

THE FACET FOUNDATION LIMITED

England & Wales · Charity number 1126003

Details

Status	Registered
Legal form	Charitable company
Company number	06618453
Registered	2008-09-22
Register	View on the Charity Commission register

Contact

Address	Graff Diamonds Ltd 28-29 Albemarle Street London W1S 4JA
Phone	02075848571
Email	info@facet-foundation.org
Website	www.facet-foundation.org

Activities

Objects: 3) TO PROMOTE SUCH GENERAL CHARITABLE PURPOSES, WHICH ARE RECOGNISED AS CHARITABLE ACCORDING TO THE CHARITABLE LAW OF ENGLAND AND WALES, IN PARTICULAR BUT NOT EXCLUSIVELY TO RELIEVE POVERTY, TO ADVANCE EDUCATION AND RELIEVE SICKNESS AND PROMOTE AND PROTECT THE GOOD HEALTH OF PEOPLE IN AFRICA AND OTHER DEVELOPING NATIONS.

Activities: To apply the income and such parts of the capital towards particularly but not exclusively to relieve poverty, to advance education, to relieve sickness and to promote and protect the good health of people in Africa and other developing nations.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Economic/community Development/employment
- **Who:** Other Charities Or Voluntary Bodies

Geography

- **Area of benefit:** UNDEFINED, IN PRACTICE OVERSEAS
- Botswana
- Lesotho
- South Africa
- City Of Westminster

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£834,773	£37,695	£-494,424	0
2023-12-31	£915,868	£2,094,607	£-1,291,502	0
2022-12-31	£1,712,299	£665,448	£-112,763	0
2021-12-31	£610,585	£795,099	£209,633	0
2020-12-31	£405,394	£803,843	-	-

Trustees

Name	Role	Appointed
Alexander Molla		2022-06-30
FRANCOIS XAVIER GRAFF		
LAURENCE GRAFF		

THE FACET FOUNDATION LIMITED

England & Wales - Charity number 1126003

Accounts

Facet Foundation
(A company limited by guarantee)

TRUSTEES ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended
31 December 2024

Company Registration No. 06618453

Registered Charity No: 1126003

Facet Foundation

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For the year ended 31 December 2024

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Facet Foundation

TRUSTEES AND ADVISORS

TRUSTEES

Laurence Graff
Francois Graff
Alexander Molla

REGISTERED OFFICE

29 Albemarle Street
London W1S 4JA

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
1 Embankment Place
London WC2N 6RH

BANKERS

Barclays Bank plc
Level 25
1 Churchill Place
London E14 5HP
United Kingdom

Company registration number: 06618453

Charity registration number: 1126003

The principal office is the same as the registered office.

Facet Foundation

TRUSTEES' ANNUAL REPORT

The trustees submit their report and audited financial statements of the Facet Foundation for the year ended 31 December 2024.

The organisation is a private charitable company limited by guarantee, and the financial statements have been prepared in accordance with special provisions relating to small companies within Part 15 of the Companies Act 2006, the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP under FRS 102) and the Charities Act 2011. It is a public benefit entity.

OBJECTIVES, STRATEGY AND ACTIVITIES

The charitable company was incorporated on 12 June 2008, and registered with the Charity Commission on 22 September 2008. The charitable company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, trustees are required to contribute an amount not exceeding £1.

The objectives and strategy of the charitable company are to apply the income and such parts of the capital towards, particularly but not exclusively, the relief of poverty, to advance education, to relieve sickness and to promote and protect the health of people in Southern Africa. The trustees confirm that they have complied with their duty under Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit and seek to meet the charitable company's purposes in following its objectives.

FUTURE DEVELOPMENTS AND FUTURE PLANS

The trustees will continue to apply the income and such parts of the capital towards, particularly but not exclusively, working with local partners to develop targeted programmes designed to improve standards of health, education and well-being among communities in Southern Africa. Donations will continue to be made to support the existing projects as required by those projects.

TRUSTEES

The statutory power of appointing new or additional trustees is vested in Graff Diamonds Limited, a related party. The following Trustees have held office throughout the year and up to the date of signing the financial statements and they are also charity trustees for the purpose of charity law:

Laurence Graff
Francois Graff
Alexander Molla

MANAGEMENT AND GOVERNANCE

All new trustees are provided with an induction pack which includes the constitution of the charitable company and guidelines on how to perform their duties as a trustee. Further training is given as and when necessary. The day to day management of the charitable company is carried out by Robert Falk, the charitable company accountant.

RELATED PARTIES

The charitable company has a close relationship with Graff Diamonds Limited which provides funding to the charitable company and Graff Foundation, a charity with the same Trustees. Francois Graff is a director of Graff Diamonds Limited, and Laurence Graff is the ultimate controlling shareholder of that company.

LIABILITY OF THE MEMBERS

The charitable company is limited by guarantee and the liability of the members in the event they are required to contribute if called on to do so is limited to £1 each.

Facet Foundation

TRUSTEES' ANNUAL REPORT (Continued)

ACHIEVEMENTS AND PERFORMANCE

The trustees focus the strategy of the charitable company towards a selection of charities in Southern Africa. The trustees made no further grant commitments during the year (2023: grant commitments \$2,616k) as set out in note 6. The grants were made in accordance with the aims of the charitable company as set out in the Memorandum and Articles of Association.

The charitable company continues to provide core funding to those charities in Lesotho (Help Lesotho), Botswana (Stepping Stones) and South Africa (Pebbles Project). No further commitments were made to Help Lesotho (2023: \$nil) and its associated Graff Leadership Centre for staffing, programming and operations of the centre, however, further funds of \$215k (2023: \$215k) were settled in accordance with its existing funding agreement. No further funding commitments were made to the Pebbles Project in the South African wine lands (2023 grant commitments \$1,650K). Funds of \$550k were settled in accordance with its funding agreement (2023: grant commitments \$550k). This was towards the running costs and ongoing leadership programmes. No further funding commitments were made to Stepping Stones (2023: grant commitments \$966k). Further funds of \$320k were settled in accordance with its funding agreement (2023: grant commitments \$320k). These programmes and leadership centres are considered to be a contribution towards the improvement in health and education of the Southern African people.

The charitable company liaises with each of the projects on a regular basis and receives reports which are reviewed to establish whether its aims and objectives are being achieved. The trustees decide where grants are made based on these reports.

DONATIONS

Donations are principally received from companies in the Graff Group either by direct charitable gifts or through collections at stores such as the Delaire Graff Estate in South Africa. No professional fund-raisers are employed by the charitable company.

GRANT MAKING POLICY

The essential purpose of the charitable company is to aid in the generation of funds which will be applied to relieve poverty, provide education and to aid in the promotion of health causes, principally in Southern Africa. It is the objective of the charitable company to pursue this through the grant of funds to suitable charitable organisations on the ground in Southern Africa whose objectives are in line with the charitable company.

FINANCIAL REVIEW

The trustees set out the audited financial statements on pages 10 to 16. Net income for the year amounted to \$1,037k (2023: Net expenditure of \$1,510k).

RESERVES POLICY AND INVESTMENT POLICY

It is the policy of the trustees to maintain funds at a level to enable the charitable company to be administered efficiently to meet its expenditure requirements and to have adequate resources to fund its charitable objectives. This policy is reviewed annually. In accordance with the Memorandum and Articles of Association, the current reserves policy is to set aside income as a reserve against future expenditure but only in accordance with a written policy about reserves. At this time the certainty of cash and cash deposits is deemed to be the most appropriate investment strategy.

Facet Foundation

TRUSTEES' ANNUAL REPORT (Continued)

GOING CONCERN

The charitable company is in net liabilities position. The charity has obtained a confirmation from Graff Diamonds International Limited that the charity's on-going commitments will continue to be funded by this company, if required. Additionally, the charitable company's cash and cash deposits position is sufficient to ensure that it is able to meet its financial commitments for at least twelve months, after the date of the signing of the Financial Statements.

PRINCIPAL BUSINESS RISKS AND UNCERTAINTIES AND FINANCIAL RISK MANAGEMENT

The trustees have examined the major risks which the charitable company faces. The trustees confirm that systems have been established to ensure that major risks are identified and as far as practicable adequately mitigated. The management of the charitable company and the execution of the charitable company's strategy are subject to a number of risks that include liquidity and cash flow risk. The charitable company does not have a risk register. Policies relating to the management of these risks and how they are mitigated are described below:

Cash flow risk

Cash flow forecasting is performed on a regular basis which includes rolling forecasts of the charitable company's liquidity requirements to ensure that the charitable company has sufficient cash to meet operational needs.

Liquidity risk

The Trustees regularly review the charitable company's financial position and actively discuss matters to ensure that there are sufficient funds available to continue in operational existence and meet liabilities as and when they fall due.

SIGNIFICANT FACTORS AFFECTING THE CHARITY

Due to the nature of the charity, no positive or negative factors within or outside the charity's control have significantly affected the achievement of its objectives or future plans during the year' for both charities accounts.

DISCLOSURE OF INFORMATION TO AUDITORS

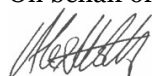
As far as the trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and they have taken all the steps that they ought to have taken as trustees, to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of the information.

INDEPENDENT AUDITORS

The auditors, PricewaterhouseCoopers LLP have indicated their willingness to continue in office.

The report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and as such no strategic report has been prepared.

On behalf of the trustees



Alexander Molla
Trustee

Date 28th May 2025

Facet Foundation

Statement of trustees' responsibilities

The trustees (who are also directors of Facet 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 regulation.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). 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 the 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 Statement of Recommended Practice: Accounting and Reporting by Charities (2019);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, 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 and 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. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

In accordance with Section 418, directors' reports shall include a statement, in the case of each director in office at the date the directors' report is approved, that:

- (a) so far as the trustee is aware, there is no relevant audit information of which the company's auditors are unaware; and
- (b) he has taken all the steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors' report to the members of Facet Foundation

Report on the audit of the financial statements

Opinion

In our opinion, Facet Foundation's financial statements (the "financial statements"):

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2024 and of its incoming resources and application of resources, including its income and expenditure, and cash flows, for the year then ended;
 - have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
 - have been prepared in accordance with the requirements of the Companies Act 2006.
-

Basis for opinion

We have audited the financial statements, included within the Trustees' Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2024; the Statement of Financial Activities (incorporating an income and expenditure account), the Cash Flow Statement for the year then ended; and the notes to the financial statements, which include a description of significant accounting policies.

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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 the date on which the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the charitable company's ability to continue as a going concern.

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

Independent auditors' report to the members of Facet Foundation

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Trustees' Annual Report, we also considered whether the disclosures required by the UK Companies Act 2006 and Charities Act 2011 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Trustees' Annual Report

In our opinion, based on the work undertaken in the course of the audit the information given in the Trustees' Annual Report for the period ended 31 December 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Trustees' Annual Report.

Responsibilities for the financial statements and the audit

Responsibilities of the trustees for the financial statements

As explained more fully in the Statement of trustees' responsibilities 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 in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also 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.

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.

Independent auditors' report to the members of Facet Foundation

Based on our understanding of the charitable company and its industry, we identified that the principal risks of non-compliance with laws and regulations related to Charities Act 2011 in respect of donations and expenditure, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries. Audit procedures performed by the engagement team included:

- Enquiring of management and the board of trustees, including consideration of known or suspected instance of non-compliance with laws and regulation and fraud;
- Reviewing terms and conditions of significant contracts;
- Understanding and evaluating the charity's control environment;
- Identifying and testing journal entries, including journal entries posted with unusual account combinations to income or cash accounts; and,
- Assessing financial statement disclosures, and testing to supporting documentation, for compliance with applicable laws and regulations.

