



AKO Foundation

Report and Financial Statements

31 December 2020



Trustees

The trustees, who were also directors under company law, who served during the year and up to the date of this report were as follows:

S Procopis (appointed 28 February 2020)

H Syse

D Woodburn

M Byman (resigned 28 February 2020)

K Tangen (resigned 1 July 2020)

N Tangen (resigned 1 July 2020)

Senior Management Personnel

Philip Lawford; Chief Executive Officer

Auditor

Sayer Vincent LLP

Chartered accountants and statutory auditor

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About the AKO Foundation

Nicolai Tangen

2020 proved to be a watershed year in the development of the AKO Foundation, as it marked the departure from the board of our founder, Nicolai Tangen, upon his appointment as Chief Executive Officer of Norges Bank Investment Management. In this role Nicolai is responsible for the management of the 'Government Pension Fund Global', more usually known as the Norwegian sovereign wealth fund, and widely considered to be among the world's largest investment funds.

The Trustees warmly congratulate Nicolai upon his appointment, but at the same time regret the departure of both Nicolai and Katja Tangen from the board: Nicolai's and Katja's generosity, ambition and vision had provided the driving force for the Foundation since its inception in 2013.

The arrangements connected with Nicolai's assumption of his new role required the divestment both of his majority ownership interest in AKO Capital, and of a number of his other investment assets. Substantially all of these have been gifted by Nicolai to the Foundation (or to its wholly-owned subsidiary), resulting in the very substantial increase in the Foundation's net assets, as shown in these accounts. The Trustees wish to place on public record their enormous gratitude and appreciation for this act of great generosity.

Education, Arts, Climate

The Foundation continued to make grants towards charities and charitable projects within its three priority areas – to improve education, to promote the arts, and to combat the climate emergency. While continuing to help to start up, or to be the catalyst for, new charitable projects which otherwise might not have been realised, the Foundation is also willing, where appropriate, to offer unrestricted support. Mirroring the long-term thinking and investment strategy of AKO Capital,

the Foundation aims to be a significant and reliable partner to its beneficiaries, and generally seeks multi-year relationships with them.

The Foundation seeks to add value to its partners in ways beyond the purely financial. For example, wherever appropriate it seeks to introduce grant recipients that have complementary interests to each other, for their mutual benefit; and AKO Capital staff are encouraged to volunteer their time and expertise with the Foundation's beneficiaries. Some instances of 'Connecting the Dots' appear in the following pages.

2020 was also marked by the global COVID -19 pandemic. Wherever possible, the Foundation has responded to beneficiaries' requests for flexibility in the timing or use of grants, in light of the difficult and unprecedented conditions in which many of them found themselves. The Trustees wish to pay tribute to all our beneficiaries for continuing to provide, and in many cases to enhance, the services they provide in these most challenging circumstances.

The Foundation takes pride in the leanness of its administration, which results in fast decision-making, and in the greatest possible proportion of its resources being available to support beneficiaries. Our vision is to be recognised as a cost-effective and fast-moving organisation that stands out for its speed of decision-making. At the same time, the Foundation continues to apply analytical rigour to ensuring that the impact of its grant-making is maximised.

The Foundation adopts a proactive approach to grant-making; accordingly, it does not seek applications for grants, and does not make grants in response to unsolicited applications.

A summary of the Foundation's major projects, since its inception in 2013 to the date of this report, is set out below.

Education

The Foundation believes that education is the key to a successful future both for individuals and for societies as a whole, and thus supports educational projects in both developing and developed regions of the world.

Developing countries

The Foundation's approach is not to select specific countries in which to operate; rather, it supports trusted partners in their work, enabling them to use their local knowledge, expertise, and networks to judge where an intervention will have the greatest, or most widespread, impact. A number of large-scale studies have demonstrated the substantial economic and environmental positive impacts of giving girls, who would otherwise be disadvantaged or excluded, access to a good education; the Trustees therefore have a particular interest in this area.



Educate Girls

CAMFED



Educate Girls

More than 4 million school-age girls in India alone regularly fail to attend the school where they belong – one of the largest such populations, out of a global total of around 130 million. Yet a recent World Bank report showed that girls' education, especially at secondary level, can be transformative in key areas, including earnings and standards of living; child marriage and early childbearing; health, nutrition and well-being; and agency and decision-making.

Over the course of five years, involving an extensive 'boots on the ground' approach, Educate Girls aims to enrol 1.6 million girls back into school; improve learning outcomes within the school system by implementing a remedial and life-skills curriculum that will supplement the state curriculum; and strengthen the school governance system and its infrastructure so that the improved enrolment figures, once achieved, are sustained. The Foundation has joined a collaborative funding initiative, together with a group of other prominent philanthropists, to support this project.

Campaign for Female Education (CAMFED)

CAMFED is a UK charity that tackles poverty and inequality through education, primarily in sub-Saharan Africa. It supports marginalised girls to attend school, to succeed academically, and then, as young women, to realise their potential to be leaders of change. In its 25 years of existence, CAMFED has helped more than 3 million children to attend school, and has recruited nearly 140,000 educated young women into the CAMFED Association (CAMA), where they are able to leverage investment in girls' education by supporting even more girls to stay in school, and to thrive as young adults. The Foundation made a grant over 3 years to enable CAMA to pioneer ways to combat the effects of climate change on health, welfare and education, through direct support to vulnerable children, alongside strategies to reduce vulnerability in the longer term; it is hoped that this approach will in due course prove to be replicable in other countries. We subsequently made a second, unrestricted grant.

Strømme Foundation

Strømme Foundation is a Norwegian development organisation that uses education to pursue its mission of creating a world free from poverty. Its approach is holistic, working with children, adolescents and their families within selected communities, thereby strengthening sustainability and maximising impact. The Foundation has supported Strømme since 2014.

The principal strands of Strømme's work being supported by the Foundation are summarised below.

Educational work in Uganda: RISING project

With 1.2 million refugees, Uganda is Africa's largest refugee-hosting country, with recent significant influxes from South Sudan, DRC and Burundi. Among other problems, this creates a large out-of-school population among adolescents, particularly among girls, a large proportion of whom have suffered gender-based or sexual violence. The RISING project seeks to enrol 100,000 children into formal education over 4 years.

Educational work in West Africa

The Foundation continues to support Strømme's work in Burkina Faso and Niger, two of the world's poorest and least developed nations. School attendance and literacy rates in these countries are low and female literacy rates are less than 20%. Without even a primary education, children lack the skills and knowledge required to improve their situation and are likely to remain impoverished for the remainder of their lives.

The programmes implemented by Strømme with funding from the Foundation and other donors provide out of school children, half of whom are girls, with accelerated learning courses designed to get them to the educational level necessary to enrol in formal school. It also includes the "A Saving for Change" programme which targets the mothers of these children and gives them the opportunity to save and obtain loans that may be used for educational expenses, to generate income, for health care and to enhance food security.

SAMVAD programme

SAMVAD means 'dialogue' (in Sanskrit) and is a non-formal, community based, participatory education system designed especially for adolescent girls at risk of dropping out of school and being trafficked. At SAMVAD centres, the girls follow a course that includes life skills, functional literacy, building self-confidence and vocational skills. The Foundation is supporting Strømme's existing SAMVAD programme in Nepal and Bangladesh. It is also supporting the development of this programme in West Africa, where there are countries with some of the highest rates of child marriage in the world.

Myanmar

Strømme's DREAM (Development and Rehabilitation of the Economy of the Poor through Alternative Means) project continues to work with 3,000 of the poorest families in the Ayeyarwaddy district, including the tribal Karen community.

A new programme, SEEDS (Socio Economic Empowerment with Dignity and Sustainability), in the same region of Myanmar, will use a broadly similar approach, working with around 1,000 families, many of which are likely to be landless and / or headed by a female family member, in order to bring them out of extreme poverty into a sustainable socio-economic future.



Strømme Foundation

The Mosvold-Martinus Trust

The Mosvold-Martinus Trust is a charitable establishment created by the Mosvold Group with the objective of improving the lives of underprivileged young people in Sri Lanka. The Trust promotes self-reliance by providing initiatives and support to allow young people to become the agents of their own development and progress. The Foundation has funded the MM Trust's "AKO Scholarship Program in Sri Lanka", which provides scholarships to allow disadvantaged students to pursue higher education at university or through vocational or skills training.

Partnership for Change

Partnership for Change is a Norwegian non-profit organisation that works for the economic independence of women in Myanmar and Ethiopia. Although, in theory, Ethiopia's educational policy gives boys and girls equal access to education, in practice – and particularly in rural communities – boys are given priority. To address this inequality and the unmet educational needs of such girls, the Foundation is funding an intensive programme of financial support and academic and life skills training in rural Ethiopia to prevent girls from deprived backgrounds from dropping out of high school.

Lively Minds

Lively Minds, a UK charity, works in remote rural villages in Africa and trains 'Volunteer Mothers' to run free and informal play schemes for all pre-school children in their villages. The Volunteer Mothers are also given monthly parenting workshops to help them provide better care at home. A recent evaluation of their work by the Centre for the Evaluation of Development Policy at the Institute for Fiscal Studies (IFS) reported that "overall, the findings suggest that the Lively Minds program is an effective and potentially scalable way to improve children's cognitive and socio-emotional development, health, and school readiness". The Foundation supports Lively Minds' work in both Ghana and Uganda.



Partnership for Change

Little Sun Foundation

The Little Sun Foundation is a German non-profit organisation, founded by Danish-Icelandic artist Olafur Eliasson. Little Sun creates solar-powered hand-held lamps, designed by Eliasson himself; they can be charged during the day and allow work to be undertaken during hours of darkness. The solar lamps also provide significant health and economic benefits, as they replace harmful kerosene lamps and expensive torches.

The Foundation has made grants to enable Little Sun to provide solar lamps to students in several African countries, to allow them to undertake homework, and thus to increase their study time and academic attainment.

World Association of Girl Guides and Girl Scouts

The World Association of Girl Guides and Girl Scouts (WAGGGS) is the world's largest voluntary Movement dedicated to girls and young women. For more than 100 years Girl Guiding and Girl Scouting has transformed the lives of girls and young women, supporting and empowering them to achieve their fullest potential and to become responsible citizens of the world. The Movement now represents ten million girls and young women from 150 countries, helping them through innovative non-formal education programmes, leadership development, advocacy and community action, thereby empowering girls and young women to develop the skills and confidence needed to make positive changes in their lives, their communities and countries.

The Foundation is supporting a new programme designed by WAGGGS, which will be implemented in partnership with local Guiding Associations, initially in three countries in sub-Saharan Africa. It aims to increase awareness of climate related issues, to support direct adaptation and mitigation action at community or national level, and to increase the future capacity for women to take leadership roles in climate change response.



World Association of Girl Guides and Girl Scouts

The UK and other developed countries

Stiftelsen Fullriggeren Sørlandet

Stiftelsen Fullriggeren Sørlandet is a Norwegian educational non-profit foundation which owns, maintains, and preserves the Tall Ship *Sørlandet*. This vessel has been more or less continually in use as an educational facility for 100 years; it now requires to be upgraded to meet modern safety, environmental and conservation standards. Meanwhile, the cancellation of a school year because of the COVID-19 pandemic has also allowed the foundation to refresh the curriculum, and to seek ways to broaden the diversity of students attending the on-board Academy, particularly those from countries other than Norway.

