the provision of grants, goods or services;
- the advancement of education; and
- to further such other purposes which are charitable in accordance with the law of England and Wales as the Trustees think fit.

The Charity achieves its objectives through making grants to charitable organisations and social enterprises which work in the above areas. The Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the Charity's objectives and grant-making policy. The Charity Trustees state they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission.

The Apax Foundation's Trustees review grant applications received from all charities which meet these criteria and grants are awarded on the basis of the Trustees' evaluation of: the charity's effectiveness in achieving its aims, the number of beneficiaries reached, the sustainability of the charity's programmes, the strength and stability of its management team and internal processes, and the long-term public benefits that would flow from the deployment of a grant from the Apax Foundation.

#### **ACHIEVEMENTS AND PERFORMANCE**

##### **Covid 19 related grant giving**

In response to the global Coronavirus pandemic, the Trustees decided to make additional awards to a number of charities to provide relief and assistance in dealing with the effects of the pandemic. This comprised the majority of its grant making in what was an exceptional year.

##### **General grants**

Aside from the Covid 19 awards, the Apax Foundation is a grant-giving body and has continued to focus the majority of its giving this year on charities and social enterprises whose work helps to stimulate social mobility and entrepreneurship or provides education in deprived communities. The intake and integration of refugees is one of the most pressing issues facing countries in the West and the Apax Foundation Trustees wished to support organisations in the UK working to help refugees into meaningful employment or entrepreneurship.

**THE APAX FOUNDATION**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**For the year ended 31 December 2020**

**New grants**

SEO London

Sponsors for Educational Opportunity (SEO) London is a not-for-profit organisation focused on improving access into the most competitive professions from under-represented ethnic minority backgrounds through a comprehensive training, mentoring and networking programme designed to improve their chances of securing graduate careers with the UK's most impressive graduate employers.

The Alternatives Investment Programme (AIP) has been developed alongside a range of leading European and global private equity and asset management firms. The AIP recognises the need for diversity across its professional teams and the programme is dedicated to supporting that process by helping under-represented groups access and develop career opportunities to transform diversity and inclusion outcomes.

A senior member of the Apax Partners team serves on the SEO London Alternatives Investment Programme (AIP) Steering Group.

The Apax Foundation Trustees approved a grant of £50,000 a year for 3 years for SEO London.

**Grant renewals**

Impetus

The Apax Foundation has supported Impetus since the Private Equity Foundation was established in 2007.

During 2020, Impetus has continued to work closely with all 16 of their charities to ensure they could continue delivering their services through the global pandemic. Funding was channelled to the areas of greatest need, to help them survive the initial financial shocks of the crisis, move their programmes online and to seize opportunities arising from the changing environment.

Impetus has also pioneered a national response to the crisis, becoming founding partners in two major projects: the National Tutoring Programme (NTP) and the Youth Employment Group (YEG).

The National Tutoring Programme (NTP) is a government-funded, sector-led initiative working with schools to address the impact of COVID-19 related school closures on pupils' learning. From this year, NTP will make high-quality tuition available to state-maintained primary and secondary schools, supporting pupils who have missed out the most, to catch up on learning.

Amid predictions that Youth Employment could rise to one million young people, we formed the Youth Employment Group, together with the Youth Futures Foundation, Youth Employment UK, the Institute for Employment Studies and The Prince's Trust. Impetus chairs this group which comprises 170 leaders and experts in the youth employment sector. The group will collaborate to work with, and influence, government and policymakers to drive the UK's response to youth employment.

A senior member of the Apax Partners team serves on the Impetus board.

The Apax Foundation Trustees approved a continuation grant of £175,000 for Impetus.

## **THE APAX FOUNDATION**

**(A company limited by guarantee)**

### **TRUSTEES' REPORT (CONTINUED)**

**For the year ended 31 December 2020**

#### **Apax staff community engagement**

The Apax Foundation staff 'matching' scheme aims to encourage the personal charitable giving of members of the Apax Partners' worldwide team and increase their engagement with philanthropy. The overarching hope is that the Foundation's support will encourage people to increase their personal giving. The scheme matches charitable donations made by members of the Apax team 1:1 up to \$50,000, as well as supporting the efforts of members of the team who give significant time to charitable commitments. In addition, in response to the Coronavirus pandemic, Apax team donations were matched 6:1. The Foundation made grants totalling £2,651,220 through the matching scheme in the year-ended 31 December 2020 (2019 - £778,891).

The Apax team repeated the successful 'Apax Challenge', taking part in a range of activities sponsored by the Apax Foundation to raise £20,000 for Rianna's Fund. Rianna's Fund is a UK-based charity that builds schools in deprived parts of the world.