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

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

Use of this report

This report, including the opinions, has been prepared for and only for the charitable company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

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

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Independent auditors' report to the members of Facet Foundation

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the trustees were not entitled to: take advantage of the small companies exemption from preparing a Strategic Report. We have no exceptions to report arising from this responsibility.

A handwritten signature in black ink, appearing to read "Jennifer Dickie". The signature is written in a cursive, flowing style.

Jennifer Dickie (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Embankment Place
28 May 2025

Facet Foundation

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2024

	<i>Note</i>	2024 \$'000	2023 \$'000
Income and endowments from:			
Donations and legacies	2	1,024	1,123
Investments	3	37	22
Other income	4	1	1
Total income and endowments		<u>1,062</u>	<u>1,146</u>
Expenditure on:			
Raising funds	5	(1)	(1)
Charitable activities	6	-	(2,616)
Other expenditure	7	(24)	(39)
Total expenditure		<u>(25)</u>	<u>(2,656)</u>
NET MOVEMENT IN FUNDS		1,037	(1,510)
RECONCILIATION OF FUNDS			
Total funds brought forward		(1,646)	(136)
Total funds carried forward		<u>(609)</u>	<u>(1,646)</u>

All gains and losses recognised in the year are included in the Statement of Financial Activities, for both the current and prior year.

All income and expenditure relate to continuing operations, for both the current and prior year.

Company registration number: 06618453

Charity registration number: 1126003

Facet Foundation

BALANCE SHEET

As at 31 December 2024

	<i>Note</i>	2024 \$'000	2023 \$'000
CURRENT ASSETS			
Debtors	9	25	24
Short-term deposits & cash equivalents	10	925	900
Cash at bank and in hand		304	378
Total current assets		<u>1,254</u>	<u>1,302</u>
CREDITORS: Amounts falling due within one year	11	(993)	(1,100)
NET CURRENT ASSETS		<u>261</u>	<u>202</u>
CREDITORS: Amounts falling due after more than one year	12	<u>(870)</u>	<u>(1,848)</u>
NET LIABILITIES		<u>(609)</u>	<u>(1,646)</u>
THE FUNDS OF THE CHARITY			
Unrestricted funds	13	(609)	(1,646)
Total charity funds		<u>(609)</u>	<u>(1,646)</u>

The notes on pages 13 to 16 are an integral part of these financial statements.

For the year ending 31 December 2024 the Charity was entitled to exemption from specified disclosures under section 382 of the Companies Act 2006 relating to small companies.

The financial statements on pages 10 to 16 were approved by the board of trustees on 28th May 2025 and were signed on its behalf by:



Alexander Molla
Trustee

Facet Foundation

CASH FLOW STATEMENT

for the Year ended 31 December 2024

RECONCILIATION OF NET MOVEMENT OF FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES:	2024 \$'000	2023 \$'000
Net income/(expenditure)	1,037	(1,510)
Bank interest received	(37)	(22)
(Increase) /decrease in debtors	(1)	13
(Decrease)/increase in creditors	(1,085)	1,530
Foreign exchange losses	8	23
<i>Net cash (used in)/generated from operating activities</i>	<u>(78)</u>	<u>34</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Bank interest received	37	22
Purchase of short-term deposits	100	(900)
	<u> </u>	<u> </u>
Net cash generated from/(used in) investing activities	137	(878)
DECREASE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD	59	(844)
Change in cash and cash equivalents due to exchange rate movements	(8)	(23)
	<u> </u>	<u> </u>
<i>Decrease in cash and cash equivalents at the end of the reporting period</i>	51	(867)
Cash and cash equivalents at beginning of year	378	1,245
	<u> </u>	<u> </u>
Cash and cash equivalents at end of year	<u>429</u>	<u>378</u>

Facet Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

1 ACCOUNTING POLICIES

BASIS OF PREPARATION

These financial statements have been prepared on a going concern basis and in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006, the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP under FRS 102), applicable accounting standards in the UK and the Charities Act 2011. The principal accounting policies which have been consistently applied with the prior year and adopted in the preparation of the financial statements are as follows:

FUND ACCOUNTING

The charitable company holds an unrestricted general fund. This can be used in accordance with the charitable objectives at the discretion of the Trustees.

DONATIONS AND LEGACIES

Donations are accounted for in the period in which they are receivable or received. The income arises predominantly in the UK.

EXPENDITURE

Expenditure is included in the Statement of Financial Activities on the accruals basis. Grants and commitments made by the charitable company to beneficiaries are provided for on approval of the Trustees and according to the funding agreements with the beneficiaries.

GRANT POLICY

The charitable company accounts for grants payable when a written commitment is made to the charity. The grant policy is to apply the income and such parts of the capital towards such charitable purposes and to make grants to such charitable institutions at such times and in such manner as the trustees in their absolute discretion think fit. The strategy for achieving these objectives is for the trustees to review various charitable organisations and decide which organisations should receive funding on an annual basis.

FOREIGN CURRENCIES

Within the charitable company, monetary assets and liabilities denominated in foreign currencies are translated into US dollars at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into US dollars at the rates of exchange ruling at the date of the transaction. These translation differences are dealt with in the Statement of Financial Activities.

IRRECOVERABLE VAT

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

TAX

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

DEBTORS

Debtors are recognised at fair value when it is probable that future economic benefits will flow and the value can be measured reliably.

SHORT-TERM DEPOSITS AND CASH EQUIVALENTS

Bank deposits held with terms greater than 3 months are classified as short-term deposits. Bank deposits held with terms less than 3 months are classified as cash equivalents.

PRESENTATIONAL AND FUNCTIONAL CURRENCY

The functional and presentational currency is also USD as the majority of donations are received in USD.

Facet Foundation

NOTES TO THE FINANCIAL STATEMENTS (Continued) for the year ended 31 December 2024

2	DONATIONS AND LEGACIES	2024 \$'000	2023 \$'000
	Donations received	1,024 <u> </u>	1,123 <u> </u>
3	INVESTMENTS	2024 \$'000	2023 \$'000
	Bank interest received	37 <u> </u>	22 <u> </u>
4	OTHER INCOME	2024 \$'000	2023 \$'000
	Gifts in kind	1 <u> </u>	1 <u> </u>
5	RAISING FUNDS	2024 \$'000	2023 \$'000
	Bank and credit card charges	1 <u> </u> 1 <u> </u>	1 <u> </u> 1 <u> </u>
6	CHARITABLE ACTIVITIES	2024 \$'000	2023 \$'000
	Grants payable to:		
	Stepping Stones (Botswana)	-	966
	Pebbles Project (South Africa)	-	1,650
		<u> </u> -	<u> </u> 2,616

Facet Foundation

NOTES TO THE FINANCIAL STATEMENTS (Continued) for the year ended 31 December 2024

7	OTHER EXPENDITURE	2024 \$'000	2023 \$'000
	Governance costs	16	16
	Foreign exchange losses	8	23
		<u>24</u>	<u>39</u>
		<u><u>24</u></u>	<u><u>39</u></u>

Governance costs comprise administrative services, provided by Robert Falk, the charitable company accountant of \$1k (2023: \$1k). These were borne by Graff Diamonds Limited as gifts in kind in 2024 and 2023 (see note 4,) Audit fees are \$15k (2023: \$15k) for the year. FX losses of \$8k have been incurred in 2024 (2023: losses of \$23k).

8 DIRECTORS'/TRUSTEES' EMOLUMENTS

No Directors or trustees received any remuneration or reimbursement of expenses for their services to the charitable company during the year (2023: \$nil). There are no other employees within the charitable company (2023: none).

9	DEBTORS	2024 \$'000	2023 \$'000
	Donations receivable	23	22
	Prepayments and other debtors	2	2
		<u>25</u>	<u>24</u>
		<u><u>25</u></u>	<u><u>24</u></u>

10 SHORT-TERM DEPOSITS & CASH EQUIVALENTS

	2024 \$'000	2023 \$'000
Short term deposits	800	900
Cash Equivalents	125	-
	<u>925</u>	<u>900</u>
	<u><u>925</u></u>	<u><u>900</u></u>

At December 2024, the maturity of the short-term deposit was 105 days. The interest rate on this deposit was 4.27%.

In addition, a further deposit (Cash equivalent) had a maturity of 29 days. The interest rate on this deposit was 4.1%.

Facet Foundation

NOTES TO THE FINANCIAL STATEMENTS (Continued) for the year ended 31 December 2024

11	CREDITORS: Amounts falling due within one year	2024 \$'000	2023 \$'000
	Grants payable within one year	978	1,085
	Accruals and deferred income	15	15
		<u>993</u>	<u>1,100</u>
12	CREDITORS: Amounts falling due after more than one year	2024 \$'000	2023 \$'000
	Grants payable in one to two years	870	978
	Grants payable within two to five years	-	870
		<u>870</u>	<u>1,848</u>
	Opening grants payable	2,933	1,408
	Grants awarded	-	2,616
	Grants paid	(1,085)	(1,091)
	Closing grants payable	<u>1,848</u>	<u>2,933</u>
13	UNRESTRICTED FUNDS	2024 \$'000	2023 \$'000
	Fund balances brought forward as at 1 January	(1,646)	(136)
	Income	1,062	1,146
	Expenditure	(25)	(2,656)
	Fund balances carried forward as at 31 December	<u>(609)</u>	<u>(1,646)</u>
14	RELATED PARTY TRANSACTIONS		

The charitable company received a donation of \$1,000k (2023: \$1,000k) from Graff Diamonds Limited. The charitable company did not receive any donations in the year from The Graff Foundation (2023: \$100k). The charity company also received grants of \$24k (2023: \$23k) from Delaire, a wine estate and hotel and related party based in South Africa. These amounts were raised through local collections from guests staying at the hotel. Laurence Graff, Francois Graff and Alexander Molla are also trustees of The Graff Foundation. The charitable company is a stand-alone entity. Francois Graff is also a director of Graff Diamonds Limited.

THE FACET FOUNDATION LIMITED

England & Wales - Charity number 1126003

Accounts

Facet Foundation

(A company limited by guarantee)

TRUSTEES ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended
31 December 2023

Company Registration No. 06618453

Registered Charity No: 1126003

Facet Foundation

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31 December 2023

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Facet Foundation

TRUSTEES AND ADVISORS

TRUSTEES

Laurence Graff
Francois Graff
Alexander Molla

REGISTERED OFFICE

29 Albemarle Street
London W1S 4JA

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
1 Embankment Place
London WC2N 6RH

BANKERS

Barclays Bank plc
Level 25
1 Churchill Place
London E14 5HP
United Kingdom

Company registration number: 06618453

Charity registration number: 1126003

The principal office is the same as the registered office.

Facet Foundation

TRUSTEES' ANNUAL REPORT

The trustees submit their report and audited financial statements of the Facet Foundation for the year ended 31 December 2023.

The organisation is a private charitable company limited by guarantee, and the financial statements have been prepared in accordance with special provisions relating to small companies within Part 15 of the Companies Act 2006, the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP under FRS 102) and the Charities Act 2011. It is a public benefit entity.

OBJECTIVES, STRATEGY AND ACTIVITIES

The charitable company was incorporated on 12 June 2008, and registered with the Charity Commission on 22 September 2008. The charitable company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, trustees are required to contribute an amount not exceeding £1.

The objectives and strategy of the charitable company are to apply the income and such parts of the capital towards, particularly but not exclusively, the relief of poverty, to advance education, to relieve sickness and to promote and protect the health of people in Southern Africa. The trustees confirm that they have complied with their duty under Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit and seek to meet the charitable company's purposes in following its objectives.

FUTURE DEVELOPMENTS AND FUTURE PLANS

The trustees will continue to apply the income and such parts of the capital towards, particularly but not exclusively, working with local partners to develop targeted programmes designed to improve standards of health, education and well-being among communities in Southern Africa. Donations will continue to be made to support the existing projects as required by those projects.