The Foundation's grant will fund the re-design of the curriculum, and will also provide bursary funding for international students who would not otherwise be able to attend.



The tall ship Sørlandet

Teach First

Teach First is a UK charity whose mission is to end educational inequality. Teach First believes that changing the life of a child often starts with the dedication and leadership of a great teacher who inspires the child to work towards the future he or she wants. Accordingly, a fundamental part of its work is the recruitment, training and support of new teachers to work in schools serving low-income communities across England and Wales. Its success in inspiring some of the country's best graduates to choose to work in these schools has been remarkable; Teach First is now one of the largest graduate recruiters in the United Kingdom.

The Foundation has worked with Teach First since 2014, and continues to support the following programmes:

Careers Leaders

Teach First's Careers and Employability Programme provides a comprehensive programme of training for teachers that combines careers expertise and leadership development, and which participants can immediately apply within a school setting. The programme is focused on schools where a high proportion of pupils live in poverty and aims to advance the quality of careers education, enabling schools to design and implement a high-quality, whole school programme that ultimately increases their pupils' employability.

Work experience

A study published in the *Journal of Education and Work* showed that a young adult who has four or more contacts with employers could be expected to earn £3,600 p.a. more than his or her peers who had no such contacts. Teach First's work experience programme, an idea instigated by the AKO Foundation, provides a programme of week-long, paid work experience placements for pupils from schools in which Teach First works at a wide range of organisations, including AKO Capital. The programme has of course been disrupted by the pandemic, but it is hoped that it will resume during the course of 2021.

Leading Together

It is generally acknowledged that the quality of school leadership has a very significant impact on the future performance of a school. Leading Together is a two-year programme of support for schools in areas of greatest need to build and sustain strong and effective senior leadership teams. It is unique in its bespoke support for a school's entire senior leadership team over a sustained period. The ultimate objective is to improve pupil attainment by improving teacher retention, often a significant problem, and the quality of teaching throughout the school.



Teach First

Now Teach

Now Teach shares Teach First's objective of reducing educational inequality. One of the biggest problems facing secondary schools is a shortage of maths, science and language teachers. Whereas Teach First seeks to address this need by recruiting some of the country's best graduates, Now Teach recruits and supports high calibre, experienced professionals, who have already had one successful career, as teachers in these and other shortage subjects. Working in challenging schools across the country, they not only increase teaching capacity, but also bring vital links to employers, universities and other post-school options. The Foundation has made a grant to help Now Teach expand its work and reach more disadvantaged areas across the United Kingdom.

Ark

Ark also seeks to transform the lives of under-privileged children by providing a great education. While Teach First and Now Teach focus on the teacher, Ark's focus is on the school: it runs 37 Academy schools, at both primary and secondary levels, in the UK. Its schools are in areas of economic deprivation with a history of educational underachievement, which Ark seeks to change by setting high academic and behavioural expectations, thus providing more time for learning and improving the quality of teaching.

The Foundation has worked with Ark since 2015 and is currently funding the Music and Drama studio to be located in the redeveloped Ark Swift Primary Academy in White City, London. The studio will provide pupils and staff at the school with a dedicated performing arts space. The rebuilding of Ark Swift is part of a wider development, EdCity. This is a capital project led by Ark, which will create a new education-focused campus, incorporating an expanded nursery school; the redeveloped Ark Swift Primary; an OnSide Youth Zone (see below); an adult education learning centre; residential units, the majority of which will be affordable; and an office building to house social enterprises and charities with shared missions.

The Foundation also provides funding for Ark's Pathways & Enrichment project which supports and encourages students at Ark schools to aim for and reach the university or career of their choice. A number of AKO Capital partners and staff have volunteered their time and experience to help with different strands of this initiative, or to act as a governor of an Ark school.



Ark

Brilliant Club

Founded in 2011 by alumni of Teach First, The Brilliant Club works with over 700 schools helping high-potential students from under-represented backgrounds to attain places at top UK universities. The 'Scholars Programme' recruits, trains and places PhD researchers to deliver university-style courses, based on their research, to small groups of pupils aged 9-17. The pupils also visit two highly selective universities, and write a final assignment of 1,000-2,500 words, depending on their age group. A study undertaken by UCAS showed that pupils who successfully complete the Scholars Programme are nearly twice as likely to progress to a highly selective university as a control group based on GCSE attainment and socio-demographics.

The Foundation is supporting the Brilliant Club's work in schools in East Anglia, a region that it had identified as a specific area of need as part of its commitment to working with schools in rural and coastal communities.

This charity was introduced to the Foundation by an analyst at AKO Capital who serves as a trustee of The Brilliant Club.



Brilliant Club

OnSide

OnSide provides modern, world class, custom-built youth centres ('Youth Zones') for young people aged 8–19 (up to 25 for those with additional needs). Located in disadvantaged neighbourhoods, the Youth Zones offer a wide range of sport, art and enterprise activities, giving young people somewhere to go, something to do and someone to talk to. An independent study found that anti-social behaviour drops by between 30% and 77% around a Youth Zone.

Having started in North West England, OnSide has lately expanded into London. The Foundation made a grant to help establish the Youth Zones in Barnet, and in Barking & Dagenham. Both opened in mid-2019 and, having initially met expectations in terms of the numbers of young people using the facilities, had to adjust rapidly during 2020 in order to offer distanced and remote provision. Elsewhere in London, OnSide has also recently opened a Youth Zone in Croydon, and is developing one in White City, as part of the EdCity development (as referred to above).

Education and Employers

Education and Employers provides young people with the inspiration and motivation that they need in order to achieve their potential. By connecting schools and colleges with employers, it alerts young people to possible career paths of which they may not otherwise be aware, and demonstrates the link between academic studies and the skills and qualifications required for employment. The Foundation supports 'Primary Futures', which takes the charity's work into primary schools.

Bite Back 2030

The Foundation previously made grants to support several Jamie Oliver Food Foundation initiatives, including the Kitchen Garden Project, Food Revolution Day, the Jamie Oliver Food Foundation Global Ambassador Programme, Workplace and University Cooking Programmes, and The Food Education Learning Landscape.

Latterly, the Foundation and the Jamie Oliver Group together founded the 2030 Youth Obesity Alliance, otherwise known as Bite Back 2030, with the goal of halving the rate of childhood obesity in the United Kingdom by 2030, while at the same time eliminating the gap in obesity rates between children from more and less affluent backgrounds.

Bite Back aims to build a youth movement that will have sufficient authenticity and critical mass so that it can act as a credible advocate to government (national and local), schools, hospitals and other entities delivering food on a large scale to young people, and will make progress towards identifying the creative medium or media through which to engage key audiences. The Foundation continues to provide core support.

Frontline

Frontline recruits, trains and supports outstanding individuals to become social workers through a 2-year programme which gives an opportunity for high-potential graduates and career changers to make a difference to the lives of some of the most vulnerable children in England. Frontline has trained more than 1,000 social workers since its inception in 2013.

The Foundation provides unrestricted support.



Frontline

The Wharton School of the University of Pennsylvania

The Foundation has an ongoing relationship with the internationally renowned Wharton School of the University of Pennsylvania. The Foundation and Nicolai Tangen privately have to date endowed undergraduate scholarships to support 22 international students who would otherwise be unable to meet the cost of their education. The scholarships benefit the individual recipients and, due to the recipients' global background and international perspective, enrich the student community. Their education will also benefit the communities and organisations they go on to lead after graduating.

The Foundation has made a major grant to spearhead construction of a new campus building, Tangen Hall, which when opened in 2021 will provide the first ever space dedicated to cross-campus student entrepreneurship at the University of Pennsylvania. Tangen Hall will provide a facility where a diverse group of problem solvers are brought together to implement efficient, sustainable and actionable solutions to the challenges facing societies around the world.

The Foundation has also:

- Supported a series of Wharton School reports which examine business ethics, advocating ethical best practice and tools to make ethical business practice possible. These reports are distributed by the School's online business journal, Knowledge@Wharton, and are freely available to all interested parties;
- Provided financial support for the 'Wharton People Analytics' and 'Behavior Change for Good' initiatives which are designed to advance the practice of evidence-based management and decision making and address the question of how changes in behaviour can be made to stick; and
- Made annual grants to the Wharton Fund to help the School provide opportunities to its faculty, students and alumni.

The Foundation's support of the Wharton School is effected via grants to the University of Pennsylvania (USA) Foundation Ltd, a UK charity.

London Academy of Excellence

The Foundation now supports the London Academy of Excellence in both Stratford and Tottenham; sixth form colleges which primarily serve those with high academic potential from disadvantaged and under-represented backgrounds. The Foundation's grants enable both Academies to offer some of the extra-curricular activities and benefits enjoyed by pupils at some more established schools.

University College School, Hampstead

University College School, Hampstead was founded to promote the Benthamite principles of liberal scholarship. The Foundation previously supported the redevelopment of UCS' library: this has created a flexible and multifunctional library space able to support both individual study and collaborative work, while also providing an important resource for UCS' partner schools, including the London Academy of Excellence, UCL Academy and Westminster Academy. The Foundation has more recently supported the redevelopment of UCS' sixth form centre.

Royal Springboard Foundation

The Royal Springboard Foundation identifies, prepares and supports pupils from disadvantaged backgrounds – children and teenagers in or on the edge of care, or growing up in households and communities where opportunities to flourish are limited – to benefit from a boarding school education. It partners with schools across the country and arranges for 110% bursary places (those that cover all fees and extras) to be offered. In addition to lifting individual life chances, its work demonstrates the beneficial role that boarding, whether in the private or state sector, can play in addressing socio-economic mobility.

The Foundation made its first grant to Royal Springboard during the year.

University of the Arts

UAL has been a long-standing partner of the Foundation, as described below under 'Arts',

In recent years, UAL has established a new model of academic delivery, *UAL Institutes*, which overlay UAL's six acclaimed art and design colleges. UAL is now in the process of establishing a new Institute - *Storytelling*. It is intended that this will become an influential academic leader in a wide range of narrative disciplines, while also enhancing UAL's public programme and audience engagement, ultimately leading to rigorous research approaches to a range of vital and topical subjects, such as the public and policy narratives around climate change, the refugee crisis or pandemics, and matters such as misinformation, fake news and information overload.

The Foundation's grant will provide the seed funding for the Institute's first few years.

Arts

The Foundation has a particular interest in the visual arts, reflecting the interest and expertise of its founder, Nicolai Tangen. It also seeks to develop close relationships with a limited number of partner institutions, primarily in the UK and Norway, with which projects are jointly envisaged and realised.

SKMU Sørlandets Kunstmuseum

The SKMU Sørlandets Kunstmuseum is a regional art institution, located in Kristiansand, Norway, which has collected high quality arts and crafts objects from its local area since its formation in 1995. SKMU has developed a wide range of educational activities including the establishment of a successful museum for children, The Children's Art Museum, within its premises.