Due to the global pandemic, a repeat of the Apax Give Back Days that occurred in 2019 were unable to go ahead in 2020.



**THE APAX FOUNDATION**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**For the year ended 31 December 2020**

**FINANCIAL REVIEW**

The Group made donations of £5,899,691 during the year (2019 - £1,846,900) and had income of £3,468,595 (2019 - £943,847). Net investment income of £611,519 was earned (2019 - £680,245). Distributions from carried interest holdings received in the year totalled £9,321,865 (2019 - £2,619,023). The Group's net assets increased by £8,219,144 during the year (2019 - increase of £14,935,613).

The Charity's wholly owned subsidiary, Apax E Member Limited, received a profit share of £3,427,076 (2019 - £908,502) from Apax Partners LLP during the year. Apax E Member Limited made donations of £3,403,899 (2019 - £918,356) to the Charity during the year.

**Investment policy and activity**

The Charity's policy is to invest its funds in a prudent and ethical manner to enable funding of future activities.

The Charity holds investments of £8,615,061 (2019 - £8,169,826) with Rothschild Wealth Management and £13,958,393 (2019 - £12,377,863) with Vanguard.

In the prior year, an option to purchase the Charity's holding in Finance in Motion was granted with a sale price of €2,050,000. An upfront option to purchase fee was received during 2019 of €410,000 and the remaining funds were received in October 2020 at which point the investment was sold. Additional consideration of €164,000 in excess of the agreed price was received which gave rise to a further gain on investment in the current year.

**Reserve policy**

The Charity's administration costs are small. As such the Trustees believe that the reserves maintained by Charity are sufficient to meet its charitable commitments, as mentioned in note 7, in full as they fall due.

The Trustees believe that the Charity should be able to pursue its objectives for the indefinite future, however its future funding is highly dependent on the business success of Apax Partners LLP. The Trustees consider that the building of a substantial endowment will allow them to achieve their longer term objectives. As a result, the Charity now has uncommitted reserves of £64,841,071 (2019 - £56,636,948). The Trustees will continue to identify opportunities to make donations in furtherance of its objectives.

The Charity Trustees review this policy annually, or if there are any significant changes to its commitments or activities.

**FUTURE DEVELOPMENTS**

The Foundation holds carried interest shares in a number of Apax Funds; of which, only Apax Europe VI, Apax Europe VII and Apax VIII are currently making distributions of carried interest. Carried interest shares constitute an investment in a Fund which becomes entitled to receive distributions once the external investors in the relevant fund have received their investment back plus a hurdle rate of return thereon. When later funds commence to distribute carried interest, the Trustees will consider increasing the Charity's annual level of giving. After the year-end, the terms of the staff matching scheme were enhanced to increase the rates at which the Foundation makes donations to charities supported by Apax team members.

The Trustees intend to continue building the Charity's endowment to provide an additional source of income in the future, and to give the Charity a sense of stability and permanence. It is planned that up to 20% of these funds will be allocated to social investments rather than purely commercial investments.

**POST BALANCE SHEET EVENTS**

There have been no significant events affecting the Charity since the year end.

## **THE APAX FOUNDATION**

**(A company limited by guarantee)**

### **TRUSTEES' REPORT (CONTINUED)**

**For the year ended 31 December 2020**

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees, who are also the directors are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company and charity law requires the Trustees to prepare financial statements for each financial year. Under that law they have are required to prepare the Group and parent company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charitable company and of the group's excess of income over expenditure for that period. In preparing each of the Group and charitable company financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Group's and the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- use the going concern basis of accounting unless they either intend to liquidate the Group or the charitable company or to cease operations, or have no realistic alternative but to do so.

The Trustees are responsible for keeping adequate and proper accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

#### **DISCLOSURE OF INFORMATION TO THE AUDITOR**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

**THE APAX FOUNDATION**

**(A company limited by guarantee)**

**TRUSTEES' REPORT (CONTINUED)**

**For the year ended 31 December 2020**

**AUDITOR**

The auditor, KPMG LLP, has indicated his willingness to continue in office. The Designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

This report was approved by Trustees and signed on their behalf by:

DocuSigned by:  
  
.....9E27802A04C94B6.....  
**S B Cresswell**  
Trustee  
Date: 29-Sep-2021

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE APAX FOUNDATION

### Opinion

We have audited the financial statements of The Apax Foundation ("the charitable company") for the year ended 31 December 2020, which comprise the Consolidated Statement of Financial Activities (incorporating Income and Expenditure), the Consolidated Balance Sheet, the Charity Statement of Financial Position, the Consolidated statement of Cashflows and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the charitable company's affairs as at 31 December 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### Going concern

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the group or the charitable company or to cease their operations, and as they have concluded that the group and the charitable company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the trustees' conclusions, we considered the inherent risks to the group's business model and analysed how those risks might affect the group and charitable company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the trustees' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the group or the charitable company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the group or the charitable company will continue in operation.