TRUSTEES

The statutory power of appointing new or additional trustees is vested in Graff Diamonds Limited, a related party. The following Trustees have held office throughout the year and up to the date of signing the financial statements and they are also charity trustees for the purpose of charity law:

Laurence Graff
Francois Graff
Alexander Molla

MANAGEMENT AND GOVERNANCE

All new trustees are provided with an induction pack which includes the constitution of the charitable company and guidelines on how to perform their duties as a trustee. Further training is given as and when necessary. The day to day management of the charitable company is carried out by Robert Falk, the charitable company accountant.

RELATED PARTIES

The charitable company has a close relationship with Graff Diamonds Limited which provides funding to the charitable company and Graff Foundation, a charity with the same Trustees. Francois Graff is a director of Graff Diamonds Limited, and Laurence Graff is the ultimate controlling shareholder of that company.

LIABILITY OF THE MEMBERS

The charitable company is limited by guarantee and the liability of the members in the event they are required to contribute if called on to do so is limited to £1 each.

Facet Foundation

TRUSTEES' ANNUAL REPORT (Continued)

ACHIEVEMENTS AND PERFORMANCE

The trustees focus the strategy of the charitable company towards a selection of charities in Southern Africa. The trustees made grant commitments during the year of \$2,616k (2022: \$750k) to organisations set out in note 6. The grants were made in accordance with the aims of the charitable company as set out in the Memorandum and Articles of Association.

The charitable company continues to provide core funding to those charities in Lesotho (Help Lesotho), Botswana (Stepping Stones) and South Africa (Pebbles Project). No further commitments were made to Help Lesotho (2022: \$750k) and its associated Graff Leadership Centre for staffing, programming and operations of the centre, however, further funds of \$215k (2022: \$105k) were settled in accordance with its existing funding agreement. Further funding commitments of \$1,650K (2022 \$nil) were made to the Pebbles Project in the South African wine lands. Funds of \$550k were settled in accordance with its funding agreement. (2022: \$546k). This was towards the running costs and ongoing leadership programmes. The charitable company granted \$6k during the year towards the running costs of the Graff Leadership Centre in Botswana (Stepping Stones) and, in addition, further funding commitments of \$960k (2022: \$320k) were made to Stepping Stones. Further funds of \$320k were settled in accordance with its funding agreement. (2022: \$320k) These programmes and leadership centres are considered to be a contribution towards the improvement in health and education of the Southern African people.

The charitable company liaises with each of the projects on a regular basis and receives reports which are reviewed to establish whether its aims and objectives are being achieved. The trustees decide where grants are made based on these reports.

DONATIONS

Donations are principally received from companies in the Graff Group either by direct charitable gifts or through collections at stores such as the Delaire Graff Estate in South Africa. No professional fund-raisers are employed by the charitable company.

GRANT MAKING POLICY

The essential purpose of the charitable company is to aid in the generation of funds which will be applied to relieve poverty, provide education and to aid in the promotion of health causes, principally in Southern Africa. It is the objective of the charitable company to pursue this through the grant of funds to suitable charitable organisations on the ground in Southern Africa whose objectives are in line with the charitable company.

FINANCIAL REVIEW

The trustees set out the audited financial statements on pages 10 to page 16. Expenditure exceeded income in the year by \$1,510k (2022: Net income of \$1,322k).

RESERVES POLICY AND INVESTMENT POLICY

It is the policy of the trustees to maintain funds at a level to enable the charitable company to be administered efficiently to meet its expenditure requirements and to have adequate resources to fund its charitable objectives. This policy is reviewed annually. In accordance with the Memorandum and Articles of Association, the current reserves policy is to set aside income as a reserve against future expenditure but only in accordance with a written policy about reserves. At this time the certainty of cash and cash deposits is deemed to be the most appropriate investment strategy.

Facet Foundation

TRUSTEES' ANNUAL REPORT (Continued)

GOING CONCERN

The charitable company is in net liabilities position. The charity has obtained a confirmation from Graff Diamonds International Limited that the charity's on-going commitments will continue to be funded by this company, if required. Additionally, the charitable company's cash and cash deposits position is sufficient to ensure that it is able to meet its financial commitments for at least twelve months, after the date of the signing of the Financial Statements.

PRINCIPAL BUSINESS RISKS AND UNCERTAINTIES AND FINANCIAL RISK MANAGEMENT

The trustees have examined the major risks which the charitable company faces. The trustees confirm that systems have been established to ensure that major risks are identified and as far as practicable adequately mitigated. The management of the charitable company and the execution of the charitable company's strategy are subject to a number of risks that include liquidity and cash flow risk. The charitable company does not have a risk register. Policies relating to the management of these risks and how they are mitigated are described below:

Cash flow risk

Cash flow forecasting is performed on a regular basis which includes rolling forecasts of the charitable company's liquidity requirements to ensure that the charitable company has sufficient cash to meet operational needs.

Liquidity risk

The Trustees regularly review the charitable company's financial position and actively discuss matters to ensure that there are sufficient funds available to continue in operational existence and meet liabilities as and when they fall due.

SIGNIFICANT FACTORS AFFECTING THE CHARITY

Due to the nature of the charity, no positive or negative factors within or outside the charity's control have significantly affected the achievement of its objectives or future plans during the year' for both charities accounts.

DISCLOSURE OF INFORMATION TO AUDITORS

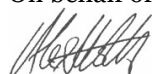
As far as the trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and they have taken all the steps that they ought to have taken as trustees, to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of the information.

INDEPENDENT AUDITORS

The auditors, PricewaterhouseCoopers LLP have indicated their willingness to continue in office.

The report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and as such no strategic report has been prepared.

On behalf of the trustees



Alexander Molla
Trustee

Date
29 August 2024

Facet Foundation

Statement of trustees' responsibilities

The trustees (who are also directors of Facet 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 regulation.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). 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 the 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 Statement of Recommended Practice: Accounting and Reporting by Charities (2019);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, 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 and 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. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

In accordance with Section 418, directors' reports shall include a statement, in the case of each director in office at the date the directors' report is approved, that:

- (a) so far as the trustee is aware, there is no relevant audit information of which the company's auditors are unaware; and
- (b) he has taken all the steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Facet Foundation

Independent auditors' report to the members of Facet Foundation

Report on the audit of the financial statements

Opinion

In our opinion, Facet Foundation's financial statements (the "financial statements"):

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure, and cash flows, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Trustees Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2023; the statement of financial activities (incorporating an income and expenditure account), the cash flow statement for the year then ended; and the notes to the financial statements, which include a description of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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 the date on which the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the charitable company's ability to continue as a going concern.

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

Facet Foundation

Independent auditors' report to the members of Facet Foundation

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Trustees' Annual Report, we also considered whether the disclosures required by the UK Companies Act 2006 and Charities Act 2011 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Trustees' Annual Report

In our opinion, based on the work undertaken in the course of the audit the information given in the Trustees' Annual Report for the period ended 31 December 2023 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Trustees' Annual Report.

Responsibilities for the financial statements and the audit

Responsibilities of the trustees for the financial statements

As explained more fully in the Statement of trustees' responsibilities, 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 in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also 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.

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.

Facet Foundation

Independent auditors' report to the members of Facet Foundation

Based on our understanding of the charitable company and its industry, we identified that the principal risks of non-compliance with laws and regulations related to Charities Act 2011 in respect of donations and expenditure, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries. Audit procedures performed by the engagement team included:

- Enquiring of management and the board of trustees, including consideration of known or suspected instance of non-compliance with laws and regulation and fraud;
- Reviewing terms and conditions of significant contracts;
- Understanding and evaluating the Charity's control environment;
- Identifying and testing journal entries, including journal entries posted with unusual account combinations to income or cash accounts; and,
- Assessing financial statement disclosures, and testing to supporting documentation, for compliance with applicable laws and regulations.

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

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

Use of this report

This report, including the opinions, has been prepared for and only for the charitable company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

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

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Facet Foundation

Independent auditors' report to the members of Facet Foundation

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the trustees were not entitled to: take advantage of the small companies exemption from preparing a Strategic Report. We have no exceptions to report arising from this responsibility.



Jennifer Dickie (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Embankment Place
29 August 2024

Facet Foundation

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2023

	<i>Note</i>	2023 \$'000	2022 \$'000
Income and endowments from:			
Donations and legacies	2	1,123	2,154
Investments	3	22	6
Other income	4	1	1
Total income and endowments		<u>1,146</u>	<u>2,162</u>
Expenditure on:			
Raising funds	5	(1)	-
Charitable activities	6	(2,616)	(750)
Other expenditure	7	(39)	(90)
Total expenditure		<u>(2,656)</u>	<u>(840)</u>
NET MOVEMENT IN FUNDS		(1,510)	1,322
RECONCILIATION OF FUNDS			
Total funds brought forward		(136)	(1,458)
Total funds carried forward		<u>(1,646)</u>	<u>(136)</u>

All gains and losses recognised in the year are included in the Statement of Financial Activities, for both the current and prior year.

All income and expenditure relate to continuing operations, for both the current and prior year.

Company registration number: 06618453

Charity registration number: 1126003

Facet Foundation

BALANCE SHEET

As at 31 December 2023

	<i>Note</i>	2023 \$'000	2022 \$'000
CURRENT ASSETS			
Debtors	9	24	37
Short term deposits	10	900	-
Cash at bank and in hand		378	1,245
Total current assets		<u>1,302</u>	<u>1,282</u>
CREDITORS: Amounts falling due within one year	11	(1,100)	(1,095)
NET CURRENT ASSETS		<u>202</u>	<u>187</u>
CREDITORS: Amounts falling due after more than one year	12	(1,848)	(323)
NET ASSETS / (LIABILITIES)		<u>(1,646)</u>	<u>(136)</u>
THE FUNDS OF THE CHARITY			
Unrestricted funds	13	(1,646)	(136)
Total charity funds		<u>(1,646)</u>	<u>(136)</u>

The notes on pages 13 to 16 are an integral part of these financial statements.

For the year ending 31 December 2023 the Charity was entitled to exemption under section 382 of the Companies Act 2006 relating to small companies.

The financial statements on pages 10 to 16 were approved by the board of trustees on 29 August and were signed on its behalf by:



Alexander Molla
Trustee

Facet Foundation
 CASH FLOW STATEMENT
 for the Year ended 31 December 2023

RECONCILIATION OF NET MOVEMENT OF FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES:	2023 \$'000	2022 \$'000
Net (Expenditure) / Income	(1,509)	1,394
Decrease /(increase) in debtors	13	(22)
Increase/(decrease) in creditors	1,530	(330)
<i>Net cash generated from operating activities</i>	<u>34</u>	<u>1,042</u>
 CASH FLOWS FROM INVESTING ACTIVITIES		
Bank interest received	22	6
Short term deposits purchased	(900)	-
Net cash (used in)/ generated from investing activities	<u>(878)</u>	<u>6</u>
 CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD		
Change in cash and cash equivalents due to exchange rate movements	(23)	(78)
<i>Increase in cash and cash equivalents at the end of the reporting period</i>	<u>(867)</u>	<u>970</u>
Cash and cash equivalents at beginning of year	<u>1,245</u>	<u>275</u>
Cash and cash equivalents at end of year	<u><u>378</u></u>	<u><u>1,245</u></u>

Facet Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2023

1 ACCOUNTING POLICIES

BASIS OF PREPARATION

These financial statements have been prepared on a going concern basis and in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006, the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP under FRS 102), applicable accounting standards in the UK and the Charities Act 2011. The principal accounting policies which have been consistently applied with the prior year and adopted in the preparation of the financial statements are as follows:

FUND ACCOUNTING

The charitable company holds an unrestricted general fund. This can be used in accordance with the charitable objectives at the discretion of the Trustees.

DONATIONS AND LEGACIES

Donations are accounted for in the period in which they are receivable or received. The income arises predominantly in the UK.