The Foundation has made a number of grants to SKMU to be used for the purchase of Norwegian glass, ceramics and similar art works, dating from 1930 onwards, for public display. It has also supported an initiative by SKMU to cover the cost of transport to bring school children to the museum.



Painting workshop stART at SKMU Sørlandets Kunstmuseum

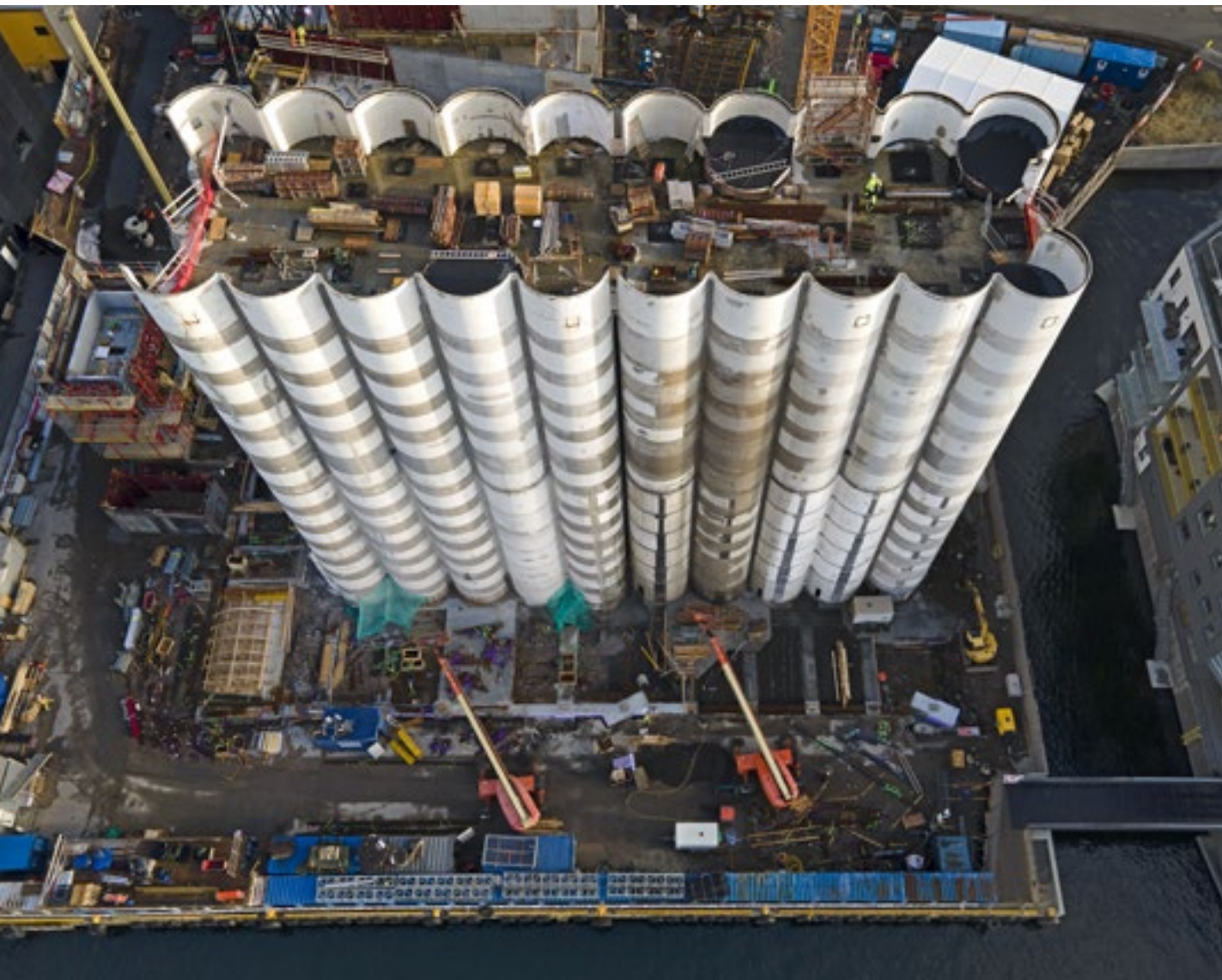
AKO Kunststiftelse

The Foundation is undertaking a major programme of support for AKO Kunststiftelse, a Norwegian non-profit foundation whose objective is to advance the public's access to Nordic visual arts from 1900 onwards. To achieve this objective AKO Kunststiftelse is building a collection of such art for public exhibition and it is intended that SKMU will have the right to use this collection free of charge and on a perpetual basis.

It is planned that the public exhibition of the collection will be in a new museum, the Kunstsilo Museum, in Kristiansand. The establishment of this new museum is being undertaken by SKMU in cooperation with the Kristiansand municipal authorities, the Norwegian government and other Norwegian institutions; it is expected to open in late 2022.

To date the main focus of AKO Kunststiftelse has been on building the collection while SKMU has undertaken the identification of the building to house and exhibit the collection, the recruitment of the director of this new museum, and the building out of the Museum's organisation. The ultimate combined vision is to create a public art collection of international importance housed in an art museum of outstanding architectural quality.

The Foundation is also supporting research into certain aspects of the collection by a doctoral candidate at the University of Agder, Norway.



AKO Kunststiftelse: aerial view of the Kunstsilo

The Courtauld Institute of Art

The Courtauld Institute of Art is an international centre for the study of the history and conservation of art and is also home to one of the finest small art museums in the world.

Its Institute of Art, a college of the University of London, is the pre-eminent centre for the study of the history of art in Europe. The Foundation has endowed an academic post for the study of European art of the 20th century, in particular, German Expressionism. The gift was made by the Foundation in honour of Dr Shulamith Behr, Honorary Research Fellow at the Courtauld, who taught Nicolai Tangen during his MA studies there. Dr. Robin Schuldenfrei, a distinguished art history scholar specialising in the history and theory of European and American modern architecture and design, is the first appointee to this endowed post. She has made several important contributions to teaching and research at the Courtauld including launching a new MA degree, 'Experiencing Modernism: Utopia, Politics, and Times of Turmoil'. The course is consistently popular and oversubscribed.

Courtauld Connects is a major capital project to redevelop the Courtauld's physical premises in Somerset House, London. The objectives of Courtauld Connects are to increase access to the Courtauld and improve users' experiences, to create the best teaching, conservation and research environment, and to preserve and reveal the Courtauld's heritage building and collections. The Foundation has provided a major grant towards this project.

In recent years, the Foundation has presented an annual AKO Curatorial Prize, open to graduates of the Courtauld's MA programme. The AKO Curatorial Prize is the only such prize available to MA graduates in the UK.



The Courtauld Institute of Art

Tate

The Foundation was the principal supporter of the exhibition *Olafur Eliasson: In real life* which was on display at Tate Modern during the second half of 2019. The Foundation's connections with Eliasson's work also include support for the charity Little Sun (see above).

During its 6-month run, *Olafur Eliasson: In real life* welcomed 546,431 visitors - nearly 200,000 more than had been anticipated. It was the second most attended exhibition in Tate's history, and just the third to exceed the 500,000 visitors mark. Tate Collective (a bespoke membership programme for 16- to 25-year olds) accounted for 58,855 visits over the course of the exhibition run, the most popular show with Tate Collective members to date. Throughout the exhibition's run, the exhibition webpage received nearly 1.5 million page views.

During 2020 the Foundation's relationship with Tate deepened in several ways. Following on from the sustainability theme of the *Olafur Eliasson:*

In real life exhibition, Tate had planned, with the Foundation's support, a programme of events to be titled *Power to Change*: this would focus on the responsibility and role of artists, art and museums in the climate emergency. Regrettably, this had to be postponed because of the COVID-19 pandemic.

Having supported the staging by Turner Contemporary of the Turner Prize in 2019 (see below), the Foundation agreed to support the 2020 Turner Prize, to have been held at Tate Britain. In the event the 2020 Turner Prize did not take place, thus the Foundation's support will be rolled forward towards the 2021 Turner Prize at the Herbert Art Gallery & Museum, Coventry.

Finally, Tate Modern and the Metropolitan Museum of Art, New York, are jointly planning an exhibition, details of which will be announced by both institutions in due course. The Foundation will be a primary supporter of the exhibition while it is on display in London.



Olafur Eliasson: In real life at Tate Modern

Turner Contemporary

The world's best-known and most prestigious contemporary art prize, the annual Turner Prize, alternates between Tate Britain and a regional museum or gallery. In 2019 Turner Contemporary, located in Margate, on the Kent coast, was selected to host the Turner Prize. The Foundation's support enabled Turner Contemporary to host the event, to deliver an education programme, and to use the high profile created by the Prize to commission new works.

University of the Arts

The University of the Arts London (UAL) is Europe's largest specialist arts and design university. It offers courses in arts, design, fashion and communication and is attended by over 19,000 students from more than 130 countries. The Foundation has made the following grants to UAL:

- A grant to facilitate the launch of UAL's Creative Computing Institute. This is a UAL-wide centre of expertise in digital and computing matters which will both have an input into art and design courses across UAL, all of which require ever-increasing use of digital and computing elements, and also generate new areas of study and practical outputs with real world applications.
- A grant to support the launch of a second new UAL institute, the Social Design Institute. This institute will apply design solutions to some of the world's biggest social and environmental challenges to produce solutions that are actionable and deliverable.
- Continuing support for student bursaries. The Foundation's bursary support is now targeted at those students who have come to UAL under its 'Insights' programme, through which UAL seeks to recruit talented students from disadvantaged and otherwise under-represented backgrounds. This group of students will therefore include many who would expect to experience financial hardship in the absence of bursary support.

British Museum

The Foundation has supported the following exhibitions at the British Museum during the last 2 years:

- *Edvard Munch: love and angst*, which was on display at the Museum in 2019. The exhibition, a collaboration with the Munch Museum of Oslo, Norway, included 83 works, of which nearly 50 were prints borrowed from the Munch Museum, one of the most extensive loans of prints ever made by that Museum. Visitor numbers exceeded 100,000, requiring late-night opening on the final weekend to accommodate demand; 18% of those attending were first-time visitors to the Museum, in excess of the usual figure for a paid exhibition.
- *Library of Exile*, an installation by Edmund de Waal during 2020 and early 2021, in which he reflects on the idea of language as migration. A temporary white pavilion containing four vitrines of porcelain vessels, one of which has been bought by the AKO Kunststiftelse, alongside more than 2,000 books by writers from Ovid to the present day, de Waal has described it as 'the most significant sculpture of my life'. The library of books, all written by émigrés, has been donated to the public library in Mosul, Iraq.
- *The Arctic: culture and climate*, which was open (subject to lockdown restrictions) during the second half of 2020. This exhibition sought to further public understanding of the mutual relationships that unite people, their environment and the planet, at a time when the indigenous peoples of the Arctic are facing the very real possibility that the sea ice, and their world, will change dramatically, if not disappear.

The Foundation has also agreed to support other initiatives at the British Museum, including a planned 5-year programme of support for the Museum's collection of Nordic prints and drawings, to include acquisitions and a dedicated curatorship.