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE APAX FOUNDATION

### Fraud and breaches of laws and regulations – ability to detect

#### *Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud (“fraud risks”) we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of trustees and inspection of policy documentation as to the groups and the charitable company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board of Trustees' minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that group management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates and judgements such as investment valuations. On this audit we do not believe there is a fraud risk related to revenue recognition because of the simple nature of revenue, which comprises a profit share from Apax LLP and dividend income from investments. We did not identify any additional fraud risks.

We performed procedures including identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included journals relating to fair value adjustments.

#### *Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards) and discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), charity reporting legislation, distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: anti-bribery and certain aspects of company legislation recognising the financial and regulated nature of the group's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE APAX FOUNDATION

### *Context of the ability of the audit to detect fraud or breaches of law or regulation*

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 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 fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

### **Other information**

The trustees are responsible for the other information, which comprises the Trustees' Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

we have not identified material misstatements in the other information;  
in our opinion the information given in the Trustees' Report is consistent with the financial statements; and  
in our opinion that report has been prepared in accordance with the Companies Act 2006.

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

Under the Companies Act 2006 we are required to report to you if, in our opinion:

the charitable company has not kept adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or  
the charitable company 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 take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

### **Trustees' responsibilities**

As explained more fully in their statement set out on page 8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the group's and 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 they either intend to liquidate the group or the charitable company or to cease operations, or have no realistic alternative but to do so.

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE APAX FOUNDATION

### Auditor's responsibilities

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

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### The purpose of our audit work and to whom we owe our responsibilities

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.



**Peter Crabb (Senior Statutory Auditor)**  
**For and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
15 Canada Square  
London  
E14 5GL  
Date: 30 September 2021

**THE APAX FOUNDATION**  
**(A company limited by guarantee)**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**For the year ended 31 December 2020**

	Note	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>Income from:</b>				
Donations and other incoming resources	4	3,468,595	3,468,595	943,847
Investments	5	611,519	611,519	680,245
<b>Total income</b>		<u>4,080,114</u>	<u>4,080,114</u>	<u>1,624,092</u>
<b>Expenditure on:</b>				
Investment management costs	6	19,788	19,788	18,454
Charitable activities	8	5,954,827	5,954,827	1,883,651
Other expenditure	9	(666,158)	(666,158)	1,277,859
<b>Total expenditure</b>		<u>5,308,457</u>	<u>5,308,457</u>	<u>3,179,964</u>
Net gains on investments		<u>9,447,487</u>	<u>9,447,487</u>	<u>16,491,485</u>
<b>Net income and movement in funds</b>		<u><u>8,219,144</u></u>	<u><u>8,219,144</u></u>	<u><u>14,935,613</u></u>
<b>Reconciliation of funds:</b>				
Total funds brought forward		56,860,059	56,860,059	41,924,446
Net movement in funds		8,219,144	8,219,144	14,935,613
<b>Total funds carried forward</b>		<u><u>65,079,203</u></u>	<u><u>65,079,203</u></u>	<u><u>56,860,059</u></u>

There were no recognised gains and losses for the year ending 31 December 2020 or the year ending 31 December 2019 other than the net movement in funds shown above.

All amounts dealt with above are derived from continuing operations.

The notes on pages 18 to 34 form part of these financial statements.



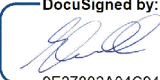
**THE APAX FOUNDATION****(A company limited by guarantee)****Registered number: 05662690****CONSOLIDATED BALANCE SHEET****As at 31 December 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Investments	14	53,428,744	54,050,380
		<u>53,428,744</u>	<u>54,050,380</u>
<b>Current assets</b>			
Debtors	15	1,594,394	212,873
Cash at bank and in hand	22	10,646,549	3,343,206
		<u>12,240,943</u>	<u>3,556,079</u>
Creditors: amounts falling due within one year	16	(391,349)	(435,538)
<b>Net current assets</b>		<u>11,849,594</u>	<u>3,120,541</u>
<b>Total assets less current liabilities</b>		<u>65,278,338</u>	<u>57,170,921</u>
Creditors: amounts falling due after more than one year	17	(199,135)	(310,862)
<b>Net assets</b>		<u>65,079,203</u>	<u>56,860,059</u>
<b>Total net assets</b>		<u><u>65,079,203</u></u>	<u><u>56,860,059</u></u>
<b>Charity funds</b>			
Unrestricted funds	19	65,079,203	56,860,059
<b>Total funds</b>		<u><u>65,079,203</u></u>	<u><u>56,860,059</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 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:

DocuSigned by:  
  
 9E27802A04C94B6...