EXPENDITURE

Expenditure is included in the Statement of Financial Activities on the accruals basis. Grants and commitments made by the charitable company to beneficiaries are provided for on approval of the Trustees and according to the funding agreements with the beneficiaries.

GRANT POLICY

The charitable company accounts for grants payable when a written commitment is made to the charity. The grant policy is to apply the income and such parts of the capital towards such charitable purposes and to make grants to such charitable institutions at such times and in such manner as the trustees in their absolute discretion think fit. The strategy for achieving these objectives is for the trustees to review various charitable organisations and decide which organisations should receive funding on an annual basis.

FOREIGN CURRENCIES

Within the charitable company, monetary assets and liabilities denominated in foreign currencies are translated into US dollars at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into US dollars at the rates of exchange ruling at the date of the transaction. These translation differences are dealt with in the Statement of Financial Activities.

IRRECOVERABLE VAT

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

TAX

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

DEBTORS

Debtors are recognised at fair value when it is probable that future economic benefits will flow and the value can be measured reliably.

SHORT TERM DEPOSITS

Bank deposits held with terms greater than 3 months are classified as short term deposits.

PRESENTATIONAL AND FUNCTIONAL CURRENCY

The functional and presentational currency is also USD as the majority of donations are received in USD.

Facet Foundation

NOTES TO THE FINANCIAL STATEMENTS (Continued)
for the year ended 31 December 2023

1 ACCOUNTING POLICIES (Continued)

2	DONATIONS AND LEGACIES	2023 \$'000	2022 \$'000
	Donations received	1,123	2,155
		<u> </u>	<u> </u>
3	INVESTMENTS	2023 \$'000	2022 \$'000
	Bank interest received	22	6
		<u> </u>	<u> </u>
4	OTHER INCOME	2023 \$'000	2022 \$'000
	Gifts in kind	1	1
		<u> </u>	<u> </u>
5	RAISING FUNDS	2023 \$'000	2022 \$'000
	General expenses	-	-
	Bank and credit card charges	1	-
		<u> </u>	<u> </u>
		1	-
		<u> </u>	<u> </u>
6	CHARITABLE ACTIVITIES	2023 \$'000	2022 \$'000
	Grants payable to:		
	Stepping Stones (Botswana)	966	-
	Pebbles Project (South Africa)	1,650	-
	Help Lesotho (Lesotho)	-	750
		<u> </u>	<u> </u>
		2,616	750
		<u> </u>	<u> </u>

Facet Foundation

NOTES TO THE FINANCIAL STATEMENTS (Continued) for the year ended 31 December 2023

7	OTHER EXPENDITURE	2023 \$'000	2022 \$'000
	Governance costs	16	11
	Foreign exchange losses	23	79
		<u>39</u>	<u>90</u>
		<u><u>39</u></u>	<u><u>90</u></u>

Governance costs comprise administrative services, provided by Robert Falk, the charitable company accountant of \$1k (2022: \$1k). These were borne by Graff Diamonds Limited as gifts in kind in 2023 and 2022 and are not included in the table above. Audit fees are \$15k (2022: \$10k) for the year. FX losses of \$23k have been incurred in 2023 (2022: losses of \$79k).

8 DIRECTORS'/TRUSTEES' EMOLUMENTS

No Directors or trustees received any remuneration or reimbursement of expenses for their services to the charitable company during the year (2022: \$nil). There are no other employees within the charitable company (2022: none).

9	DEBTORS	2023 \$'000	2022 \$'000
	Grants receivable	22	35
	Prepayments and other debtors	2	2
		<u>24</u>	<u>37</u>
		<u><u>24</u></u>	<u><u>37</u></u>

10	SHORT TERM DEPOSITS	2023 \$'000	2022 \$'000
	Bank deposits	900	-
		<u>900</u>	<u>-</u>
		<u><u>900</u></u>	<u><u>-</u></u>

At December 2023, the maturity of the bank deposit was 104 days. The interest rate on this deposit was 5.53%.

Facet Foundation

NOTES TO THE FINANCIAL STATEMENTS (Continued) for the year ended 31 December 2023

11	CREDITORS: Amounts falling due within one year	2023 \$'000	2022 \$'000
	Accruals and deferred income	15	10
	Grants payable within one year	1,085	1,085
		<u>1,100</u>	<u>1,095</u>
12	CREDITORS: Amounts falling due after more than one year	2023 \$'000	2022 \$'000
	Grants payable in one to two years	978	215
	Grants payable within two to five years	870	108
		<u>1,848</u>	<u>323</u>
	Opening grants payable	1,408	1,740
	Grants awarded	2,616	750
	Grants paid	(1,091)	(1,068)
	Foreign exchange	-	(14)
	Closing grants payable	<u>2,933</u>	<u>1,408</u>
13	UNRESTRICTED FUNDS	2023 \$'000	2022 \$'000
	Fund balances brought forward as at 1 January	(136)	(1,458)
	Income	1,146	2,162
	Expenditure	(2,656)	(840)
	Fund balances carried forward as at 31 December	<u>(1,646)</u>	<u>(136)</u>
14	RELATED PARTY TRANSACTIONS		

The charitable company received a donation of \$1,000k (2022: \$1,000k) from Graff Diamonds Limited. The charitable company also received donations of \$100k (2022: \$1,133k) in the year from The Graff Foundation. The charity company also received grants of \$23k (2022: 21k) from Delaire, a wine estate and hotel and related party based in South Africa. These amounts were raised through local collections from guests staying at the hotel. Laurence Graff, Francois Graff and Alexander Molla are also trustees of The Graff Foundation. The charitable company is a stand-alone entity. Francois Graff is also a director of Graff Diamonds Limited.

THE FACET FOUNDATION LIMITED

England & Wales - Charity number 1126003

Accounts

Facet Foundation
(A company limited by guarantee)

TRUSTEES ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended
31 December 2022

Company Registration No. 06618453

Registered Charity No: 1126003

Facet Foundation

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31 December 2022

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Facet Foundation

TRUSTEES AND ADVISORS

TRUSTEES

Laurence Graff
Francois Graff
Alexander Molla

REGISTERED OFFICE

29 Albemarle Street
London W1S 4JA

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
1 Embankment Place
London WC2N 6RH

BANKERS

Barclays Bank plc
Level 25
1 Churchill Place
London E14 5HP
United Kingdom

Company registration number: 06618453

Charity registration number: 1126003

The principal office is the same as the registered office.

Facet Foundation

TRUSTEES' ANNUAL REPORT

The trustees submit their report and audited financial statements of the Facet Foundation for the year ended 31 December 2022.

The organisation is a private charitable company limited by guarantee, and the financial statements have been prepared in accordance with special provisions relating to small companies within Part 15 of the Companies Act 2006, the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP under FRS 102) and the Charities Act 2011. It is a public benefit entity.

OBJECTIVES, STRATEGY AND ACTIVITIES

The charitable company was incorporated on 12 June 2008, and registered with the Charity Commission on 22 September 2008. The charitable company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, trustees are required to contribute an amount not exceeding £1.

The objectives and strategy of the charitable company are to apply the income and such parts of the capital towards, particularly but not exclusively, the relief of poverty, to advance education, to relieve sickness and to promote and protect the health of people in Southern Africa. The trustees confirm that they have complied with their duty under Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit and seek to meet the charitable company's purposes in following its objectives.

FUTURE DEVELOPMENTS AND FUTURE PLANS

The trustees will continue to apply the income and such parts of the capital towards, particularly but not exclusively, working with local partners to develop targeted programmes designed to improve standards of health, education and well-being among communities in Southern Africa. Donations will continue to be made to support the existing projects as required by those projects.

TRUSTEES

The statutory power of appointing new or additional trustees is vested in Graff Diamonds Limited, a related party. The following Trustees have held office throughout the year and up to the date of signing the financial statements and they are also charity trustees for the purpose of charity law:

Laurence Graff
Francois Graff
Alexander Molla

MANAGEMENT AND GOVERNANCE

All new trustees are provided with an induction pack which includes the constitution of the charitable company and guidelines on how to perform their duties as a trustee. Further training is given as and when necessary. The day to day management of the charitable company is carried out by Robert Falk, the charitable company accountant.

RELATED PARTIES

The charitable company has a close relationship with Graff Diamonds Limited which provides funding to the charitable company and Graff Foundation, a charity with the same Trustees. Francois Graff is a director of Graff Diamonds Limited, and Laurence Graff is the ultimate controlling shareholder of that company.

LIABILITY OF THE MEMBERS

The charitable company is limited by guarantee and the liability of the members in the event they are required to contribute if called on to do so is limited to £1 each.

Facet Foundation

TRUSTEES' ANNUAL REPORT (Continued)

ACHIEVEMENTS AND PERFORMANCE

The trustees focus the strategy of the charitable company towards a selection of charities in Southern Africa. The trustees made grant commitments during the year of \$749,825 (2021: \$2,816,705) to organisations set out in note 6. The grants were made in accordance with the aims of the charitable company as set out in the Memorandum and Articles of Association.

The charitable company continues to provide core funding to those charities in Lesotho (Help Lesotho), Botswana (Stepping Stones) and South Africa (Pebbles Project). During the year the charitable company has granted \$749,825 (2021: \$218,743) towards further running costs of Help Lesotho and its associated Graff Leadership Centre for staffing, programming and operations of the centre. No further contributions were made to the Pebbles Project in the South African wine lands. However, further funds of \$545,784 were settled in accordance with its funding agreement. (2021: \$535,231). This was towards the running costs and ongoing leadership programmes. No further commitments were made towards the running costs of the Graff Leadership Centre in Botswana (Stepping Stones) in 2022, However, further funds of \$319,510 were settled in accordance with its funding agreement. (2021: \$320,000). No further grants were made in the year. These programmes and leadership centres are considered to be a contribution towards the improvement in health and education of the Southern African people.

The charitable company will continue to support these charities for the foreseeable future, with further funding commitments to Help Lesotho - \$537,000, Stepping Stones \$320,000 and the Pebbles projects, \$550,000. These committed funds have been included within the charitable activities of the financial statements.

The charitable company liaises with each of the projects on a regular basis and receives reports which are reviewed to establish whether its aims and objectives are being achieved. The trustees decide where grants are made based on these reports.

DONATIONS

Donations are principally received from companies in the Graff Group either by direct charitable gifts or through collections at stores such as the Delaire Graff Estate in South Africa. No professional fund-raisers are employed by the charitable company.

GRANT MAKING POLICY

The essential purpose of the charitable company is to aid in the generation of funds which will be applied to relieve poverty, provide education and to aid in the promotion of health causes, principally in Southern Africa. It is the objective of the charitable company to pursue this through the grant of funds to suitable charitable organisations on the ground in Southern Africa whose objectives are in line with the charitable company.

FINANCIAL REVIEW

The trustees set out the audited financial statements on pages 10 to page 15. Net income for the year amounted to \$1,321,771 (2021: Net expenditure of \$1,995,414), and has been transferred to reserves.

RESERVES POLICY AND INVESTMENT POLICY

It is the policy of the trustees to maintain funds at a level to enable the charitable company to be administered efficiently to meet its expenditure requirements and to have adequate resources to fund its charitable objectives. This policy is reviewed annually. In accordance with the Memorandum and Articles of Association, the current reserves policy is to set aside income as a reserve against future expenditure but only in accordance with a written policy about reserves. At this time the certainty of cash and cash deposits is deemed to be the most appropriate investment strategy.

Facet Foundation

TRUSTEES' ANNUAL REPORT (Continued)

GOING CONCERN

The charitable company is in net liabilities position. The charity has obtained a confirmation from Graff Diamonds International Limited that the charity's on-going commitments will continue to be funded by this company, if required. Additionally, the charitable company's cash and cash deposits position is sufficient to ensure that it is able to meet its financial commitments for at least twelve months, after the date of the signing of the Financial Statements.

