

# AKO Foundation

## Report and Financial Statements

31 December 2021



AKO Foundation

### **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  
H Syse  
D Woodburn

### **Senior Management Personnel**

P Lawford; Chief Executive Officer

### **Auditor**

Sayer Vincent LLP  
Chartered accountants and statutory auditor  
Invicta House  
108-114 Golden Lane  
London EC1Y 0TL

### **Bankers**

Svenska Handelsbanken AB  
35 Hay's Mews  
London W1J 5PY

Santander UK plc.  
Santander Corporate & Commercial Banking  
2nd Floor, Santander House  
100 Ludgate Hill  
London EC4M 7RE

### **Registered Office**

61 Conduit Street  
London W1S 2GB

Registered Company No: 8385711  
Registered Charity No: 1151815

[www.akofoundation.org](http://www.akofoundation.org)

# About the AKO Foundation

During the year the Foundation continued to make grants to 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 be realised, the Foundation is also willing, where appropriate, to offer unrestricted support, recognising the need among its beneficiaries for financial flexibility. 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.

2021 was marked by a continuation of 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 again wish to pay tribute to all their 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, nor does it make grants in response to unsolicited applications.

At this time last year, the Trustees paid tribute to the founder and Settlor of the Foundation, Nicolai Tangen, following his (and Katja Tangen's) departure from the Board upon Nicolai's appointment as Chief Executive Officer of the Norwegian sovereign wealth fund. The substantial growth in the Foundation's net assets, and hence in its grant-making capacity, that occurred in 2021 is a consequence of Nicolai's past generosity, and the Trustees wish to re-iterate their gratitude to Nicolai and Katja for their great munificence.

A selection of the Foundation's work is summarised in the pages that follow. A full list of grants made during the year appears in Note 6 to the Financial Statements.

# 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 positive social, economic and environmental 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.



CAMFED



## Educate Girls



### Campaign for Female Education (CAMFED)

#### *AKO Foundation support since 2019*

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 initially supported CAMA in pioneering 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. This was followed by a second, unrestricted grant.

### Educate Girls

#### *AKO Foundation support since 2019*

More than 4 million school-age girls in India 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 World Bank report has shown 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.

### **Education Partnerships Group**

#### ***AKO Foundation support new in 2021***

Education Partnerships Group (EPG) is an affiliate of Ark (see below). EPG is a non-profit consultancy that supports governments in low- and middle-income countries to shape and strengthen their education systems. In 2021 the Foundation made a grant to support EPG's work in Côte d'Ivoire (Ivory Coast), where EPG is advising the government with regard to the funding of the secondary schooling sector, with a view to achieving both equitable access and greater financial viability.

### **Little Sun Foundation**

#### ***AKO Foundation support since 2018***

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.

### **Lively Minds**

#### ***AKO Foundation support since 2017***

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. The Foundation supports Lively Minds' work in both Ghana and Uganda.



Lively Minds

## Partnership for Change

### *AKO Foundation support since 2018*

Partnership for Change is a Norwegian non-profit organisation that works for the economic independence of women in Myanmar and Ethiopia. As in many developing countries, girls – particularly in rural communities – face obstacles in accessing formal education. 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.

## Social Finance

### *AKO Foundation support new in 2021*

After years of civil war and disease, Liberia faced the twin problems of several cohorts of under-educated young people, and one of the lowest rates of public expenditure per capita on education of any country. Social Finance, a UK non-profit entity, acts as project manager for 'LEAP' – Liberian Education Advancement Programme. This is an innovative programme whereby the Liberian Ministry of Education has outsourced the management of a significant proportion of the country's schools to third-party operators, with a view to identifying a replicable model or models. The Foundation has joined a small group of major funders in supporting this programme.



Partnership for Change





### Strømme Foundation

#### *AKO Foundation support since 2013*

Strømme Foundation (Strømmestiftelsen) is a Norwegian development organisation that uses education to pursue its mission of creating a world free from poverty. Its approach is holistic; in its support for children, adolescents and their families within selected communities, Strømme invariably works with and through local delivery partners, thereby strengthening sustainability and maximising impact.

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

#### **Educational work in Uganda: RISING and PACES projects**

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. Both the RISING and PACES projects seek to enrol large numbers of children into formal education.

#### **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 (meaning 'dialogue' in Sanskrit), 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. During 2021 we enhanced our support for the programme in Nepal, aiming to bring SAMVAD graduates together and to create a long-term platform for sharing their knowledge, educating those who are left behind, and supporting livelihood improvement for those in need.

### **World Association of Girl Guides and Girl Scouts** *AKO Foundation support since 2020*

The World Association of Girl Guides and Girl Scouts (WAGGGS) is the world's largest voluntary movement dedicated to girls and young women. Now over 100 years old, the Girl Guiding and Girl Scouting Movement represents ten million girls and young women from 150 countries, helping them through non-formal education programmes, leadership development, advocacy and community action, thereby empowering them 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, being implemented in partnership with member organisations (i.e. 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. The initial success of the programme has recently allowed it to be replicated in other countries.

In early 2022 the Foundation made a further grant to WAGGGS, towards the work of member organisations in Eastern Europe that are responding directly to the Ukrainian refugee crisis.