British Museum: Edmund de Waal in the Library of Exile



The Arctic, culture and climate at The British Museum

Camden Arts Centre

The Camden Arts Centre is a medium-sized gallery in north London that has an established reputation for showing work by both nationally and internationally significant contemporary artists. Founded by a group of artists in 1965, the changing programme includes temporary exhibitions, artists' residencies, and educational and family courses and other activities. The Foundation has made an unrestricted grant over 3 years.

ARoS Aarhus Art Museum

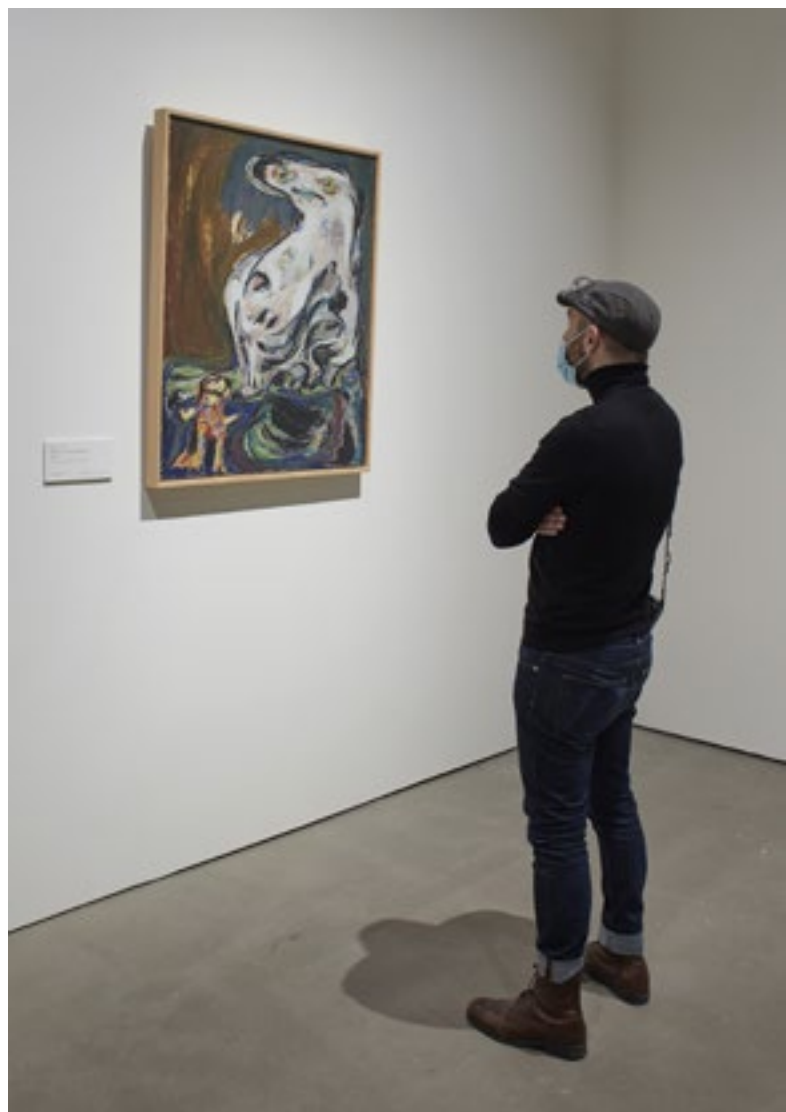
ARoS, located in Aarhus, Denmark's second city, is the oldest public art museum in Denmark outside Copenhagen, and is one of the largest art museums in Northern Europe. The Foundation has agreed to support two exhibitions: a joint retrospective of the Danish artists Asger Jorn and Per Kirkeby, which opened in late 2020; and a forthcoming exhibition of contemporary African art, currently scheduled to open in late 2021.

Wigmore Hall

The second grant made by the Foundation, shortly after its establishment in 2013, was to the Wigmore Hall. The relationship was renewed in 2020, when the Foundation agreed to underpin the series of concerts planned for the spring season in 2021. In the event the public was not able to attend these concerts in person and a revised programme of live streamed concerts had to be put in place.

AKO Caine Prize

The Caine Prize for African Writing was launched in 2000 by Africa 95, a UK charity, with the aim of encouraging and highlighting the rich diversity of African writing. Now renamed the AKO Caine Prize for African Writing, this is the premier African literature prize and is awarded each year to an African writer of a short story published in English. In addition to administering the prize, Africa 95 works to connect readers with African writers through a series of public events, and helps emerging writers in Africa to enter the world of mainstream publishing through the annual Caine Prize writers' workshop which takes place in a different African country each year. The Foundation has agreed to be the sole sponsor of the AKO Caine Prize for the three years 2020 – 2022.



Jorn / Kirkeby at AROS Aarhus Art Museum'

Climate

The AKO Foundation Trustees have become increasingly concerned by the effect of the changing climate on current and future generations and on global biodiversity. While acknowledging that they might have done so earlier, in 2019 they initiated what is becoming a third principal strand of grant-making, under the category heading ‘Climate’.

By flying, driving and so on, the Trustees do not live a carbon-neutral life, and would not wish to imply that they do. Nevertheless, they believe it is better to do something than nothing. Accordingly, they seek to support a portfolio of beneficiaries who they believe will have significant and lasting impact.

While acquiring experience in this field, the Foundation is taking advantage of the knowledge and advice offered by the Climate Leadership Initiative and other expert bodies.

CDP

CDP (formerly the Carbon Disclosure Project) draws on the power and influence of investors and buyers to motivate companies, cities, regions and states to disclose and manage their environmental impacts. It plays an essential role as the leading disclosure platform covering more than 7,000 companies and 600 cities globally. Over the past 18 years, CDP has built the most comprehensive collection of self-reported environmental data in the world, on the premise that what cannot be measured, cannot be managed. CDP is a founding member of the We Mean Business Coalition.

In 2020 the Foundation added an unrestricted grant to its existing support to CDP.

Energy Foundation China

Energy Foundation China (EFC) is the largest climate-related grantmaker operating in China. Dedicated to facilitating China’s sustainable energy development, and working closely with a wide range of both public and private sector bodies, EFC acts as regrantor, facilitator, and strategic adviser. Its Beijing-based staff support policy research, the development of new standards, capacity building, and dissemination of best practices across multiple sectors of the economy, for example in key areas such as transport electrification, cooling efficiency, power sector reform, and green finance. It makes around 200 grants per annum to research institutes, academies, think tanks, and other NGOs. The Foundation has made a grant over 2 years towards EFC’s core activities in China.

ClientEarth

ClientEarth is a UK charity that employs the power of the law to protect the planet. It uses legal advocacy, advice and, where necessary, litigation in order to ensure that government policies and corporate investment behaviours comply with existing environmental, energy markets and state aid legislation in countries around the world. The Foundation made a substantial grant to ClientEarth in early 2020.

European Climate Foundation

Founded in 2008 and registered in the Netherlands as an international non-profit organisation, the European Climate Foundation is a strategic regranter whose aims are to promote climate and energy policies that will reduce Europe's greenhouse gas emissions, and to help Europe play a stronger international leadership role in mitigating climate change. It undertakes research and technical analysis and strategic communications, convenes partnerships between policy-makers and other representative groups, and co-ordinates high-level political and diplomatic action.

The Foundation made its first grant to ECF during the year.

Conservation International

Conservation International seeks to protect the earth's natural assets by promoting sustainable economic growth and climate resilience. Building upon a strong foundation of science, partnership and field demonstration, Conservation International empowers societies to responsibly and sustainably care for nature, global biodiversity, and the ultimate well-being of humanity.

Rangelands (grasslands, savannah and shrub lands) cover 47% of the Earth's land surface and provide livelihoods to 180 million people globally, including more than 20 million pastoralists in Africa. For certain African communities, restoring and sustainably managing this land is essential to lift them out of poverty and to provide them with water, food and jobs. In addition, rangelands play an important role in ecological processes across Africa, forming important water catchment areas in dryland countries. The condition of rangelands determines the ability of surrounding ecosystems to absorb and store water and carbon, and degraded rangelands contribute directly to the loss of soil carbon into the atmosphere, soil erosion into water courses and wetlands, and the dominance of bare ground in these ecosystems (contributing directly to heat and water stress for both people and nature).

The Foundation has agreed to fund a project whereby CI will work with women in Kenya and South Africa to assist them in the sustainable management of rangelands.



Live Ocean

Live Ocean is an NGO based in New Zealand, working to protect and preserve the world's oceans, and in particular the oceans around New Zealand, the country with the 4th largest marine space on the planet. It funds marine research and the transition of research data and conclusions into ocean health action; and it uses sailing events globally to promote ocean-friendly behaviour. The Foundation made a match-funding grant towards Live Ocean's core costs.

Basecamp Explorer Foundation

The Basecamp Explorer Foundation (BEF) is the charitable arm of a Norwegian sustainable tourism business, which operates in the Arctic and in Kenya. In Kenya, BEF has had a long association with tribal chiefs in the Maasai Mara region; by collaborating with the local communities, BEF seeks to halt the extinction of the region's wildlife.

BEF's approach is based on a close partnership with those who own and inhabit the land. The Foundation's grant, over 3 years, will be used to lease, from local families, corridors of land that are critical for wildlife migrations; and to fund the operating expenses of a new educational entity, the Wildlife Tourism College of Maasai Mara, which will train local people in the tourism and hospitality industries.

Science Museum

The Foundation made a grant towards the planned exhibition *Our Future Planet* which it is hoped will open in 2021.



Live Ocean

Local Projects

The Foundation is a London based charity; its founder previously lived, and the majority of the trustees do live, in north London. The founder, Nicolai Tangen, was born and brought up in Kristiansand, Norway; other Trustees also have connections to Norway. The Foundation values these links and has supported the following projects in north London and Norway:

London

Hampstead Theatre

Based in north London, Hampstead Theatre has as its mission the creation of original theatre without creative restriction. The Foundation has been an important partner over several years, including in the creation of 'The Next Decade' initiative – the commissioning of new plays from leading playwrights – for which the Foundation matched the funding raised by Hampstead Theatre.

The Foundation agreed a new grant in 2019, again on a match-funding basis, to support the Theatre's objective of strengthening its financial reserves. This proved helpful in helping the Theatre to navigate through the very difficult conditions of 2020.

Maytree

Maytree supports people facing a suicidal crisis, in a non-medical setting. The Maytree Suicide Respite Centre, located in north London, is the only place of its kind in the UK and fills a gap in services between the medical support of the National Health Service and the helplines and drop-in centres of the voluntary sector. Specifically, it provides such individuals with a free five-day stay and the opportunity to be befriended and to speak in complete confidence. The Foundation has contributed to Maytree's core costs over several years.

Doorstep Homeless Families Project

The Foundation has made two grants to support Doorstep in its mission to provide homeless families living in temporary accommodation in north London with access to services, so that they can enjoy a better quality of life.

Freud Museum

The first ever grant made by the Foundation was in 2013 to this north London museum, situated in what was formerly Sigmund Freud's family home during his exile in London, towards the conservation of the couch used during his psychoanalysis sessions with his patients.