PRINCIPAL BUSINESS RISKS AND UNCERTAINTIES AND FINANCIAL RISK MANAGEMENT

The trustees have examined the major risks which the charitable company faces. The trustees confirm that systems have been established to ensure that major risks are identified and as far as practicable adequately mitigated. The management of the charitable company and the execution of the charitable company's strategy are subject to a number of risks that include liquidity and cash flow risk. The charitable company does not have a risk register. Policies relating to the management of these risks and how they are mitigated are described below:

Cash flow risk

Cash flow forecasting is performed on a regular basis which includes rolling forecasts of the charitable company's liquidity requirements to ensure that the charitable company has sufficient cash to meet operational needs.

Liquidity risk

The Trustees regularly review the charitable company's financial position and actively discuss matters to ensure that there are sufficient funds available to continue in operational existence and meet liabilities as and when they fall due.

SIGNIFICANT FACTORS AFFECTING THE CHARITY

Due to the nature of the charity, no positive or negative factors within or outside the charity's control have significantly affected the achievement of its objectives or future plans during the year' for both charities accounts.

DISCLOSURE OF INFORMATION TO AUDITORS

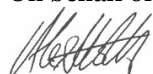
As far as the trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and they have taken all the steps that they ought to have taken as trustees, to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of the information.

INDEPENDENT AUDITORS

The auditors, PricewaterhouseCoopers LLP have indicated their willingness to continue in office.

The report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and as such no strategic report has been prepared.

On behalf of the trustees



Alexander Molla

Trustee

Date 27 September 2023

Facet Foundation

Statement of trustees' responsibilities

The trustees (who are also directors of Facet 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 regulation.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). 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 the 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 Statement of Recommended Practice: Accounting and Reporting by Charities (2019);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, 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 and 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. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

In accordance with Section 418, directors' reports shall include a statement, in the case of each director in office at the date the directors' report is approved, that:

- (a) so far as the trustee is aware, there is no relevant audit information of which the company's auditors are unaware; and
- (b) he has taken all the steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Facet Foundation

Independent auditors' report to the members of Facet Foundation

Report on the audit of the financial statements

Opinion

In our opinion, Facet Foundation's financial statements (the "financial statements"):

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Trustees Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2022; the statement of financial activities (incorporating an income and expenditure account), cash flow statement for the year then ended; and the notes to the financial statements, which include a description of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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 the date on which the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the charitable company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

Facet Foundation

Independent auditors' report to the members of Facet Foundation

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Trustees' Annual Report, we also considered whether the disclosures required by the UK Companies Act 2006 and Charities Act 2011 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Trustees' Annual Report

In our opinion, based on the work undertaken in the course of the audit the information given in the Trustees' Annual Report for the period ended 31 December 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Trustees' Annual Report.

Responsibilities for the financial statements and the audit

Responsibilities of the trustees for the financial statements

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 in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also 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.

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.

Based on our understanding of the charitable company and its industry, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011 in respect of donations and expenditure, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries. Audit procedures performed by the engagement team included:

Facet Foundation

Independent auditors' report to the members of Facet Foundation

- Enquiry of management and the board of trustees, including consideration of known or suspected instance of non-compliance with laws and regulation and fraud;
- Reviewing terms and conditions of significant contracts;
- Understanding and evaluating the Charity's control environment;
- Identifying and testing journal entries, including journal entries posted with unusual account combinations to income or cash accounts; and,
- Assessing financial statement disclosures, and testing to supporting documentation, for compliance with applicable laws and regulations.

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

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

Use of this report

This report, including the opinions, has been prepared for and only for the charitable company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

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

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Facet Foundation

Independent auditors' report to the members of Facet Foundation

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the trustees were not entitled to: take advantage of the small companies exemption from preparing a Strategic Report. We have no exceptions to report arising from this responsibility.



Jennifer Dickie (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Embankment Place
27 September 2023

Facet Foundation
STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 31 December 2022

		Unrestricted funds	
	<i>Note</i>	2022	(re-stated)
		\$	2021
			\$
Income and endowments from:			
Donations and legacies	2	2,154,433	844,058
Investments	3	6,339	1,182
Other Income	4	1,204	1,348
Total income and endowments		<u>2,161,976</u>	<u>846,588</u>
Expenditure on:			
Raising funds	5	(641)	(370)
Charitable activities	6	(749,825)	(2,816,705)
Other expenditure	7	(89,739)	(24,927)
Total expenditure		<u>(840,205)</u>	<u>(2,842,002)</u>
NET MOVEMENT IN FUNDS		1,321,771	(1,995,414)
RECONCILIATION OF FUNDS			
Total funds brought forward		(1,457,528)	537,886
Total funds carried forward		<u>(135,757)</u>	<u>(1,457,528)</u>

All gains and losses recognised in the year are included in the Statement of Financial Activities, for both the current and prior year.

All income and expenditure relate to continuing operations, for both the current and prior year.

Company registration number: 06618453

Charity registration number: 1126003

Facet Foundation

BALANCE SHEET

As at 31 December 2022

	<i>Note</i>	2022 \$	(re-stated) 2021 \$
CURRENT ASSETS			
Debtors	9	36,868	14,989
Cash at bank and in hand		1,244,875	274,983
Total current assets		<u>1,281,743</u>	<u>289,972</u>
CREDITORS: Amounts falling due within one year	10	(1,095,000)	(877,500)
NET CURRENT LIABILITES		<u>186,743</u>	<u>(587,528)</u>
CREDITORS: Amounts falling due after more than one year	11	<u>(322,500)</u>	<u>(870,000)</u>
NET LIABILITES		<u>(135,757)</u>	<u>(1,457,528)</u>
THE FUNDS OF THE CHARITY			
Unrestricted funds	12	<u>(135,757)</u>	<u>(1,457,528)</u>
Total charity funds		<u>(135,757)</u>	<u>(1,457,528)</u>

The notes on pages 13 to 16 are an integral part of these financial statements.

For the year ending 31 December 2022 the Charity was entitled to exemption under section 382 of the Companies Act 2006 relating to small companies.

The financial statements on pages 10 to 16 were approved by the board of trustees on 27 September 2023 and were signed on its behalf by:



Alexander Molla
Trustee

Facet Foundation
 CASH FLOW STATEMENT
 for the year ended 31 December 2022

	2022	(re-stated) 2021
	\$	\$
RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES:		
Net Income / (Expenditure)	1,393,967	(1,980,517)
(Increase) / decrease in debtors	(21,879)	25,339
(Decrease) / Increase in creditors	(330,000)	1,739,966
<i>Net Cash used in operating activities</i>	<u>1,042,088</u>	<u>(215,212)</u>
 CASH FLOWS FROM INVESTING ACTIVITIES		
Bank Interest received	6,339	1,182
	<u> </u>	<u> </u>
 CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD	 1,048,427	 (214,030)
 Change in cash and cash equivalents due to exchange rate movements	 (78,535)	 (16,079)
<i>Cash and cash equivalents at the end of the reporting period</i>	<u>969,892</u>	<u>(230,109)</u>
 Cash and cash equivalents at beginning of year	 274,983	 505,092
	<u> </u>	<u> </u>
Cash and cash equivalents at end of year	<u>1,244,875</u>	<u>274,983</u>

Facet Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2022

1 ACCOUNTING POLICIES

BASIS OF PREPARATION

These financial statements have been prepared on a going concern basis and in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006, the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP under FRS 102), applicable accounting standards in the UK and the Charities Act 2011. The principal accounting policies which have been consistently applied with the prior year and adopted in the preparation of the financial statements are as follows:

FUND ACCOUNTING

The charitable company holds an unrestricted general fund. This can be used in accordance with the charitable objectives at the discretion of the Trustees.

DONATIONS AND LEGACIES

Donations are accounted for in the period in which they are receivable or received. The income arises predominantly in the UK.

EXPENDITURE

Expenditure is included in the Statement of Financial Activities on the accruals basis. Grants and commitments made by the charitable company to beneficiaries are provided for on approval of the Trustees and according to the funding agreements with the beneficiaries.

GRANT POLICY

The charitable company accounts for grants payable when a written commitment is made to the charity. The grant policy is to apply the income and such parts of the capital towards such charitable purposes and to make grants to such charitable institutions at such times and in such manner as the trustees in their absolute discretion think fit. The strategy for achieving these objectives is for the trustees to review various charitable organisations and decide which organisations should receive funding on an annual basis.

FOREIGN CURRENCIES

Within the charitable company, monetary assets and liabilities denominated in foreign currencies are translated into US dollars at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into US dollars at the rates of exchange ruling at the date of the transaction. These translation differences are dealt with in the Statement of Financial Activities.

IRRECOVERABLE VAT

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

TAX

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

DEBTORS

Debtors are recognised at fair value when it is probable that future economic benefits will flow and the value can be measured reliably.

PRESENTATIONAL AND FUNCTIONAL CURRENCY

The functional and presentational currency is also USD as the majority of donations are received in USD.

Facet Foundation

NOTES TO THE FINANCIAL STATEMENTS (Continued) for the year ended 31 December 2022

1 ACCOUNTING POLICIES (Continued)

RE-STATEMENT OF PRIOR YEAR

SORP 2019 requires future commitments to be included on the balance sheet. The balance sheet for 2021 has thus been re-stated to include the funding commitments related to grants which will be paid in the next two years. These commitments were previously shown as part of the financial commitment note. This has impacted the charitable activities note (note 6) and the creditors: Amounts falling due within one year and the creditors: Amounts falling due after more than one year. (Notes 10 and 11) by including £1,844,825 additional expenditure and accruals in 2021.

2	DONATIONS AND LEGACIES	2022 \$	2021 \$
	Donations received	2,154,433	844,058
		<u> </u>	<u> </u>
3	INVESTMENTS	2022 \$	2021 \$
	Bank interest received	6,339	1,182
		<u> </u>	<u> </u>
4	OTHER INCOME	2022 \$	2021 \$
	Gifts in Kind	1,204	1,348
		<u> </u>	<u> </u>
5	RAISING FUNDS	2022 \$	2021 \$
	General expenses	224	249
	Bank and credit card charges	417	121
		<u> </u>	<u> </u>
		641	370
		<u> </u>	<u> </u>
6	CHARITABLE ACTIVITIES	2022 \$	(re-stated) 2021 \$
	Grants payable to:		
	Stepping Stones (Botswana)	-	960,000
	Help Lesotho (Lesotho)	749,825	218,473
	Pebbles Project (South Africa)	-	1,638,232
		<u> </u>	<u> </u>
		749,825	2,816,705
		<u> </u>	<u> </u>

Facet Foundation

NOTES TO THE FINANCIAL STATEMENTS (Continued) for the year ended 31 December 2022

7	OTHER EXPENDITURE	2022	2021
		\$	\$
	Governance costs	11,204	8,848
	Foreign exchange losses	78,535	16,079
		<u>89,739</u>	<u>24,927</u>
		<u><u>89,739</u></u>	<u><u>24,927</u></u>

Governance costs comprise administrative services, provided by Robert Falk, the charitable company accountant of \$1,204 (2021: \$1,348). These were borne by Graff Diamonds Limited as gifts in kind in 2022 and 2021 and are not included in the table above. Audit fees are \$10,000 (2021: \$7,500) for the year. FX losses of \$78,535 have been incurred in 2022 (2021: losses of \$16,079).

8 DIRECTORS'/TRUSTEES' EMOLUMENTS

No Directors or trustees received any remuneration or reimbursement of expenses for their services to the charitable company during the year (2021: \$nil). There are no other employees within the charitable company (2021: none).