**S B Cresswell**

Trustee

Date: 29-Sep-2021

The notes on pages 18 to 34 form part of these financial statements.

**THE APAX FOUNDATION****(A company limited by guarantee)****Registered number: 05662690****CHARITY STATEMENT OF FINANCIAL POSITION****As at 31 December 2020**


	Note	2020 £	2019 £
<b>Fixed assets</b>			
Investments	14	53,428,744	54,050,380
		<u>53,428,744</u>	<u>54,050,380</u>
<b>Current assets</b>			
Debtors	15	1,358,883	-
Cash at bank and in hand	22	10,631,485	3,328,648
		<u>11,990,368</u>	<u>3,328,648</u>
Creditors: amounts falling due within one year	16	(378,906)	(431,218)
<b>Net current assets</b>		<u>11,611,462</u>	<u>2,897,430</u>
<b>Total assets less current liabilities</b>		<u>65,040,206</u>	<u>56,947,810</u>
Creditors: amounts falling due after more than one year	17	(199,135)	(310,862)
<b>Net assets</b>		<u>64,841,071</u>	<u>56,636,948</u>
<b>Total net assets</b>		<u><u>64,841,071</u></u>	<u><u>56,636,948</u></u>
<b>Charity funds</b>			
Unrestricted funds	22	64,841,071	56,636,948
<b>Total funds</b>		<u><u>64,841,071</u></u>	<u><u>56,636,948</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 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:

DocuSigned by:



9E27802A04C94B6...

**S B Cresswell**

Trustee

Date: 29-Sep-2021

The notes on pages 18 to 34 form part of these financial statements.

**THE APAX FOUNDATION**  
**(A company limited by guarantee)**

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the year ended 31 December 2020**

	Note	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	21	(4,016,231)	(898,142)
<b>Cash flows from investing activities</b>			
Income from investments	5	611,519	680,245
Proceeds from sale of investments	14	10,812,934	3,071,639
Purchase of investments	14	(104,879)	(232,387)
<b>Net cash provided by investing activities</b>		<u>11,319,574</u>	<u>3,519,497</u>
<b>Change in cash and cash equivalents in the year</b>		7,303,343	2,621,355
Cash and cash equivalents at the beginning of the year		3,343,206	721,851
<b>Cash and cash equivalents at the end of the year</b>	22	<u><u>10,646,549</u></u>	<u><u>3,343,206</u></u>

The notes on pages 18 to 34 form part of these financial statements

## THE APAX FOUNDATION

(A company limited by guarantee)

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2020

#### 1. General information

The Apax Foundation is a company limited by guarantee incorporated and domiciled in England. The address of the registered office is 33 Jermyn Street, London, SW1Y 6DN. The nature of the Charity's operations and its principal activities are set out in the Trustee's Report on page 4.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historic cost convention with the exception of investments which are included at fair value. The financial statements have been prepared in accordance with the Statement of Recommended Practice - Charities SORP (FRS 102), issued by the Charity Commission in January 2015, applicable accounting standards in the United Kingdom and Republic of Ireland (FRS 102), Companies Act 2006 and the requirements of the Charities Act 2011. The Charity is a public benefit entity.

The Apax 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.

The financial statements are prepared in sterling which is the functional currency of the Charity.

##### 2.2 Basis of consolidation

The consolidated financial statements incorporate the results of The Apax Foundation and its wholly owned subsidiary undertaking Apax E Member Limited, for the year ended 31 December 2020 on a line by line basis.

The financial statements of Apax E Member Limited are non-coterminous and are made up to 31 March.

The Charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Statement of Financial Activities.

##### 2.3 Going concern

The Trustees have considered the impact of the emergence and spread of Coronavirus Disease ("COVID-19") in carrying out their assessment and potential implications on future operations of the Charity and the Group. The Trustees are satisfied that the Charity and Group has adequate resources, including a Group cash balance of £10.6m and liquid quoted investments of £31.1m, that are sufficient to cover its committed grants and limited cost base, which are not expected to change materially. Furthermore, the entity does not have any external debt and therefore has no repayment obligations and as such can continue in operation for at least the next twelve months. For this reason, the Trustees have adopted the going concern basis in preparing these financial statements.