Norway

Den Norske Turistforening

Den Norske Turistforening is Norway's largest outdoor life organisation with more than 310,000 members. DNT aims to promote active and environmentally friendly outdoor activities, such as trekking and ski trekking, and to preserve the natural and cultural landscape. In particular, DNT's local associations maintain walking routes and ski tracks, and operate 550 refuge cabins across Norway. The Foundation proposes to make a grant to allow DNT to build a new cabin in the Setesdal Vesthei mountain area in Norway, which will serve as a starting point for treks and will also provide information about the natural and cultural heritage of Setesdal Vesthei including the area's herds of wild reindeer.

Business for Peace Foundation

The Business for Peace Foundation, a Norwegian foundation, believes that business can create positive change in society by acting ethically and responsibly and with the objective of creating value for society as well as economic value. In support of this, the Business for Peace Foundation names Honourees who have demonstrated that it is possible to combine solid business performance with these higher purposes. The Foundation has supported the Business for Peace annual summits since 2016.

In addition, in 2020 the Foundation agreed a one-off grant towards the launch of a new initiative 'Future of Business', which seeks to encourage investors and business leaders in selected countries in Africa to conform to the UN's Sustainable Development Goals.

Den Norske Turistforening



Other initiatives

The AKO Give Back Initiative

The AKO Give Back Initiative provides all AKO Capital staff with the opportunity to nominate a charity to receive a grant from the Foundation. As well as nominating charities, the staff collectively determine the recipients of the larger grants. A committee of staff members selects a shortlist of charitable projects, and all staff then vote on the allocation of a pool that in 2020 amounted to some £600,000.

The objective of the AKO Give Back Initiative is to encourage philanthropic involvement by all staff at AKO Capital, as well as to develop leadership skills within the organisation. "How you give back to society" is also an important question in the AKO Capital partners' year-end review process.

In 2020 the largest grants were to the following recipients:

- **Cool Earth:** Cool Earth is an environmental charity that works with rainforest communities to halt deforestation and its impact on climate change.



Cool Earth



Generating Genius

- **Generating Genius:** Generating Genius works with talented and able students from BAME backgrounds to enable them to excel in STEM careers and higher education.
- **Haringey Sports Development:** A north London charity offering a wide range of physical recreation and sport programmes and facilities.
- **Little Village:** Little Village operates across London in the manner of a food bank, but for clothes, toys and equipment for babies and children up to the age of 5.
- **Loss Foundation:** The Loss Foundation is the only UK charity dedicated solely to providing bereavement support following the loss of a loved one to cancer or, latterly, to COVID -19.
- **PACT (Parents and Children Together):** PACT supports families throughout the process of adoption.

The trustees are delighted that certain charities introduced to the Foundation through this initiative have subsequently developed deeper, multi-year relationships with the Foundation. Lively Minds and OnSide, both covered in the Education section above, are examples of such relationships.

In addition to the annual opportunity to recommend purely financial support, AKO Capital staff are also encouraged to give their time and expertise to those charities that the Foundation supports, for example by serving as charity trustee, school governor or mentor to young people.

Report of the
Trustees

Independent
auditor's report

Financial Statements

Report of the Trustees

The trustees present their report and the audited financial statements for the year ended 31 December 2020.

Reference and administrative information set out above forms part of this report. The financial statements comply with the current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice – Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS 102)).

Structure, governance, management & remuneration

The Foundation is a charitable company limited by guarantee, incorporated on 1 February 2013 and registered as a charity on 29 April 2013. The company was established under a memorandum of association which established the objects and powers of the charitable organisation and is governed under its articles of association.

The Foundation has two subsidiaries both of which are wholly owned. It also has one associated undertaking. Further details on these entities are included in notes 8 and 9 to the financial statements.

The Foundation is managed by the trustees with decisions taken at the regular trustee meetings. Trustees are given training and advice on their responsibilities when they take on the position. They give their time voluntarily and receive no remuneration or benefits from the charity. Any expenses reclaimed from the charity are set out in note 3 to the financial statements.

Any future trustee appointments are made by election of the Members of the Foundation.

The Foundation has a single employee and its reward and recognition strategy is designed to attract and retain motivated and talented individuals.

Objectives and activities

The objective of the Foundation is to act as a charity for general charitable purposes with a focus on education and the arts, in particular the provision of grants for charitable purposes (as prescribed by the Charities Act 2011).

The Foundation's charitable objectives are:

- The advancement of education;
- The advancement of the arts, culture, heritage and science; and
- All other charitable purposes for the benefit of the public.

The trustees review the aims, objectives and activities of the Foundation each year. In recent years the trustees have become increasingly concerned by the effect of the changing climate on current and future generations and on global biodiversity and in 2019 they initiated a grant making programme in this field.

This report looks at what the Foundation has achieved and the outcomes of its work in 2020. Details of the grants made in the year are included in the financial statements.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning its future activities. In planning the Foundation's activities, the trustees consider how these will contribute to the aims and objectives that have been set.

In undertaking their management of the Foundation, and the making of grants, the trustees have had regard to their obligations under Section 172 (1)(a)-(f) and 172(2) of the Companies Act 2006 to promote the success of the Foundation to achieve its charitable objectives.

Strategic Report

Achievements and performance in the delivery of public benefit

The Foundation's main activity is to make grants to UK charities and for general charitable purposes elsewhere in the world. The primary foci of its grant making activities are initiatives and projects which improve education, promote the arts, or combat climate change.

During the year to 31 December 2020 the Foundation made grants to a variety of entities involved in education, the arts and combating climate change. The major grants, considered as being those for an amount of £100,000 or more, are described below, listed in date order within the relevant categories:

Grants for the advancement of education

- **Little Sun Foundation** – grants to enable Little Sun to provide solar lamps to students in Ethiopia and Burkina Faso, to allow them to undertake homework, and thus to increase their study time and academic attainment.
- **London Academy of Excellence (Stratford and Tottenham)** – grants towards the provision of co-curricular activities and, in the context of the lockdown of schools in 2020, for the acquisition of computers and other IT equipment for pupils who do not have access to adequate equipment.
- **Bite Back 2030** – a grant to support their work towards the objective of halving the rate of childhood obesity in the United Kingdom by 2030.
- **University College School, Hampstead** – a grant for the redevelopment of the Sixth Form Centre.
- **World Association of Girl Guides and Girl Scouts ("WAGGGS")** – a grant to support WAGGGS in its "Girl Led Action on Climate Change" initiative which aims to increase awareness of climate related issues and facilitate women in taking leadership roles in the climate change response.
- **University of Agder, Norway** – a further grant to support research by a doctoral candidate in their Arts in Context specialisation.

- **Ark** – grants towards "Ark Start", an early education programme serving 0–5 year olds and their families, and to the Ark Schools Coronavirus Appeal.
- **Frontline** – a grant to support Frontline's work in creating social change for children who do not have a safe or stable home, by developing excellent social work practice and leadership.
- **University of the Arts ("UAL")** – a grant to support the launch of UAL's new Storytelling Institute.
- **Christ's Hospital school** – a grant for scholarships for two A level students from north London.
- **CAMFED** – an unrestricted grant in support of CAMFED's work in promoting the education of girls and young women in Africa.
- **MM Foundation** – a grant to support the MM Foundation's work in enhancing the employment prospects of vulnerable youth through education and vocational training in Sri Lanka.
- **Partnership for Change ("PfC")** – a grant to support PfC's work in Ethiopia helping disadvantaged girls to obtain a high-quality education.
- **Business for Peace** – a grant to support the launch of their "The Future of Business" programme in selected pilot countries in Africa.
- **Stiftelsen Fullriggeren Sørlandet** – a grant to provide scholarships to, and the development of, their A+ World Academy, a school where the academic programme is undertaken while sailing on the Tall Ship Sørlandet.

Grants for the advancement of art

- **AKO Kunststiftelse** – grants towards AKO Kunststiftelse's acquisition of Nordic visual works of art, to support projects undertaken by AKO Kunststiftelse and SKMU Sørlandets Kunstmuseum, and to support AKO Kunststiftelse's general administration. The ultimate purpose of this support is the establishment of a permanent public exhibition of Nordic visual works of art in Kristiansand, Norway.

Strategic Report *(continued)*

- **British Museum** – grants towards projects including the development of the Museum’s collection of post-war and contemporary Nordic prints and drawings.
- **Tate** – grants to support a programme of events (“Power to Change”) at the Tate in response to the global climate emergency, to enable the Tate to defray costs of the Turner Prize for visual art, and to support a proposed exhibition jointly planned the Metropolitan Museum of Art, New York, details of which will be announced by both institutions in due course.
- **SKMU Sørlandets Kunstmuseum** – a grant to be used for the purchase of Norwegian glass, ceramics and similar art works from the period 1930 onwards for public display.
- **ARoS Aarhus Art Museum** – a grant to support two exhibitions at the Museum; an exhibition featuring works by Asger Jorn and Per Kirkeby, and the exhibition entitled “This is not Africa” which features art works and performances by different contemporary artists from the African continent.
- **Wigmore Hall** – a grant to support performances and other activity in the Wigmore Hall in early 2021.

Grants to mitigate the effect of climate change

- **ClientEarth** – an unrestricted grant to support the work of ClientEarth in using the law to secure and defend environmental rights for people and the planet, focusing on climate change and biodiversity.
- **Conservation International** – a grant to empower women in take a leading role in rangeland restoration and livelihood support for pastoralists in Kenya and South Africa.
- **European Climate Foundation (“ECF”)** – an unrestricted grant in support of ECF’s work in helping Europe develop a low-carbon society and play an international leadership role in combating climate change.
- **CDP** – an unrestricted grant in support of CDP’s work in accelerating emissions disclosure and other climate action.

Other major grants

- **Parents and Children Together (“PACT”)** – a grant to support PACT in its work as an adoption charity and family support provider.

The Foundation’s general grant making policy is for individual trustees to identify possible grant recipients, which are then considered by the trustees acting as a body. The Foundation does not seek applications for grants and does not make grants in response to unsolicited applications received.

As a grant making charity the primary key performance indicators for the Foundation are its income and carried forward funds, as these set its ability to make future grants, and the grants made and cash distributed in the year. During the year to 31 December 2020 the Foundation had income of £439,773,000 (2019: £49,975,000), made new grants of £23,294,000 (2019: £26,998,000) and carried forward funds of £650,635,000 (2019: £120,510,000). It distributed cash of £23,815,000 to grant recipients. The trustees are satisfied with the performance of the Foundation over the year.

Financial Review

In 2020 the Foundation received its income through donations from Nicolai Tangen, both directly and via DSHN Philanthropy LLP, Gift Aid donations from AKO Investment Holdings Limited and AKO Capital Management Limited, and from its interest in AKO Capital LLP held via its trading subsidiary AKO Subsidiary 2020 Limited (2019: donations from Nicolai Tangen and Gift Aid donations from AKO Capital Management Limited). Total donations of £302,394,000 (2019: total donations of £49,970,000) were received in the year to 31 December 2020 which includes £Nil receivable at 31 December 2020 (2019: £Nil receivable at 31 December 2019). The income arising from its interest in AKO Capital LLP in 2020 was £137,377,000 all of which was receivable at 31 December 2020 (2019: £Nil).