9	DEBTORS	2022	2021
		\$	\$
	Grants receivable	34,772	14,977
	Prepayments and other debtors	2,096	12
		<u>36,868</u>	<u>14,989</u>
		<u><u>36,868</u></u>	<u><u>14,989</u></u>

10	CREDITORS: Amounts falling due within one year	2022	(re-stated) 2021
		\$	\$
	Accruals and deferred income	10,000	7,500
	Grants payable within one year	1,085,000	870,000
		<u>1,095,000</u>	<u>877,500</u>
		<u><u>1,095,000</u></u>	<u><u>877,500</u></u>

Facet Foundation

NOTES TO THE FINANCIAL STATEMENTS (Continued) for the year ended 31 December 2022

11	CREDITORS: Amounts falling due after more than one year	2022	(re-stated) 2021
		\$	\$
	Grants payable in one to two years	215,000	870,000
	Grants payable within two to five years	107,500	-
		<u>322,500</u>	<u>870,000</u>
	Opening grants payable	1,740,000	-
	Grants awarded	749,825	2,817,000
	Grants paid	(1,067,971)	(1,076,705)
	Foreign exchange	(14,354)	(295)
	Closing grants payable	<u>1,407,500</u>	<u>1,740,000</u>
12	UNRESTRICTED FUNDS	2022	(re-stated) 2021
		\$	\$
	Fund balances brought forward as at 1 January	(1,457,528)	537,886
	Income	2,161,976	846,588
	Expenditure	(840,205)	(2,842,002)
	Fund balances carried forward as at 31 December	<u>(135,757)</u>	<u>(1,457,528)</u>

13 RELATED PARTY TRANSACTIONS

The charitable company received a donation of \$1,000,000 (2021: Nil) from Graff Diamonds Ltd. The charitable company also received donations of \$1,132,826 (2021: \$827,920) in the year from The Graff Foundation. The charity company also received grants of \$20,857 (2021: 14,977) from Delaire, a wine estate and hotel and related party based in South Africa. These amounts were raised through local collections from guests staying at the hotel. The charitable company will occasionally receive funds or pay funds to the Graff Foundation for cash flow purposes. Laurence Graff, Francois Graff and Alexander Molla are also trustees of The Graff Foundation. The charitable company is a stand-alone entity. Francois Graff is also a director of Graff Diamonds Ltd.

THE FACET FOUNDATION LIMITED

England & Wales - Charity number 1126003

Accounts

Facet Foundation
(A company limited by guarantee)

TRUSTEES ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended
31 December 2021

Company Registration No. 06618453

Registered Charity No: 1126003

Facet Foundation

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31 December 2021

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Facet Foundation

TRUSTEES AND ADVISORS

TRUSTEES

Laurence Graff
Francois Graff
Alexander Molla

REGISTERED OFFICE

29 Albemarle Street
London W1S 4JA

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
1 Embankment Place
London WC2N 6RH

BANKERS

Barclays Bank plc
Level 25
1 Churchill Place
London E14 5HP
United Kingdom

Company registration number: 06618453

Charity registration number: 1126003

The principal office is the same as the registered office.

Facet Foundation

TRUSTEES' ANNUAL REPORT

The trustees submit their report and audited financial statements of the Facet Foundation for the year ended 31 December 2021.

The organisation is a private charitable company limited by guarantee, and the financial statements have been prepared in accordance with special provisions relating to small companies within Part 15 of the Companies Act 2006, the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP under FRS 102) and the Charities Act 2011. It is a public benefit entity.

OBJECTIVES, STRATEGY AND ACTIVITIES

The charitable company was incorporated on 12 June 2008, and registered with the Charity Commission on 22 September 2008. The charitable company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, trustees are required to contribute an amount not exceeding £1.

The objectives and strategy of the charitable company are to apply the income and such parts of the capital towards, particularly but not exclusively, the relief of poverty, to advance education, to relieve sickness and to promote and protect the health of people in Southern Africa. The trustees confirm that they have complied with their duty under Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit and seek to meet the charitable company's purposes in following its objectives.

FUTURE DEVELOPMENTS AND FUTURE PLANS

The trustees will continue to apply the income and such parts of the capital towards, particularly but not exclusively, working with local partners to develop targeted programmes designed to improve standards of health, education and well-being among communities in Southern Africa. Donations will continue to be made to support the existing projects as required by those projects.

TRUSTEES

The statutory power of appointing new or additional trustees is vested in Graff Diamonds Limited, a related party. The following Trustees have held office throughout the year and up to the date of signing the financial statements and they are also charity trustees for the purpose of charity law:

Laurence Graff
Francois Graff
Nicholas Paine (resigned 30 June 2022)
Alexander Molla (appointed 30 June 2022)

MANAGEMENT AND GOVERNANCE

All new trustees are provided with an induction pack which includes the constitution of the charitable company and guidelines on how to perform their duties as a trustee. Further training is given as and when necessary. The day to day management of the charitable company is carried out by Robert Falk, the charitable company accountant.

RELATED PARTIES

The charitable company has a close relationship with Graff Diamonds Limited which provides funding to the charitable company and Graff Foundation, a charity with the same Trustees. Francois Graff is a director of Graff Diamonds Limited, and Laurence Graff is the ultimate controlling shareholder of that company.

LIABILITY OF THE MEMBERS

The charitable company is limited by guarantee and the liability of the members in the event they are

Facet Foundation

TRUSTEES' ANNUAL REPORT

required to contribute if called on to do so is limited to £1 each.

ACHIEVEMENTS AND PERFORMANCE

The trustees focus the strategy of the charitable company towards a selection of charities in Southern Africa. The trustees made grants during the year of \$1,076,705 (2020: \$955,399) to organisations set out in note 5. The grants were made in accordance with the aims of the charitable company as set out in the Memorandum and Articles of Association.

The charitable company continues to provide core funding to those charities in Lesotho (Help Lesotho), Botswana (Stepping Stones) and South Africa (Pebbles Project). During the year the charitable company has contributed \$218,473 (2020: \$209,874) towards further running costs of Help Lesotho and its associated Graff Leadership Centre for staffing, programming and operations of the centre. In addition, \$538,232 (2020: \$459,818) has been contributed towards the running costs and ongoing leadership programmes of the Pebbles Project in the South African wine lands. A further contribution was made towards the running costs of the Graff Leadership Centre in Botswana (Stepping Stones) for \$320,000 (2020: \$84,394) as set out in note 5. No further grants were made in the year. (2020: The Graff Foundation \$201,313). These programmes and leadership centres are considered to be a contribution towards the improvement in health and education of the Southern African people.

The charitable company liaises with each of the projects on a regular basis and receives reports which are reviewed to establish whether its aims and objectives are being achieved. The trustees decide where grants are made based on these reports.

DONATIONS

Donations are principally received from companies in the Graff Group either by direct charitable gifts or through collections at stores such as the Delaire Graff Estate in South Africa. No professional fund-raisers are employed by the charitable company.

GRANT MAKING POLICY

The essential purpose of the charitable company is to aid in the generation of funds which will be applied to relieve poverty, provide education and to aid in the promotion of health causes, principally in Southern Africa. It is the objective of the charitable company to pursue this through the grant of funds to suitable charitable organisations on the ground in Southern Africa whose objectives are in line with the charitable company.

FINANCIAL REVIEW

The trustees set out the audited financial statements on pages 9 to page 13. Expenditure exceeded income in the year by \$255,414 (2020: Net expenditure of \$508,708).

RESERVES POLICY AND INVESTMENT POLICY

It is the policy of the trustees to maintain reserves at a level to enable the charitable company to be administered efficiently to meet its expenditure requirements and to have adequate resources to fund its charitable objectives. Reserves will be maintained to cover commitments made. This policy is reviewed annually. Reserves were \$282,472 at 31 December 2021 (2020: \$537,886).

In accordance with the Memorandum and Articles of Association, the current reserves policy is to set aside income as a reserve against future expenditure but only in accordance with a written policy about reserves. At this time the certainty of cash and cash deposits is deemed to be the most appropriate investment strategy.

GOING CONCERN

The trustees consider the charitable company to be a going concern as it is in a net asset position with

Facet Foundation

TRUSTEES' ANNUAL REPORT (Continued)

a very small total of liabilities. The charitable company has commitments of \$1,900,000 over the next 21 months to 30 September 2023 which would require grants of \$1,625,000 to be received. Graff Diamonds Limited issue a letter of support to the charity ensuring financial commitments for the next 12 months can be fulfilled.

PRINCIPAL BUSINESS RISKS AND UNCERTAINTIES AND FINANCIAL RISK MANAGEMENT

The trustees have examined the major risks which the charitable company faces. The trustees confirm that systems have been established to ensure that major risks are identified and as far as practicable adequately mitigated.

The management of the charitable company and the execution of the charitable company's strategy are subject to a number of risks that include liquidity and cash flow risk. The charitable company does not have a risk register. Policies relating to the management of these risks and how they are mitigated are described below:

Cash flow risk

Cash flow forecasting is performed on a regular basis which includes rolling forecasts of the charitable company's liquidity requirements to ensure that the charitable company has sufficient cash to meet operational needs.

Liquidity risk

The Trustees regularly review the charitable company's financial position and actively discuss matters to ensure that there are sufficient funds available to continue in operational existence and meet liabilities as and when they fall due.

CORONAVIRUS

After the outbreak of Coronavirus Disease 2019 ("COVID-19 outbreak") in early 2020, a series of precautionary and control measures were implemented across the United Kingdom and globally. The charitable company has paid close attention to the development of the COVID-19 outbreak and has assessed and will continue to assess its impact on the financial position of Facet Foundation, however, at December 31 2021, the charity continues to have a strong balance sheet with only small liabilities. The pandemic may have a detrimental effect on donations received in 2022.

DISCLOSURE OF INFORMATION TO AUDITORS

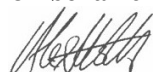
As far as the trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and they have taken all the steps that they ought to have taken as trustees, to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of the information.

INDEPENDENT AUDITORS

The auditors, PricewaterhouseCoopers LLP have indicated their willingness to continue in office.

The report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and as such no strategic report has been prepared.

On behalf of the trustees



Alexander Molla

Trustee

Date 31 August 2022

Facet Foundation

Statement of trustees' responsibilities

The trustees (who are also directors of Facet 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 regulation.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). 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 the 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 Statement of Recommended Practice: Accounting and Reporting by Charities (2019);
- make judgments and estimates that are reasonable and prudent²;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements³; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business⁴.

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

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

In accordance with Section 418, directors' reports shall include a statement, in the case of each director in office at the date the directors' report is approved, that:

- (a) so far as the trustee is aware, there is no relevant audit information of which the company's auditors are unaware; and
- (b) they have taken all the steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors' report to the members of Facet Foundation

Report on the audit of the financial statements

Opinion

In our opinion, Facet Foundation's financial statements (the "financial statements"):

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure, and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2021; the Statement of Financial Activities (incorporating an income and expenditure statement), Cash Flow Statement for the year then ended; and the notes to the financial statements, which include a description of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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 the date on which the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the [group's and parent] charitable company's ability to continue as a going concern.

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

Facet Foundation

Independent auditors' report to the members of Facet Foundation

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Trustees' Annual Report

In our opinion, based on the work undertaken in the course of the audit the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and the Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Trustees' Annual Report. We have nothing to report in this respect.

Responsibilities for the financial statements and the audit

Responsibilities of the trustees for the financial statements

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 in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also 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.

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.

Facet Foundation

Independent auditors' report to the members of Facet Foundation

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.

Based on our understanding of the charitable company, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011 in respect of donations and expenditure and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related posting inappropriate journal entries. Audit procedures performed included:

- Enquiry of management and the board of trustees, including consideration of known or suspected instance of non-compliance with laws and regulation and fraud;
- Reviewing terms and conditions of significant contracts;
- Understanding and evaluating the Charity's control environment;
- Identifying and testing journal entries, including journal entries posted with unusual account combinations to income or cash accounts; and,
- Assessing financial statement disclosures, and testing to supporting documentation, for compliance with applicable laws and regulations.