##### 2.4 Incoming resources

All incoming resources are included in the consolidated statement of financial activities when the Group is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income received by way of donations is included in full in the Consolidated Statement of Financial Activities when receivable; and
- Investment income is included on an accruals basis.

**THE APAX FOUNDATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2020**

**2. Accounting policies (continued)**

**2.5 Donated services**

Where services are provided to the Charity as a donation that would normally be purchased from the market this contribution is included in the financial statements at an estimated valuation of the arm's length market value of such services.

**2.6 Resources expended**

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

- Charitable activities include costs incurred in furtherance of the Charity's objectives;
- Support costs have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. allocation of staff costs by time spent and other costs by their usage; and
- Governance costs include costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and legal fees. They are included within support costs and have been apportioned between the different categories of charitable activities on an appropriate basis.

The costs of generating funds represent fundraising costs together with investment management fees.

**2.7 Realised and unrealised gains and losses on investments**

Realised and unrealised gains and losses on investment assets are included in 'Net gains on investments' within the Statement of Financial Activities.

**2.8 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for a particular purpose.

Investment income, gains and losses are allocated to the appropriate fund.

**2.9 Grant making activities**

Grants to beneficiaries are generally accounted for on a paid basis but grant payments are recognised as liabilities when a constructive obligation arises that results in future payment being unavoidable.

**THE APAX FOUNDATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2020**

**2. Accounting policies (continued)**

**2.10 Investments**

**Quoted investments**

Quoted investments are included in the Balance Sheet at a fair value. All gains and losses are shown in the Statement of Financial Activities. Asset purchases and sales are recognised at the date of trade.

**Unquoted investments**

Unquoted investments are valued at the Trustee Board's best estimate of fair value as follows:

*Pooled investments*

Pooled investments are stated at fair value, the basis of fair value being the market value of the underlying investments held. These valuations are provided by the fund managers and are subject to independent valuation.

*Carried interest*

The Foundation holds carried interest shares in various Apax Funds. These are initially measured at cost and then at each subsequent reporting date are carried at fair value. Movements in the fair value are presented in the Statement of Financial Activities. The valuation of the carried interest is contingent on the valuation of the portfolio of assets in the underlying funds and their estimated disposal and hold period. A discount is applied to the notional valuation to reflect the lack of liquidity of the carried interest units.

**Investment in subsidiary**

The Foundation owns 100% of the issued ordinary share capital of Apax E Member Limited with a notional value of £1. The investment is valued at cost.

**2.11 Debtors**

Short term debtors are measured at transaction price less any impairment.

**2.12 Cash at bank and in hand**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

**2.13 Creditors**

Short term creditors are measured at transaction price.

**THE APAX FOUNDATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2020**

**2. Accounting policies (continued)**

**2.14 Financial instruments**

The Charitable Company has chosen to adopt sections 11 and 12 of FRS 102 in respect of financial instruments.

*Financial assets*

Basic financial assets, including trade and other receivables, cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed that the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

*Financial liabilities*

Basic financial liabilities, including trade and other payables and loans from fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**THE APAX FOUNDATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2020**

**2. Accounting policies (continued)**

**2.15 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. The trading subsidiary suffered no corporation tax during the year (2019: £NIL).

**2.16 Foreign currencies**

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the Statement of Financial Activities.

**3. Critical accounting estimates and areas of judgment**

In the application of the Charity's accounting policies, which are described in note 2, the Trustees are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

**Critical judgments in applying the Charity's accounting policies**

The Trustees do not consider that there are any critical judgments, apart from those involving estimations (which are dealt with separately below), that have been made in the process of applying the Charity's accounting policies which would have a significant effect on the amounts recognised in the financial statements.

**Key sources of estimation uncertainty**

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

*Fair value measurement of unquoted investments*

The basis for obtaining fair values of unquoted fixed asset investments is mostly based on third party valuation reports. For certain investments, that the Trustees deem to be less liquid, they have applied judgement to include a discount to reflect a lack of marketability. Changes in these assumptions could affect the reported fair value of financial instruments.