Reserves Policy

At 31 December 2020 the Foundation had total funds of £650,635,000 (2019: £120,510,000). The Foundation's reserves policy is to ensure it maintains adequate funds to meet its commitments and to hold reserves while it identifies appropriate projects to fund, such that the impact of its grants is to achieve its charitable aims. It does not currently hold any restricted funds and thus characterises all funds as unrestricted reserves.

Investment Policy

During the year a number of venture capital type investments were donated to the Foundation and the nature of these investments means that the Foundation will hold them to their maturity.

With respect to its other assets, the Investment Policy of the Foundation is for the majority of the excess of assets over future grant commitments to be held in equity-based investments with the remainder of assets being held as cash or short term fixed interest instruments. The equity-based component is held in Management Shares in funds managed by AKO Capital LLP. These shares are non-fee paying and the investment is split between NOK, Euro and US\$ denominated share classes. The funds managed by AKO Capital LLP invest in a diversified range of European and Global equities.

The investment objective of the Foundation is to maintain the real value of its investment portfolio over the longer term and to provide capital growth for the furtherance of the Foundation's objectives. In 2020 the investment return of the Foundation, measured in GBP, was approximately 28%. The trustees remain confident as to the long-term prospects of the Foundation's investments.

In respect of its investments the Foundation seeks to have an awareness of the social, environmental or ethical policies of the relevant fund entities but this is not a primary consideration in determining its investments.

The trustees are mindful of their duty to review and monitor the Foundation's investments and receive regular investment reports in respect of the funds in which they are invested.

Costs

The Foundation seeks to minimise its cost base to maximise the funds available for its charitable purposes. As stated elsewhere in this report, the trustees give their time voluntarily and receive no remuneration or benefits and most of the Foundation's surplus funds are invested in the Management Shares of funds managed by AKO Capital LLP which are non-fee paying. In 2020 the total costs of the Foundation were £334,000 which represents 0.05% of the Foundation's net assets and 1.4% of the grants payable in the year.

Energy usage

The Foundation did not consume more than 40,000 kWh of energy in its reporting period. It therefore qualifies as a low energy user and is exempt from the reporting otherwise required under the United Kingdom's Streamlined Energy and Carbon Reporting regulations.

Risk Statement and Going Concern

The trustees have reviewed the major risks to which the Foundation is exposed and consider that systems are in place to mitigate exposure to these risks. As a grant making charity the main risk facing the Foundation is that it has inadequate income or existing resources to fund its grant making activity. In 2021 the Foundation's main source of income is expected be a profit share from AKO Capital LLP and the main current risk is, therefore, the profitability of AKO Capital LLP. During the year to 31 December 2020 AKO Capital LLP remained very profitable. Accordingly, the trustees believe that there is a reasonable expectation that the Foundation will have adequate resources to continue in operational existence for the foreseeable future and thus have continued to adopt the going concern basis of accounting in preparing the annual financial statements. In addition, the Foundation's reserves policy is to ensure it maintains adequate funds to meet its commitments and to allow it to continue as a grant making charity.

Fundraising

As stated above the Foundation's main source of future income is expected to be a profit share from AKO Capital LLP. The Foundation does not engage in public fundraising and does not use professional fundraisers or commercial participators. The Foundation nevertheless observes and complies with the relevant fundraising regulations and codes. During the year there was no non-compliance of these regulations and codes and the Foundation received no complaints relating to its fundraising practice.

Relationship with stakeholders

The Foundation's primary stakeholders are the grant recipients. The Foundation seeks to foster long term and open relationships with these partners.

Plans for the Future

The Foundation plans to continue as a grant making charity with a focus on education, the arts and combating climate change.

Statement of responsibilities of the trustees

The trustees (who are also directors of AKO Foundation for the purposes of company law) are responsible for preparing the report of the trustees, including the strategic report and the financial statements, in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards and statements of recommended

practice 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 charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that 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 so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware.
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2020 was 2. One of the trustees is a Member of the charity but this entitles him only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the Foundation's auditor and has expressed its willingness to continue in that capacity.

The report of the trustees including the strategic report was approved by the trustees on 10 May 2021 and signed on their behalf by

David Woodburn,
Trustee

10 May 2021

Independent auditor's report

to the members of
AKO Foundation

Opinion

We have audited the financial statements of AKO Foundation (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2020 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

Basis for opinion

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

requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic report, has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent charitable company for the purposes of

company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent 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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, and the board of trustees, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

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

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Joanna Pittman (Senior statutory auditor)
Date: 11 May 2021

for and on behalf of Sayer Vincent LLP, Statutory Auditors

Sayer Vincent LLP,
Invicta House,
108-114 Golden Lane,
London,
EC1Y 0TL

Group Statement of Financial Activities

Incorporating an income and expenditure account
For the year ended 31 December 2020

		Year ended 31 December 2020 £'000	Year ended 31 December 2019 £'000
	Notes		
Income			
<i>Incoming resources from generated funds</i>			
Income from interests in associated undertakings		137,377	-
Donations		302,394	49,970
<i>Investment income</i>		2	5
Total incoming resources		439,773	49,975
Expenditure			
<i>Charitable activities</i>			
Education		8,617	10,063
Arts and Culture		9,512	13,099
Climate		4,885	3,222
Local projects		-	313
AKO Give Back Initiative		614	340
Total resources expended	2	23,628	27,037
Net incoming resources for the year	3	416,145	22,938
Net gains on investments		114,801	22,884
Foreign exchange gain/(loss)		(821)	585
Net income for the year and net movement in funds		530,125	46,407
Total funds brought forward		120,510	74,103
Total funds carried forward	16	650,635	120,510

All of the above results are derived from continuing activities and are unrestricted. There were no other recognised gains and losses other than those stated above. Movements in funds are disclosed in note 16 to the financial statements.

Group Balance Sheet

Registered Company N° 8385711

as at 31 December 2020

	Notes	2020 £'000	2019 £'000
Fixed assets			
Investments	7	438,859	122,911
		438,859	122,911
Current assets			
Debtors	11	137,377	-
Cash		91,311	14,920
		228,688	14,920
Current liabilities			
<i>Creditors:</i> amounts falling due within one year	12	11,428	11,749
Net current assets		217,260	3,171
<i>Creditors:</i> amounts falling due in more than one year	13	5,484	5,572
Net assets	15	650,635	120,510
Funds			
Unrestricted funds – general income funds	16	548,481	92,551
Unrestricted funds – fair value reserve	16	102,154	27,959
Total unrestricted funds and total funds		650,635	120,510

Approved by the trustees on 10 May 2021 and signed on their behalf by:

David Woodburn
Trustee

Company Balance Sheet

Registered Company N° 8385711

as at 31 December 2020

	Notes	2020 £'000	2019 £'000
Fixed assets			
Investments	7	438,859	122,911
		438,859	122,911
Current assets			
Debtors	11	233	-
Cash		56,285	14,920
		56,518	14,920
Current liabilities			
<i>Creditors:</i> amounts falling due within one year	12	11,404	11,749
Net current assets		45,114	3,171
<i>Creditors:</i> amounts falling due in more than one year	13	5,484	5,572
Net assets		478,489	120,510
Funds			
Unrestricted funds – general income funds	16	382,288	92,551
Unrestricted funds – fair value reserve	16	96,201	27,959
<i>Total unrestricted funds and total funds</i>		478,489	120,510

Approved by the trustees on 10 May 2021 and signed on their behalf by:

David Woodburn
Trustee

Group Cash Flow Statement

For the year ended
31 December 2020

	2020 £'000	2019 £'000
Reconciliation of net incoming resources to operating cash flow		
Net incoming/(outgoing) resources for the period	416,145	22,938
Foreign exchange gain/(loss)	(821)	585
Interest receivable	(2)	(5)
Donation of investments	(284,863)	(49,966)
(Increase)/decrease in debtors	(137,377)	-
Increase/(decrease) in creditors	(409)	(203)
	-----	-----
Net cash outflow from operating activities	(7,327)	(26,651)
	-----	-----
Return on investments		
Interest received	2	5
Capital expenditure/receipts		
Additions to investments	(4,701)	-
Proceeds from sale of investments	88,417	20,052
	-----	-----
Increase/(decrease) in cash	76,391	(6,594)
Cash at bank and in hand brought forward	14,920	21,514
	-----	-----
Cash at bank and in hand carried forward	91,311	14,920
	=====	=====

Notes to the Financial Statements

For the year ended
31 December 2020

1. Accounting policies

a) AKO Foundation is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office is 61 Conduit Street, London, W1S 2GB.

b) The financial statements have been prepared under the historical cost convention as modified by the revaluation of investments and in accordance with applicable accounting standards and the Companies Act 2006. They follow the recommendations in the "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (Charities SORP FRS 102).

The trustees consider that there are no material uncertainties in respect of the Foundation's ability to continue as a going concern and therefore continue to adopt the going concern basis of accounting in preparing the financial statements.

c) These financial statements consolidate the results of the Foundation and its wholly owned subsidiaries AKO Subsidiary 2020 Limited and AKO Investment Holdings Limited on a line by line basis with the subsidiaries included from the date of acquisition or establishment. Transactions and balances between the Foundation and its subsidiaries have been eliminated from the consolidated financial statements. Any balances between the Foundation and its subsidiaries are disclosed in the notes of the Foundation's balance sheet. A separate statement of financial activities, or income and expenditure account, for the Foundation itself is not presented because the Foundation has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

Investments in associated undertakings are accounted for under the equity method of accounting such that the investment is initially recognised at cost and is subsequently adjusted to reflect the group's share of the profit or loss of the associate.

d) Donations and other income are recognised when the Foundation has entitlement, any performance conditions attached to the income have been met and it is probable that the income will be received. Donations are measured at fair value unless it is impractical to measure reliably the fair value of donated item.

e) Resources expended are allocated to the particular activity where the cost relates directly to that activity. Support costs and Governance costs, which are costs associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities, are re-allocated to each of the activities on the following basis which is an estimate, based on grants payable, of the amount attributable to each activity:

	2020	2019
Education	36%	37%
Arts & culture	40%	49%
Climate	21%	12%
Local projects	-	1%
AKO Give Back initiative	3%	1%

1. Accounting policies (continued)

- f)** Grants payable are charged to the Statement of Financial Activities in the year in which the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled.
- g)** Most the Foundation's financial assets and financial liabilities are of a kind that qualify as basic financial instruments and these are initially recognised at transaction value. The part of the Foundation's Investment which do not qualify as basic financial instruments are initially recognised at fair value.
- Within the Foundation itself investments in subsidiaries and associates are accounted for at cost less any impairment. All other investments held as fixed assets are revalued at market value at the balance sheet date with the gain or loss for the year is taken to the Statement of Financial Activities. Other basic financial instruments are measured at their settlement value.
- h)** Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange utilised at the date of transaction. Exchange differences are taken into account in arriving at the net movement in funds for the year.
- i)** AKO Foundation meets the definition of a public benefit entity under FRS 102.