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

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

Use of this report

This report, including the opinions, has been prepared for and only for the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other

Facet Foundation

Independent auditors' report to the members of Facet Foundation

person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

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

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the trustees were not entitled to: take advantage of the small companies exemption from preparing a Strategic Report. We have no exceptions to report arising from this responsibility.



Jennifer Dickie (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Embankment Place
1 September 2022

Facet Foundation

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2021

		Unrestricted funds	
	<i>Note</i>	2021	2020
		\$	\$
Income and endowments from:			
Donations and legacies	2	844,058	513,158
Investments	3	1,182	4,525
Total income and endowments		<u>845,240</u>	<u>517,683</u>
Expenditure on:			
Raising funds	4	(370)	(389)
Charitable activities	5	(1,076,705)	(955,399)
Other expenditure	6	(23,579)	(70,603)
Total expenditure		<u>(1,100,654)</u>	<u>(1,026,391)</u>
NET MOVEMENT IN FUNDS		(255,414)	(508,708)
RECONCILIATION OF FUNDS			
Total funds brought forward		537,886	1,046,594
Total funds carried forward		<u>282,472</u>	<u>537,886</u>

All gains and losses recognised in the year are included in the Statement of Financial Activities, for both the current and prior year.

All income and expenditure relates to continuing operations, for both the current and prior year.

Company registration number: 06618453

Charity registration number: 1126003

Facet Foundation

BALANCE SHEET

As at 31 December 2021

	<i>Note</i>	2021 \$	2020 \$
CURRENT ASSETS			
Debtors	8	14,989	40,328
Cash at bank and in hand		274,983	505,092
Total current assets		<u>289,972</u>	<u>545,420</u>
CREDITORS: Amounts falling due within one year	9	(7,500)	(7,534)
NET ASSETS		<u>282,472</u>	<u>537,886</u>
THE FUNDS OF THE CHARITY			
Unrestricted funds	10	282,472	537,886
Total charity funds		<u>282,472</u>	<u>537,886</u>

The notes on pages 13 to 16 are an integral part of these financial statements.

For the year ending 31 December 2021 the Charity was entitled to exemption under section 382 of the Companies Act 2006 relating to small companies.

The financial statements on pages 11 to 16 were approved by the board of trustees on 31 August 2022 and were signed on its behalf by:



Alexander Molla
Trustee

Facet Foundation
 CASH FLOW STATEMENT
 for the year ended 31 December 2021

	2021	2020
	\$	\$
RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES:		
Net Expenditure	(240,517)	(450,130)
Decrease/(increase) in debtors	25,339	(11,604)
(Decrease)/increase in creditors	(34)	932
<i>Net Cash used in operating activities</i>	<u>(215,212)</u>	<u>(460,802)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Bank Interest received	1,182	4,525
	<u> </u>	<u> </u>
CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD	(214,030)	(456,277)
Change in cash and cash equivalents due to Exchange rate movements	(16,079)	(63,103)
	<u> </u>	<u> </u>
<i>Cash and cash equivalents at the end of the Reporting period</i>	(230,109)	(519,380)
Cash and cash equivalents at beginning of year	505,092	1,024,472
	<u> </u>	<u> </u>
Cash and cash equivalents at end of year	<u>274,983</u>	<u>505,092</u>

Facet Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2021

1 ACCOUNTING POLICIES

BASIS OF PREPARATION

These financial statements have been prepared on a going concern basis and in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006, the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP under FRS 102), applicable accounting standards in the UK and the Charities Act 2011. The principal accounting policies which have been consistently applied with the prior year and adopted in the preparation of the financial statements are as follows:

FUND ACCOUNTING

The charitable company holds an unrestricted general fund. This can be used in accordance with the charitable objectives at the discretion of the Trustees.

DONATIONS AND LEGACIES

Donations are accounted for in the period in which they are receivable or received. The income arises predominantly in the UK.

EXPENDITURE

Expenditure is included in the Statement of Financial Activities on the accruals basis. Grants made by the charitable company to beneficiaries are provided for on approval of the Trustees and upon payment to the recipient.

GRANT POLICY

The charitable company accounts for grants payable on a cash basis. The grant policy is to apply the income and such parts of the capital towards such charitable purposes and to make grants to such charitable institutions at such times and in such manner as the trustees in their absolute discretion think fit. The strategy for achieving these objectives is for the trustees to review various charitable organisations and decide which organisations should receive funding on an annual basis.

FOREIGN CURRENCIES

Within the charitable company, monetary assets and liabilities denominated in foreign currencies are translated into US dollars at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into US dollars at the rates of exchange ruling at the date of the transaction. These translation differences are dealt with in the Statement of Financial Activities.

IRRECOVERABLE VAT

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

TAX

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

PRESENTATIONAL AND FUNCTIONAL CURRENCY

The functional and presentational currency is also USD as the majority of cash held is in USD bank deposit accounts.

2	DONATIONS AND LEGACIES	2021	2020
		\$	\$
	Donations received	844,058	513,158

Facet Foundation

NOTES TO THE FINANCIAL STATEMENTS (Continued) for the year ended 31 December 2021

		=====	=====
3	INVESTMENTS	2021 \$	2020 \$
	Bank interest receivable	1,182	4,525
		=====	=====
4	RAISING FUNDS	2021 \$	2020 \$
	General expenses	249	230
	Bank and credit card charges	121	159
		-----	-----
		370	389
		=====	=====
5	CHARITABLE ACTIVITIES	2021 \$	2020 \$
	Grants payable to:		
	Stepping Stones (Botswana)	320,000	84,394
	Help Lesotho (Lesotho)	218,473	209,874
	Pebbles Project (South Africa)	538,232	459,818
	The Graff Foundation	-	201,313
		-----	-----
		1,076,705	955,399
		=====	=====
6	OTHER EXPENDITURE	2021 \$	2020 \$
	Governance costs and foreign exchange losses	23,579	70,603
		=====	=====

Governance costs comprise administrative services, provided by Robert Falk, the charitable company accountant of \$1,348 (2020: \$1,364). These were borne by Graff Diamonds Limited as donated services in 2021 and 2020 and are not included in the table above. Audit fees are \$7,500 (2020: \$7,500) for the year. FX losses of \$16,079 have been incurred in 2021 (2020: losses of \$63,103).

7 DIRECTORS'/TRUSTEES' EMOLUMENTS

No Directors or trustees received any remuneration or reimbursement of expenses for their services to the charitable company during the year (2020: \$nil). There are no other employees within the charitable company (2020: none).

Facet Foundation

NOTES TO THE FINANCIAL STATEMENTS (Continued) for the year ended 31 December 2021

8	DEBTORS	2021	2020
		\$	\$
	Grants receivable	14,977	40,316
	Prepayments and other debtors	12	12
		<u>14,989</u>	<u>40,328</u>
		=====	=====
9	CREDITORS: Amounts falling due within one year	2021	2020
		\$	\$
	Accruals and deferred income	7,500	7,500
	Other Creditors	-	34
		<u>7,500</u>	<u>7,534</u>
		=====	=====
10	UNRESTRICTED FUNDS	2021	2020
		\$	\$
	Fund balances brought forward as at 1 January	537,886	1,046,594
	Income	845,240	517,683
	Expenditure	(1,100,654)	(1,026,391)
	Fund balances carried forward as at 31 December	<u>282,472</u>	<u>537,886</u>
		=====	=====

11 FINANCIAL COMMITMENTS

Over the course of the next 12 months, funding commitments totalling \$874,000 have been made to the leadership centres.

12 RELATED PARTY TRANSACTIONS

The charitable company received pledges of \$827,920 (2020: \$500,000) in the year from The Graff Foundation. No separate grants were paid to The Graff Foundation (2020: \$201,313). The charity company also received grants of \$14,977 (2020: 40,316) from Delaire, a wine estate and hotel and related party based in South Africa. These amounts were raised through local collections from guests staying at the hotel. The charitable company will occasionally receive funds or pay funds to the Graff Foundation for cash flow purposes. Laurence Graff, Francois Graff, Nicholas Paine (to 30 June 2022) and Alexander Molla (from 30 June 2022) are also trustees of The Graff Foundation. The charitable company is a stand-alone entity.

THE FACET FOUNDATION LIMITED

England & Wales - Charity number 1126003

Accounts

Facet Foundation
(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

For the year ended
31 December 2020

Company Registration No. 06618453

Registered Charity No: 1126003

Facet Foundation

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31 December 2020

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Facet Foundation

TRUSTEES AND ADVISORS

TRUSTEES

Laurence Graff
Francois Graff
Nicholas Paine

REGISTERED OFFICE

29 Albemarle Street
London W1S 4JA

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
1 Embankment Place
London WC2N 6RH

BANKERS

Barclays Bank plc
Level 25
1 Churchill Place
London E14 5HP
United Kingdom

Absa Capital
Private Bag X18
Johannesburg 2000
South Africa

SOLICITORS

Kerman & Co
200 Strand
London WC2R 1DJ

Company registration number: 06618453

Charity registration number: 1126003

The principal office is the same as the registered office.

Facet Foundation

TRUSTEES' REPORT

The trustees submit their report and audited financial statements of the Facet Foundation for the year ended 31 December 2020.

The organisation is a private charitable company limited by guarantee, and the financial statements have been prepared in accordance with special provisions relating to small companies within Part 15 of the Companies Act 2006, the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP under FRS 102) and the Charities Act 2011. It is a public benefit entity.

OBJECTIVES, STRATEGY AND ACTIVITIES

The charitable company was incorporated on 12 June 2008, and registered with the Charity Commission on 22 September 2008. The charitable company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, trustees are required to contribute an amount not exceeding £1.

The objectives and strategy of the charitable company are to apply the income and such parts of the capital towards, particularly but not exclusively, the relief of poverty, to advance education, to relieve sickness and to promote and protect the good health of people in Africa and other developing nations.

The trustees confirm that they have complied with their duty under Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit and seek to meet the charitable company's purposes in following its objectives.

FUTURE DEVELOPMENTS AND FUTURE PLANS

The trustees will continue to apply the income and such parts of the capital towards, particularly but not exclusively, working with local partners to develop targeted programmes designed to improve standards of health, education and well-being among communities in southern Africa. Donations will continue to be made to support the existing projects as required by those projects.

TRUSTEES

The following Trustees have held office throughout the year and up to the date of signing the financial statements and they are also charity trustees for the purpose of charity law:

Laurence Graff
Francois Graff
Nicholas Paine

MANAGEMENT AND GOVERNANCE

All new Trustees are provided with an induction pack which includes the constitution of the charitable company and guidelines on how to perform their duties as a Trustee. Further training is given as and when necessary. The day to day management of the charitable company is carried out by Robert Falk, the charitable company accountant.

RELATED PARTIES

The charitable company has a close relationship with Graff Diamonds Limited which provides funding to the charitable company. Francois Graff is a director of Graff Diamonds Limited, and Laurence Graff is the ultimate controlling shareholder of that company.

LIABILITY OF THE MEMBERS

The charitable company is limited by guarantee and the liability of the members in the event they are required to contribute if called on to do so is limited to £1 each.

Facet Foundation

TRUSTEES' REPORT (Continued)

ACHIEVEMENTS AND PERFORMANCE

The trustees focus the strategy of the charitable company towards a selection of charities in Southern Africa and other developing nations. The trustees made grants during the year of \$955,399 (2019: \$1,308,024) to organisations set out in note 6. The grants were made in accordance with the aims of the charitable company as set out in the Memorandum and Articles of Association.