**THE APAX FOUNDATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2020**

**4. Activities for generating funds**

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Other donations	16,422	16,422	18,035
Profit share from Apax Partners LLP	3,427,076	3,427,076	908,502
Donated services	25,097	25,097	17,310
	<u>3,468,595</u>	<u>3,468,595</u>	<u>943,847</u>

**5. Investment income**

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Quoted investments	484,667	484,667	441,971
Programme related investments	126,852	126,852	238,274
	<u>611,519</u>	<u>611,519</u>	<u>680,245</u>

**6. Investment management costs**

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Investment management fees	19,788	19,788	18,454
	<u>19,788</u>	<u>19,788</u>	<u>18,454</u>

**THE APAX FOUNDATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2020**

**7. Analysis of donations**

	Donations to Institutions 2020 £	Total funds 2020 £	Total funds 2019 £
Advancement of education	272,646	272,646	294,900
Social enterprise and relief of financial hardship	270,427	270,427	767,178
Other charitable purposes	412,358	412,358	784,822
COVID 19 initiative	4,944,260	4,944,260	-
	<u>5,899,691</u>	<u>5,899,691</u>	<u>1,846,900</u>

**THE APAX FOUNDATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2020**

**7. Analysis of donations (continued)**

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

	2020 £
<b>Name of institution</b>	
Stamford Hospital Foundation	421,958
Impetus - The Private Equity Foundation	255,000
The Trussell Trust	237,670
Hawaii Foodbank	215,381
Robin Hood Foundation	208,874
Aga Khan Foundation	174,209
SEO London	150,000
Goonj	140,000
The University of Chicago School of Medicine	134,871
British Red Cross	121,500
Thomas's Foundation	120,000
Italian Red Cross	116,195
Shanghai United Foundation	115,817
Center for Disaster Philanthropy	115,810
Emergency Cash Assistance Program NYC	109,799
Direct Relief	107,783
Street Child	107,019
Akshaya Patra Foundation	106,000
Royal Free Hospital COVID-19 Emergency Fund	100,964
Northwestern Memorial Foundation	90,032
	<hr/>
	3,148,882
Other donations	2,750,809
	<hr/>
	5,899,691
	<hr/> <hr/>

In December 2019, the Charity made a 3 year commitment to the Opportunity Network for \$450,000. This was recognised in full in the Statement of Financial Activities in the year ending 31 December 2019. As at 31 December 2020, \$150,000 has been drawn down and the balance of \$300,000 remains payable.

In June 2019, the Charity made a 10 year commitment to the Oncohealth Institute at Fundación Jiménez Díaz for €25,000 a year for ten years. It has been agreed with the Institute that the Foundation can cease making payments under its commitment after five years and therefore the anticipated cost for the first five years was recognised in the Statement of Financial Activities in the year ending 31 December 2019. As at 31 December 2020, €NIL has been drawn down and the balance of €125,000 remains payable.

In September 2020, the Charity made a 3 year commitment to SEO London for £150,000. This was recognised in full in the Statement of Financial Activities in the year ending 31 December 2020. As at 31 December 2020, £50,000 has been drawn down and the balance of £100,000 remains payable.

**THE APAX FOUNDATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2020**

**8. Analysis of expenditure on charitable activities**

**Summary by fund type**

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Advancement of education	275,195	275,195	300,767
Social enterprise and relief of financial hardship	273,558	273,558	782,444
Other charitable purposes	415,607	415,607	800,440
COVID 19 initiative	4,990,467	4,990,467	-
	<u>5,954,827</u>	<u>5,954,827</u>	<u>1,883,651</u>

**9. Other expenditure**

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Foreign exchange (gains)/losses	(666,158)	(666,158)	1,277,859
	<u>(666,158)</u>	<u>(666,158)</u>	<u>1,277,859</u>

**10. Analysis of expenditure by activities**

	Donations 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Advancement of education	272,646	2,549	275,195	300,767
Social enterprise and relief of financial hardship	270,427	3,131	273,558	782,444
Other charitable purposes	412,358	3,249	415,607	800,440
COVID 19 initiative	4,944,260	46,207	4,990,467	-
	<u>5,899,691</u>	<u>55,136</u>	<u>5,954,827</u>	<u>1,883,651</u>

**THE APAX FOUNDATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2020**

**10. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	Advancement of education 2020 £	Social enterprise and relief of financial hardship 2020 £	Other charitable purposes 2020 £	COVID 19 initiative 2020 £	Total funds 2020 £	Total funds 2019 £
Staff costs	1,160	1,754	1,150	21,034	25,098	17,310
General office costs	52	52	78	943	1,125	698
Governance costs	1,337	1,325	2,021	24,230	28,913	18,743
	<u>2,549</u>	<u>3,131</u>	<u>3,249</u>	<u>46,207</u>	<u>55,136</u>	<u>36,751</u>

**11. Auditor's remuneration**

	2020 £	2019 £
Fees payable to the Groups's auditor for the audit of the Group's annual accounts	<u>28,913</u>	<u>18,743</u>

**12. Staff costs**

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Wages and salaries	25,098	17,310	25,098	17,310
	<u>25,098</u>	<u>17,310</u>	<u>25,098</u>	<u>17,310</u>

Wages and salaries represent the approximate cost of Apax Partners employees who work on Foundation matters. These costs are not recharged to the Foundation and corresponding income is recognised as donated services.