2. Total resources expended

2020	Grants Payable (Note 6)	Legal fees	Other Governance and Support Costs	Total	Allocation of Governance and Support Costs	Total 2020
	£'000	£'000	£'000	£'000	£'000	£'000
Education	8,495	-	-	8,495	122	8,617
Arts & Culture	9,378	-	-	9,378	134	9,512
Climate	4,816	-	-	4,816	69	4,885
Local Projects	-	-	-	-	-	-
AKO Give Back Initiative	605	-	-	605	9	614
	23,294	-	-	23,294	334	23,628
Governance Costs	-	101	15	116	(116)	-
Support Costs	-	-	218	218	(218)	-
Total resources expended	23,294	101	233	23,628	-	23,628

2. Total resources expended (*continued*)

2019	Grants Payable (Note 6)	Legal fees	Other Governance and Support Costs	Total	Allocation of Governance and Support Costs	Total 2020
	£'000	£'000	£'000	£'000	£'000	£'000
Education	10,052	-	-	10,052	11	10,063
Arts & Culture	13,077	7	-	13,084	15	13,099
Climate	3,216	2	-	3,218	4	3,222
Local Projects	313	-	-	313	-	313
AKO Give Back Initiative	340	-	-	340	-	340
	26,998	9	-	27,007	30	27,037
Governance Costs	-	-	11	11	(11)	-
Support Costs	-	-	19	19	(19)	-
Total resources expended	26,998	9	30	27,037	-	27,037

Analysis of Support Costs

	2020 £'000	2019 £'000
Governance Costs		
Legal fees	101	-
Audit & Accountancy	15	11
	116	11
Other Support Costs		
Staff costs	126	15
Bank charges and other costs	93	4
	218	19
Total Governance and Support Costs	334	30

3. Net incoming resources for the year

This is stated after charging

	2020 £'000	2019 £'000
Trustees' remuneration	-	-
Trustees' expenses	-	2
Auditor's remuneration		
Audit	10	7
Other	2	-
	<u> </u>	<u> </u>

Trustees' expenses in 2019 represent the payment of travel and subsistence costs totalling £2,000 by 2 trustees relating to project visits.

4. Staff cost

	2020 £'000	2019 £'000
Wages and salaries	110	14
Social security costs	12	2
Other pension costs	3	-
	<u> </u>	<u> </u>
Total staff costs	125	16
	<u> </u>	<u> </u>

The average monthly number of employees was 1 (2019: 0.2) with the Foundation's first employee joining in November 2019. The employee benefits detailed above relate to a single employee.

The total employee benefits including pension contributions of the key management personnel were £125,000 (2019: £15,000).

5. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

6. Grants Payable

A list of recipients of the grants made during the years ended 31 December 2020 and 31 December 2019 are shown below.

2020

Recipient

Grants for the advancement of education	£'000
Campaign for Female Education	1,500
University of the Arts	1,500
University College School	881
World Association of Girl Guides and Girl Scouts	750
Stiftelsen Fullriggeren Sørlandet	590
Bite Back 2030	500
Ark	424
Partnership for Change	336
Business for Peace	294
London Academy of Excellence Stratford	215
Little Sun Foundation	204
Frontline	200
London Academy of Excellence Tottenham	180
University of Agder	170
University of Pennsylvania (USA) Foundation Ltd	161
MM Foundation	151
Christ's Hospital school	100
NSPCC	83
Sandvika Rotary Club	67
King Institute	64
Royal Springboard	50
Brilliant Club	30
Teach First	18
Lively Minds	17
South Hampstead High School	10
	<hr/>
	8,495
	<hr/>

Grants for the advancement of art	£'000
AKO Kunststiftelse	5,906
British Museum	1,950
Tate	715
ARoS Aarhus Art Museum	240
Wigmore Hall	200
SKMU Sørlandets Kunstmuseum	154
Arts Emergency	75
Whitechapel Gallery	50
Kettle's Yard	45
Statens Museum for Kunst	30
Julie's Bicycle	10
The Courtauld Institute	3
	<hr/>
	9,378
	<hr/>

6. Grants Payable (*continued*)

Grants to mitigate the effect of climate change	£'000
CDP Worldwide	1,500
ClientEarth	1,500
European Climate Foundation	910
Conservation International	778
Live Ocean	78
Science Museum	50
	<hr/>
	4,816
	<hr/>

AKO Give Back Initiative	£'000
PACT	102
Generating Genius	95
Little Village	84
Cool Earth	83
Loss Foundation	81
Haringey Sports Development	55
Other AKO Give Back Initiative donations	105
	<hr/>
	605
	<hr/>
	23,294
	<hr/>

2019

Recipient

Grants for the advancement of education	£'000
Strømme Foundation	3,140
Foundation to Educate Girls Globally	2,360
Campaign for Female Education	1,000
University College School	900
University of Pennsylvania (USA) Foundation Ltd	797
Bite Back 2030	500
Africa 95 - Caine Prize	450
Now Teach	250
Education and Employers	150
The Loden Education Trust	105
Lively Minds	100
University of Agder	85
Brilliant Club	75
The Mosvold-Martinus Trust	70
PeopleUKnow	40
Little Sun Foundation	30
	<hr/>
	10,052
	<hr/>

6. Grants Payable (*continued*)

Grants for the advancement of art	£'000
AKO Kunststiftelse	11,085
The Courtauld Institute	1,000
British Museum	410
University of the Arts	175
Camden Arts Centre	150
Tate	100
SKMU Sørlandets Kunstmuseum	90
Turner Contemporary	50
The Museum of Contemporary Art Kiasma	9
Moderna Museet	8
	<hr/>
	13,077
	<hr/>
Grants to mitigate the effect of climate change	£'000
Energy Foundation China	1,525
CDP	1,500
Live Ocean	77
Basecamp Explorer Foundation	76
Zeitz Foundation	38
	<hr/>
	3,216
	<hr/>
Local projects	£'000
Hampstead Theatre	304
The Åkerøya Chapel Association	9
	<hr/>
	313
	<hr/>
AKO Give Back Initiative	£'000
Teens Unite	85
FareShare	80
Beat	55
Born Free	45
Kids Run Free	35
Other AKO Give Back Initiative donations of £1,000 each	40
	<hr/>
	340
	<hr/>
	26,998
	<hr/>

7. Investments

	2020	2019
Group	£'000	£'000
Carrying value at the start of the year	122,911	70,113
Additions	356,928	67,942
Disposals	(115,174)	(38,028)
Gain on investments	74,194	22,884
	438,859	122,911
Carrying value at the end of the year		
Historic cost at the end of the year	336,705	94,952

	2020	2019
The Foundation	£'000	£'000
Carrying value at the start of the year	122,911	70,113
Additions	343,945	67,942
Disposals	(96,239)	(38,028)
Gain on investments	68,242	22,884
	438,859	122,911
Carrying value at the end of the year		
Historic cost at the end of the year	342,659	94,952

Investments comprise	2020	2019
Group	£'000	£'000
Interests in associated undertakings	1,303	-
	£'000	£'000
Other investments		
<i>Investment funds</i>		
Investment in AKO Fund Ltd	221,628	80,191
Investment in AKO Global Fund Ltd	95,103	42,720
Investment in AKO European Long-only Fund Ltd	2,649	-
Investment in other investment funds	10,799	-
<i>Venture capital type investments</i>	107,377	-
	437,556	122,911
Market value at the end of the year		
Total investments	438,859	122,911

7. Investments *(continued)*

Investments comprise	2020	2019
The Foundation	£'000	£'000
Shares in subsidiary undertakings	1,303	-
Other investments	£'000	£'000
<i>Investment funds</i>		
Investment in AKO Fund Ltd	221,628	80,191
Investment in AKO Global Fund Ltd	95,103	42,720
Investment in AKO European Long-only Fund Ltd	2,649	-
Investment in other investment funds	10,799	-
<i>Venture capital type investments</i>	107,377	-
	437,556	122,911
Market value at the end of the year		
Total investments	438,859	122,911

8. Subsidiary Undertakings

The Foundation owns the whole of the issued ordinary share capital of the following subsidiary undertakings:

- AKO Subsidiary 2020 Limited, a company registered in England and Wales with company number 12847959. AKO Subsidiary 2020 Limited was established by the Foundation and holds the investment in AKO Capital LLP which the group acquired on 1 December 2020 (see note 9 below).
- AKO Investment Holdings Limited, a company registered in the British Virgin Island with company number 1814633. Since 7 July 2020 AKO Investment Holdings Limited has been registered with Companies House as an overseas company with a UK establishment under reference FC037506. AKO Investment Holdings Limited was donated to the Foundation on 3 July 2020 for nil consideration and at the time of acquisition held investments with a value of £111,789,000 and cash of £17,553,000.

A summary of the results of the subsidiary undertakings as included in these consolidated results is shown below:

	<i>AKO Subsidiary 2020 Limited</i>	<i>AKO Investment Holdings Limited</i>
Percentage owned by the Foundation	100%	100%
Financial information	£'000	£'000
Income	137,144	5,600
Expenses	-	796
Profit	137,144	4,804
Assets and liabilities at 31 December 2020:	£'000	£'000
Assets	138,447	35,025
Liabilities	-	24
	138,447	35,001

9. Associated Undertaking

On 1 December 2020 an interest in AKO Capital LLP was donated to the Foundation and AKO Capital LLP became an associated undertaking of the Foundation. This interest in AKO Capital LLP is now held via AKO Subsidiary 2020 Limited and is included in the financial information in respect of AKO Subsidiary 2020 Limited set out in the table above.

10. Sensitivity to risks

Market risk

The Group is exposed to market risk through its investments in investment funds and venture capital type investments as the value of those investments is inherently affected by movements in the underlying financial markets. The nature of these investments is such that changes in their value should not be directly related to these market movements. The impact on the statement of financial position of a 5% fall in the value of these investments would be a £21,878,000 fall in the assets of the Group.

Foreign exchange risk

A number of the Foundation's investments and parts of the Foundation's current assets and liabilities are denominated in foreign currencies. At 31 December 2020 the sensitivity of the profit for the financial year to a 2% movement in the exchange rate of the British Pound against the US Dollar, Euro and NOK was, respectively, £3,455,000, £4,766,000, and £1,448,000.

Liquidity risk

The investments in the AKO funds are redeemable at Net Asset Value on their dealing days with between one month's and 90 days' notice. The investments in the other investment funds and venture capital type investments are generally not redeemable with distributions from these investments being dependent upon the realisation of the underlying assets within these funds and the decisions of their investment managers.

Credit risk

The credit risk relating to investments arises from the default of a counterparty, with a maximum exposure equal to the carrying amount of these investments. The trustees believe the credit risk is mitigated as:

- all AKO funds are invested in liquid investments;
- there are no amounts due to the Group that are either past due or impaired; and
- cash is held with Svenska Handelsbanken AB (credit rating is Aa2 (Moody's) / AA- (S&P)) or Santander UK plc (credit rating is Aa3 (Moody's) / A (S&P)).

11. Debtors

Group	2020 £'000	2019 £'000
Accrued income	137,377	-
The Foundation	2020 £'000	2019 £'000
Accrued income	233	-

12. Creditors: amounts falling due within one year

Group	2020 £'000	2019 £'000
Accruals	43	23
Grants payable	11,385	11,726
	11,428	11,749
The Foundation	2020 £'000	2019 £'000
Accruals	19	23
Grants payable	11,385	11,726
	11,404	11,749

13. Creditors: amounts falling due in more than one year

Group and the Foundation	2020 £'000	2019 £'000
Grants payable	5,484	5,572

14. Contingent liabilities and commitments

In addition to the grants payable at the year end the Group and Foundation had contingent grant liabilities of NOK 32,000,000 (approximately £2,700,000) (2019: NOK 132,000,000, approximately £11,300,000) where grant agreements have been entered into, but the ultimate liability is dependent upon future conditions being met.