The foundation has contributed \$209,874 (2019: \$233,636) towards further running costs of Help Lesotho and to fund the Graff Leadership Centre for staffing, programming and operations of the centre. In addition, \$459,818 (2019: \$484,889) has been contributed towards a new leadership centre in the South African wine lands (Pebbles Project Trust). A further contribution was made towards the leadership centre in Botswana (Stepping Stones) for \$84,394 (2019: \$589,499) as set out in note 6. One further grant was made to The Graff Foundation for \$201,313 (2019: \$nil).

The charitable company liaises with each of the projects on a regular basis and receives reports which are reviewed to establish whether its aims and objectives are being achieved. The trustees decide where grants are made based on these reports.

DONATIONS

Donations are principally received from companies in the Graff Group either by direct charitable gifts or through collections at stores such as the Delaire hotel and spa complex in South Africa. No professional fund-raisers are employed by the charitable company.

GRANT MAKING POLICY

The essential purpose of the charitable company is to aid in the generation of funds which will be applied to relieve poverty, provide education and to aid in the promotion of health causes, principally in the African continent and also in other developing nations. It is the objective of the charitable company to pursue this through the grant of funds to suitable charitable organisations on the ground in Africa whose objectives are in line with the charitable company.

FINANCIAL REVIEW

The trustees set out the audited financial statements on pages 9 to page 13. Expenditure exceeded income in the year by £508,708 (2019: Net income of \$572,140) and has been transferred to reserves.

RESERVES POLICY AND INVESTMENT POLICY

It is the policy of the trustees to maintain reserves at a level to enable the charitable company to be administered efficiently to meet its expenditure requirements and to have adequate resources to fund its charitable objectives. Reserves will be maintained to cover commitments made. This policy is reviewed annually. Reserves were \$537,886 at 31 December 2020 (2019: \$1,046,594).

In accordance with the Memorandum and Articles of Association, the current reserves policy is to set aside income as a reserve against future expenditure but only in accordance with a written policy about reserves. At this time the certainty of cash and cash deposits is deemed to be the most appropriate investment strategy.

GOING CONCERN

The trustees consider the charitable company to be a going concern as it is in a net asset position with a very small total of liabilities.

Facet Foundation

TRUSTEES' REPORT (Continued)

PRINCIPAL BUSINESS RISKS AND UNCERTAINTIES AND FINANCIAL RISK MANAGEMENT

The trustees have examined the major risks which the charitable company faces. The trustees confirm that systems have been established to ensure that major risks are identified and as far as practicable adequately mitigated. The management of the charitable company and the execution of the charitable company's strategy are subject to a number of risks that include liquidity and cash flow risk. The charitable company does not have a risk register. Policies relating to the management of these risks and how they are mitigated are described below:

Cash flow risk

Cash flow forecasting is performed on a regular basis which includes rolling forecasts of the Company's liquidity requirements to ensure that the Company has sufficient cash to meet operational needs.

Liquidity risk

The Trustees regularly review the charitable company's financial position and actively discuss matters to ensure that there are sufficient funds available to continue in operational existence and meet liabilities as and when they fall due.

CORONAVIRUS

After the outbreak of Coronavirus Disease 2019 ("COVID-19 outbreak") in early 2020, a series of precautionary and control measures have been and are continuing to be implemented across the United Kingdom and globally. The Charity will pay close attention to the development of the COVID-19 outbreak and assess its ongoing impact on the financial position of the Charity. This may have a detrimental effect on donations received in 2021.

DISCLOSURE OF INFORMATION TO AUDITORS

As far as the trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and they have taken all the steps that they ought to have taken as trustees, to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of the information.

INDEPENDENT AUDITORS

The auditors, PricewaterhouseCoopers LLP have indicated their willingness to continue in office.

The report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and as such no strategic report has been prepared.

On behalf of the trustees



Nicholas Paine
Trustee
Date 20 April 2021

Facet Foundation

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). 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 the 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 Statement of Recommended Practice: Accounting and Reporting by *Charities* (2019);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, 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 and 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. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with Section 418, directors' reports shall include a statement, in the case of each director in office at the date the directors' report is approved, that:

- (a) so far as the trustee is aware, there is no relevant audit information of which the company's auditors are unaware; and
- (b) he has taken all the steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Facet Foundation

Independent auditors' report to the members of Facet Foundation

Report on the audit of the financial statements

Opinion

In our opinion, Facet Foundation's financial statements (the "financial statements"):

- give a true and fair view of the state of the charitable Company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2020; the Statement of Financial Activities (incorporating an income and expenditure statement); and the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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 the date on which the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the charitable Company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Facet Foundation

Independent auditors' report to the members of Facet Foundation (Continued)

Trustees' Report

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; and the Trustees' Report has been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the charitable Company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Trustees' Report. We have nothing to report in this respect.

Responsibilities for the financial statements and the audit

Responsibilities of the Trustees for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities, 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 in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also 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.

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.

Based on our understanding of the charitable Company, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011 in respect of donations and expenditure, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006, the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP under FRS 102), applicable accounting standards in the UK and the Charities Act 2011. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries. Audit procedures performed included:

- Discussions with management and those charged with governance, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Identifying and testing journal entries, in particular journal entries posted with unusual account combinations.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial

Facet Foundation

Independent auditors' report to the members of Facet Foundation (Continued)

Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

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

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the trustees were not entitled to take advantage of the small companies exemption from preparing a Strategic Report. We have no exceptions to report arising from this responsibility.



Timothy McAllister (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
20 April 2021

Facet Foundation
STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 31 December 2020

		Unrestricted funds	
	<i>Note</i>	2020	2019
		\$	\$
Income and endowments from:			
Donations and legacies	2	513,158	1,854,972
Investments	3	4,525	8,284
Grants received		-	10
Other income	4	-	26,065
Total income and endowments		<u>517,683</u>	<u>1,889,331</u>
Expenditure on:			
Raising funds	5	(389)	(2,565)
Charitable activities	6	(955,399)	(1,308,024)
Other expenditure	7	(70,603)	(6,602)
Total expenditure		<u>(1,026,391)</u>	<u>(1,317,191)</u>
NET MOVEMENT IN FUNDS		(508,708)	572,140
RECONCILIATION OF FUNDS			
Total funds brought forward		1,046,594	474,454
Total funds carried forward		<u><u>537,886</u></u>	<u><u>1,046,594</u></u>

All gains and losses recognised in the year are included in the Statement of Financial Activities, for both the current and prior year.

All income and expenditure relates to continuing operations, for both the current and prior year.

Company registration number: 06618453

Charity registration number: 1126003

Facet Foundation
 BALANCE SHEET
 As at 31 December 2020

	<i>Note</i>	2020 \$	2019 \$
CURRENT ASSETS			
Debtors	9	40,328	28,724
Cash at bank and in hand		505,092	1,024,472
Total current assets		<u>545,420</u>	<u>1,053,196</u>
CREDITORS: Amounts falling due within one year	10	(7,534)	(6,602)
NET ASSETS		<u>537,886</u>	<u>1,046,594</u>
THE FUNDS OF THE CHARITY			
Unrestricted funds	11	537,886	1,046,594
Total charity funds		<u>537,886</u>	<u>1,046,594</u>

The notes on pages 11 to 13 are an integral part of these financial statements.

The financial statements on pages 9 to 13 were approved by the board of trustees on 20 April 2021 and were signed on its behalf by:



Nicholas Paine
 Director

Facet Foundation

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

1 ACCOUNTING POLICIES

BASIS OF PREPARATION

These financial statements have been prepared on a going concern basis and in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006, the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP under FRS 102), applicable accounting standards in the UK and the Charities Act 2011. The principal accounting policies which have been consistently applied with the prior year and adopted in the preparation of the financial statements are as follows:

FUND ACCOUNTING

The charitable company holds an unrestricted general fund. This can be used in accordance with the charitable objectives at the discretion of the Trustees.

DONATIONS AND LEGACIES

Donations are accounted for in the period in which they are receivable or received. The income arises predominantly in the UK.

EXPENDITURE

Expenditure is included in the Statement of Financial Activities on the accruals basis. Grants made by the charitable company to beneficiaries are provided for on approval of the Trustees and upon payment to the recipient.

GRANT POLICY

The charitable company accounts for grants payable on a cash basis. The grant policy is to apply the income and such parts of the capital towards such charitable purposes and to make grants to such charitable institutions at such times and in such manner as the trustees in their absolute discretion think fit. The strategy for achieving these objectives is for the trustees to review various charitable organisations and decide which organisations should receive funding on an annual basis.

FOREIGN CURRENCIES

Within the charitable company, monetary assets and liabilities denominated in foreign currencies are translated into US dollars at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into US dollars at the rates of exchange ruling at the date of the transaction. These translation differences are dealt with in the Statement of Financial Activities.

IRRECOVERABLE VAT

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

TAX

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

PRESENTATIONAL AND FUNCTIONAL CURRENCY

The financial statements are presented in USD. The functional currency is also USD as the majority of cash held is in USD bank deposit accounts.

Facet Foundation

NOTES TO THE FINANCIAL STATEMENTS (Continued) for the year ended 31 December 2020

2	DONATIONS AND LEGACIES	2020 \$	2019 \$
	Donations received	513,158	1,854,972
3	INVESTMENTS	2020 \$	2019 \$
	Bank interest receivable	4,525	8,284
4	OTHER INCOME	2020 \$	2019 \$
	Foreign exchange gains	-	26,065
5	RAISING FUNDS	2020 \$	2019 \$
	General expenses	230	2,431
	Bank and credit card charges	159	134
		389	2,565
6	CHARITABLE ACTIVITIES	2020 \$	2019 \$
	Grants payable to:		
	Stepping Stones (for Botswana project)	84,394	589,499
	Help Lesotho	209,874	233,636
	Pebbles Project Trust	459,818	484,889
	The Graff Foundation	201,313	-
		955,399	1,308,024
7	OTHER EXPENDITURE	2020 \$	2019 \$
	Governance costs and foreign exchange losses	70,603	6,602

Governance costs comprise administrative services, provided by Robert Falk, the charitable company accountant of \$1,364 (2019: \$1,320). These have been borne by Graff Diamonds Limited in 2020 and are not included in the table above. Audit fees are \$7,500 (2019: \$6,602) for the year. FX losses of \$63,103 have been incurred in 2020 (2019: no losses).

Facet Foundation

NOTES TO THE FINANCIAL STATEMENTS (Continued) for the year ended 31 December 2020

8 DIRECTORS'/TRUSTEES' EMOLUMENTS

No Directors or trustees received any remuneration or reimbursement of expenses for their services to the charitable company during the year (2019: £nil). There are no other employees within the charitable company (2019: none).

9 DEBTORS

	2020	2019
	\$	\$
Grants receivable	40,316	28,101
Prepayments and other debtors	12	623
	<u>40,328</u>	<u>28,724</u>

10 CREDITORS: Amounts falling due within one year

	2020	2019
	\$	\$
Accruals and deferred income	7,500	6,602
Other Creditors	34	-
	<u>7,534</u>	<u>6,602</u>

11 UNRESTRICTED FUNDS

	2020	2019
	\$	\$
Fund balances brought forward as at 1 January 2020	1,046,594	474,454
Income	517,683	1,889,331
Expenditure	(1,026,391)	(1,317,191)
Fund balances carried forward as at 31 December 2020	<u>537,886</u>	<u>1,046,594</u>

12 RELATED PARTY TRANSACTIONS

The charity company received a pledge of \$500,000 (2019: \$1,822,920) in the year from The Graff Foundation. This was separate to the grant paid to The Graff Foundation of \$201,313 (2019: \$nil). The charity company will occasionally receive funds or pay funds to the Graff Foundation for cash flow purposes. Laurence Graff and Francois Graff are also trustees of The Graff Foundation. The trust is a stand-alone entity.

The ultimate controlling party is Mr Laurence Graff.