**THE APAX FOUNDATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2020**

**13. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 December 2020, no Trustee expenses have been incurred (2019 - £NIL).

**14. Fixed asset investments**

<b>Group</b>	Quoted investments £	Unquoted investments £	Programme related investments £	Total £
<b>Cost or valuation</b>				
At 1 January 2020	28,187,163	24,476,324	1,386,893	54,050,380
Additions	-	104,879	-	104,879
Disposals	-	(9,329,308)	(1,483,626)	(10,812,934)
Revaluations	2,933,645	7,056,041	96,733	10,086,419
<b>At 31 December 2020</b>	<u>31,120,808</u>	<u>22,307,936</u>	<u>-</u>	<u>53,428,744</u>

A net loss of £787,295 in relation to certain foreign exchange movements, distributions and investment management fees has been included in the revaluation line above which when removed and combined with £148,363 of realised gains, agrees to the £9,447,487 in the Statement of Financial Activities.

<b>Charity</b>	Investments in subsidiary companies £	Quoted investments £	Unquoted investments £	Programme related investments £	Total £
<b>Cost or valuation</b>					
At 1 January 2020	1	28,187,163	24,476,323	1,386,893	54,050,380
Additions	-	-	104,879	-	104,879
Disposals	-	-	(9,329,308)	(1,483,626)	(10,812,934)
Revaluations	-	2,933,645	7,056,041	96,733	10,086,419
<b>At 31 December 2020</b>	<u>1</u>	<u>31,120,808</u>	<u>22,307,935</u>	<u>-</u>	<u>53,428,744</u>

A net loss of £787,295 in relation to certain foreign exchange movements, distributions and investment management fees has been included in the revaluation line above which when removed and combined with £148,363 of realised gains, agrees to the £9,447,487 in the Statement of Financial Activities.

**THE APAX FOUNDATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2020**

**14. Fixed asset investments (continued)**

**Principal subsidiaries**

The following was a subsidiary undertaking of the Charity:

<b>Name</b>	<b>Company number</b>	<b>Registered office</b>	<b>Principal activity</b>	<b>Class of Holding shares</b>	<b>Included in consolidation</b>
Apax E Member Limited	05611395	33 Jermyn Street, London, SW1Y 6DN	Member of Apax Partners LLP	Ordinary 100%	Yes

The financial results of the subsidiary for the 12 months to 31 December 2020 were:

<b>Name</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Profit/(Loss)/ Surplus/ (Deficit) for the year £</b>	<b>Net assets £</b>
Apax E Member Limited	3,427,076	(3,412,056)	15,020	238,133

**15. Debtors**

	<b>Group 2020 £</b>	<b>Group 2019 £</b>	<b>Charity 2020 £</b>	<b>Charity 2019 £</b>
Prepayments and accrued income	1,594,394	212,873	1,358,883	-
	<u>1,594,394</u>	<u>212,873</u>	<u>1,358,883</u>	<u>-</u>

**16. Creditors: Amounts falling due within one year**

	<b>Group 2020 £</b>	<b>Group 2019 £</b>	<b>Charity 2020 £</b>	<b>Charity 2019 £</b>
Accruals and deferred income	33,233	17,760	20,790	13,440
Grants accrued	358,116	417,778	358,116	417,778
	<u>391,349</u>	<u>435,538</u>	<u>378,906</u>	<u>431,218</u>

**THE APAX FOUNDATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2020**

**17. Creditors: Amounts falling due after more than one year**

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Grants accrued	199,135	310,862	199,135	310,862
	<u>199,135</u>	<u>310,862</u>	<u>199,135</u>	<u>310,862</u>

**18. Financial instruments**

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
<b>Financial assets</b>				
Financial assets measured at fair value through income and expenditure	64,075,293	57,393,585	64,060,228	57,379,027
	<u>64,075,293</u>	<u>57,393,585</u>	<u>64,060,228</u>	<u>57,379,027</u>

Financial assets measured at fair value through income and expenditure comprise cash and cash equivalents, quoted, unquoted and programme-related investments.