At the year end the Group and Foundation had unfunded commitments under the venture capital type investments and other investment funds of £55,939,000 (2019: £Nil). These amounts will be payable when called over the next 11 years and will be funded from unrestricted funds.

As part of the terms of the donation by DSHN Philanthropy LLP of an interest in AKO Capital LLP to the Foundation, as described in note 9 above, the Foundation gave DSHN Philanthropy LLP and its individual Members an indemnity in respect of the donation.

15. Analysis of group net assets between funds

2020

	<i>Fair Value Reserve £'000</i>	<i>Income Funds £'000</i>	<i>Total Fund £'000</i>
Investments	102,154	336,705	438,859
Net current assets less longer term creditors	-	211,776	211,776
Net assets at the end of the year	102,154	548,481	650,635

2019

	<i>Fair Value Reserve £</i>	<i>Income funds £</i>	<i>Total funds £</i>
Investments	27,959	94,952	122,911
Net current assets less longer term creditors	-	(2,401)	(2,401)
Net assets at the end of the year	27,959	92,551	120,510

16. Movements in funds

Group

	2020 £'000	2019 £'000
General funds		
<i>Income funds at start of the year</i>	92,551	60,397
Incoming resources	439,773	49,975
Outgoing resources	(23,628)	(27,037)
Foreign exchange gain/(loss)	(821)	585
Realised gain on investments	40,606	8,631
	548,481	92,551
<i>Income funds at the end of the year</i>		
<i>Revaluation reserve at start of year</i>	27,959	13,706
Net unrealised gains on investments	74,195	14,253
	102,154	27,959
<i>Revaluation reserve at the end of year</i>		
Total funds at the end of year	650,635	120,510

The Foundation

	2020 £'000	2019 £'000
General funds		
<i>Income funds at start of the year</i>	92,551	60,397
Incoming resources	272,431	49,975
Outgoing resources	(23,496)	(27,037)
Foreign exchange gain/(loss)	(157)	585
Realised gain on investments	40,959	8,631
	382,288	92,551
<i>Income funds at the end of the year</i>		
<i>Revaluation reserve at start of year</i>	27,959	13,706
Net unrealised gains on investments	68,242	14,253
	96,201	27,959
<i>Revaluation reserve at the end of year</i>		
Total funds at the end of year	478,489	120,510

17. Related party transactions

The Foundation has taken advantage of the exemption available under Section 33 of FRS 102 not to disclose transactions with its wholly owned subsidiary undertakings.

Mr. Nicolai Tangen, who resigned as a trustee on 1 July 2020 was, prior to that date, the Chief Executive Officer of, and a partner in, AKO Capital LLP which is the investment manager of the AKO funds in which assets of the Foundation are invested. Mr. Nicolai Tangen was until that time also a director of these AKO funds. The investment by the Foundation is in the Management Shares of these AKO funds and these shares are non-fee paying. Therefore, AKO Capital LLP receives no benefit from these investments by the Foundation.

On 2 January 2020, Mr. Nicolai Tangen donated USD, EUR and NOK Management Shares in AKO Fund Limited with a total combined value of £150,000,000 to the Foundation.

On 1 July 2020 Mr. Nicolai Tangen donated venture capital type investments with a total combined value of £8,918,000 to the Foundation.

As described in note 8 above, on 3 July 2020 AKO Trust, a trust of which Nicolai Tangen was the settlor and a beneficiary, donated AKO Investment Holdings Limited to the Foundation.

On 1 December 2020 DSHN Philanthropy LLP, a limited liability partnership in which David Woodburn and Nicolai Tangen are partners, donated EUR Management Shares in AKO Global Fund Limited of a value of £13,871,000 to the Foundation. After the year end, on 3 March 2021, DSHN Philanthropy LLP donated further EUR Management Shares in AKO Global Fund Limited of a value of £27,185,000 to the Foundation.

As described in note 9 above, on 1 December 2020 DSHN Philanthropy LLP donated an interest in AKO Capital LLP to the Foundation such that AKO Capital LLP became an associated undertaking.

During 2020 AKO Capital Management Limited, a company which is part of the AKO Capital group and of which Nicolai Tangen was a related party, made donations of £5,000 to the Foundation.

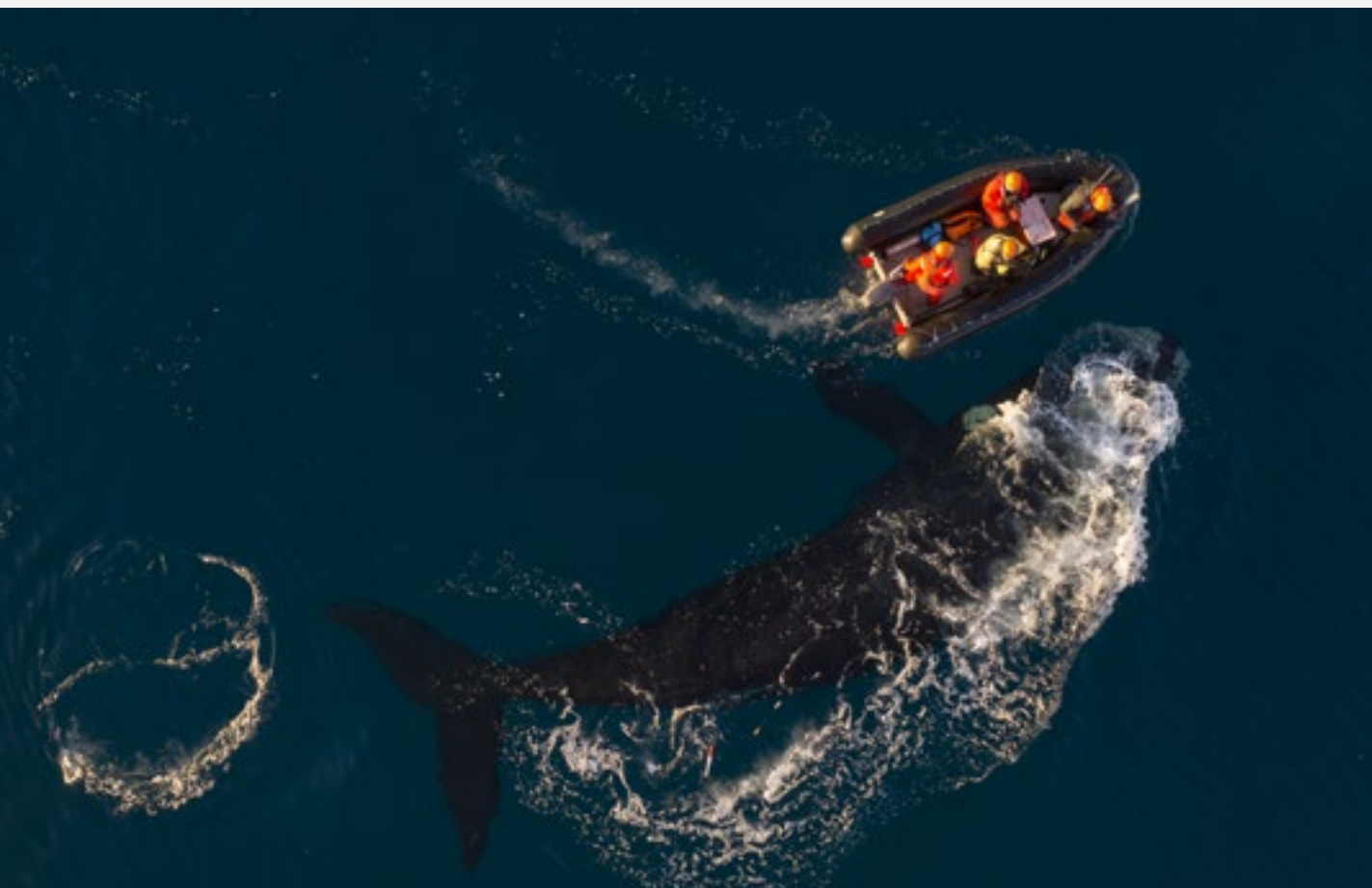
Mr. David Woodburn, a trustee, is a partner in AKO Capital LLP.

Mr. Henrik Syse, a trustee, was, until 18 June 2020, a Director of the AKO funds in which the Foundation is invested.

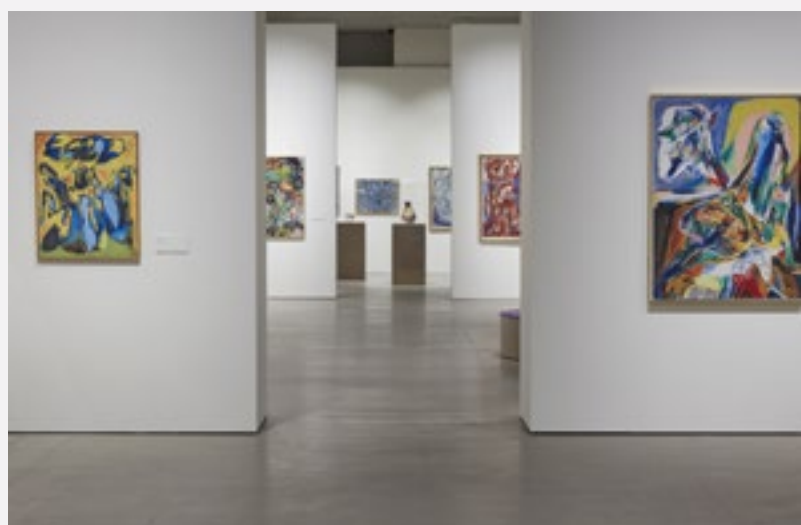
In the normal course of its charitable granting there are instances where the Foundation makes donations to charities with common trustees with the Foundation. Although in these instances the relevant Foundation trustee is part of a collective of non-related trustees and is not considered to be in a significant position of influence over those other charities disclosure of such situations is included below:

- Nicolai Tangen was a trustee, or trustee equivalent, of the following entities that have received grants from the Foundation: University of the Arts London, Bite Back 2030 and SKMU Sørlandets Kunstmuseum. He was also a member of the Member of Board of Overseers of The Wharton School at the University of Pennsylvania. Nicolai Tangen resigned as a trustee effective 1 July 2020.
- Katja Tangen, who resigned as a trustee effective 1 July 2020, is a trustee of the Hampstead Theatre.
- Henrik Syse is a trustee, or trustee equivalent, of the King Institute which received a grant from the Foundation in 2020.

Details of grants made to those entities are included in note 6 and any amounts payable at the year end is included in the grants payable disclosed in notes 12 and 13.



Dr Emma Carroll from the University of Auckland on a voyage to New Zealand's subantarctic to study how southern right whales are adapting to the changing ocean.
 Photograph by Richard Robinson/New Zealand Geographic. Photo taken under New Zealand Department of Conservation permit



Jorn / Kirkeby at ARoS Aarhus Art Museum