**THE APAX FOUNDATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2020**

**19. Statement of funds (group)**

Statement of funds for the year ended 31 December 2020

	Balance at 1 January 2020	Income	Expenditure	Gains/ (Losses)	Balance at 31 December 2020
<b>Unrestricted funds</b>					
Designated funds	18,035	-	-	-	18,035
General funds	56,842,024	4,080,114	(5,308,457)	9,447,487	65,061,168
Total unrestricted funds	56,860,059	4,080,114	(5,308,457)	9,447,487	65,079,203

Statement of funds for the period ended 31 December 2019

	Balance at 1 January 2019	Income	Expenditure	Gains/ (Losses)	Balance at 31 December 2019
<b>Unrestricted funds</b>					
Designated funds	-	18,035	-	-	18,035
General funds	41,924,446	1,606,057	(3,179,964)	16,491,485	56,842,024
Total unrestricted funds	41,924,446	1,624,092	(3,179,964)	16,491,485	56,860,059

**Statement of funds (charity)**

Statement of funds for the year ended 31 December 2020

	Balance at 1 January 2020	Income	Expenditure	Gains/ (Losses)	Balance at 31 December 2020
<b>Unrestricted funds</b>					
Designated funds	18,035	-	-	-	18,035
General funds	56,618,913	4,056,936	(5,300,300)	9,447,487	64,823,036
Total unrestricted funds	56,636,948	4,056,936	(5,300,300)	9,447,487	64,841,071

Statement of funds for the period ended 31 December 2019

	Balance at 1 January 2019	Income	Expenditure	Gains/ (Losses)	Balance at 31 December 2019
<b>Unrestricted funds</b>					
Designated funds	-	18,035	-	-	18,035
General funds	41,686,178	1,615,911	(3,174,661)	16,491,485	56,618,913
Total unrestricted funds	41,686,178	1,633,946	(3,174,661)	16,491,485	56,636,948

**THE APAX FOUNDATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2020**

**20. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2020 £	Total funds 2020 £
Fixed asset investments	53,428,744	53,428,744
Current assets	12,240,943	12,240,943
Creditors due within one year	(391,349)	(391,349)
Creditors due in more than one year	(199,135)	(199,135)
<b>Total</b>	<b>65,079,203</b>	<b>65,079,203</b>

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2019 £	Total funds 2019 £
Fixed asset investments	54,050,380	54,050,380
Current assets	3,556,079	3,556,079
Creditors due within one year	(435,538)	(435,538)
Creditors due in more than one year	(310,862)	(310,862)
<b>Total</b>	<b>56,860,059</b>	<b>56,860,059</b>

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

	Group 2020 £	Group 2019 £
Net income for the period (as per Statement of Financial Activities)	8,219,144	14,935,613
<b>Adjustments for:</b>		
Investment income	(611,519)	(680,245)
Unrealised gains on investments	(10,086,419)	(15,352,263)
(Increase)/decrease in debtors	(1,381,521)	19,864
(Decrease)/increase in creditors	(155,916)	178,889
<b>Net cash used in operating activities</b>	<b>(4,016,231)</b>	<b>(898,142)</b>

**THE APAX FOUNDATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2020**

**22. Analysis of cash and cash equivalents**

	Group 2020 £	Group 2019 £
Cash in hand	10,646,549	3,343,206
<b>Total cash and cash equivalents</b>	<b>10,646,549</b>	<b>3,343,206</b>

**23. Analysis of changes in net debt**

	At 1 January 2020 £	Cash flows £	Changes in market value and exchange rate movements £	At 31 December 2020 £
Cash at bank and in hand	3,343,206	7,127,797	175,546	10,646,549
	<u>3,343,206</u>	<u>7,127,797</u>	<u>175,546</u>	<u>10,646,549</u>

**24. Related party transactions**

During the year, the Apax Foundation received donations from its subsidiary, Apax E Member Limited of £3,403,899 (2019: £918,356).

Before a grant is agreed, the Foundation determines whether there is a conflict of interest to be considered and if it is appropriate for any Trustee to refrain from voting in any matters relating to such grant.

One of the Trustees of Orchestra of the Age of Enlightenment is also a Trustee of the Apax Foundation.

One of the Trustees of The West London Synagogue of British Jews is also a Trustee of the Apax Foundation.

One of the Board members of Impetus - The Private Equity Foundation is also a Trustee of the Apax Foundation.

One of the members of Jewish Care Finance, Audit and Investment Committee is also a Trustee of the Apax Foundation.

The Chairman Emeritus of Opportunity Network is also a Trustee of the Apax Foundation.

One of the Trustees of St Luke's School is the spouse of a Trustee of the Apax Foundation.

The Chairman of the Portland Trust is also a Trustee of the Apax Foundation.

One of the Board members of the The Posse Foundation is also a Trustee of the Apax Foundation.

**THE APAX FOUNDATION**

**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2020**

**25. Post balance sheet events**

There have been no significant events affecting the Charity since the year end.