**World Association of Girl Guides and Girl Scouts**

## *The UK and other developed countries*

### **Ark**

#### **AKO Foundation support since 2015**

Ark seeks to transform the lives of under-privileged children by providing a great education, with a core focus on the school: it runs around three dozen Academy schools, at both primary and secondary levels, in the UK. Its schools are typically 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 has supported a range of projects. These currently include Ark Start, which seeks improved ways of delivering pre-primary education; and the 'Pathways and Enrichment' programme, which is the 'added-value' services that Ark seeks to offer to its pupils, over and above the core academic curriculum, to prepare them for life beyond school.

See also Education Partnerships Group above.



Ark

## **Bite Back 2030**

### ***AKO Foundation support since 2019***

The Foundation and the Jamie Oliver Group together founded 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 media through which to engage key audiences. The Foundation continues to provide core support.

## **Brightside**

### ***AKO Foundation support new in 2021***

Brightside provides online mentoring in order to assist young people in a range of ways, including raising aspirations in school, supporting students in higher education, providing insights into careers, and learning skills for work. Brightside works in every region of England and has mentored over 100,000 young people since 2003. The Foundation has made an unrestricted grant.

## **Brilliant Club**

### ***AKO Foundation support since 2019***

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', now largely delivered online, 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.

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



## **Brilliant Club**



## ImpactEd

### *AKO Foundation support new in 2021*

'What works' in education is not an easy question to answer. Using robust research methodologies to make evaluation quicker, easier and more effective, ImpactEd supports schools and education organisations, including some of the charities supported by the Foundation and whose work is summarised in these pages, to evaluate their impact, to learn from it, and to prioritise what works best in improving outcomes for young people. The Foundation has made an unrestricted grant over 3 years.

## Now Teach

### *AKO Foundation support since 2018*

Whereas Teach First seeks to address the difficulty of recruiting and retaining excellent teachers 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. 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.

## OnSide Youth Zones

### *AKO Foundation support since 2017*

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 northwest England, OnSide subsequently expanded into London and elsewhere in England. The Foundation has renewed its support for two of the London Youth Zones – those in Barnet and in Barking & Dagenham; and has also made an unrestricted grant towards further development and rollout of the OnSide model.

OnSide was introduced to the Foundation, through the Give Back scheme, by an AKO Capital portfolio manager, who has subsequently become a trustee of *Future*, the Barking & Dagenham Youth Zone.

## Stiftelsen Fullriggeren Sørlandet

### *AKO Foundation support since 2014*

Stiftelsen Fullriggeren Sørlandet is a Norwegian educational non-profit foundation which owns, maintains, and preserves the Tall Ship *Sørlandet*. This vessel had been more or less continually in use as an educational facility for 100 years; it recently required significant upgrading to meet modern safety, environmental and conservation standards. Meanwhile, the cancellation of a school year because of the Covid-19 pandemic 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 is funding the re-design of the curriculum, and also provides bursary funding for international students who would not otherwise be able to attend.

## Teach First

### *AKO Foundation support since 2014*

The Foundation 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. Focused on schools where a high proportion of pupils live in poverty, the programme 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.

### **Leading Together**

The quality of school leadership has a significant impact on the future performance of a school. Leading Together is a two-year programme of support, helping schools 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.

### **Work experience**

Teach First's work experience programme, a programme instigated by the AKO Foundation, provides 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 fully during the course of 2022.

## University of the Arts

### *AKO Foundation support since 2017*

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.

In recent years, UAL has established a new model of academic delivery, *UAL Institutes*, which overlay UAL's six art and design colleges. The Foundation previously provided seed funding for two of these: the Creative Computing Institute, and the Social Design Institute.

UAL is now in the process of establishing a new Institute, provisionally called the Storytelling Institute. 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 provides the seed funding for the Institute's first few years.

The Foundation also provides bursary support 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.

## The Wharton School of the University of Pennsylvania

### *AKO Foundation support since 2013*

The Foundation has an ongoing relationship with the internationally renowned Wharton School of the University of Pennsylvania. The Foundation, and Nicolai Tangen privately, have endowed undergraduate scholarships to support more than 20 international students at any one time 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 previously made a major grant to spearhead construction of a new campus building, Tangen Hall, which opened in 2021. This provides a space dedicated to cross-campus student entrepreneurship at the University of Pennsylvania.

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# 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.

## **AKO Caine Prize**

### *AKO Foundation support since 2019*

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 been the sole sponsor of the AKO Caine Prize for the three years 2020 to 2022.



Painting workshop stART at SKMU Sørlandets Kunstmuseum



## **AKO Kunststiftelse**

### ***AKO Foundation support since 2016***

AKO Kunststiftelse is 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; it is intended that SKMU (see below) will have the right to use this collection free of charge and on a perpetual basis, and 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 2024.

The Foundation has provided significant levels of support to most aspects of this project since its inception including, in 2021, towards the costs of construction of the Kunstsilo Museum.

To date the main focus of AKO Kunststiftelse has been on building the collection and overseeing the development of the new Museum building, while SKMU has undertaken the recruitment of the director of this new museum, and the building out

of the Museum's organisation and artistic vision. The ultimate combined vision is to create a public art collection of international importance housed in an art museum of outstanding architectural quality.

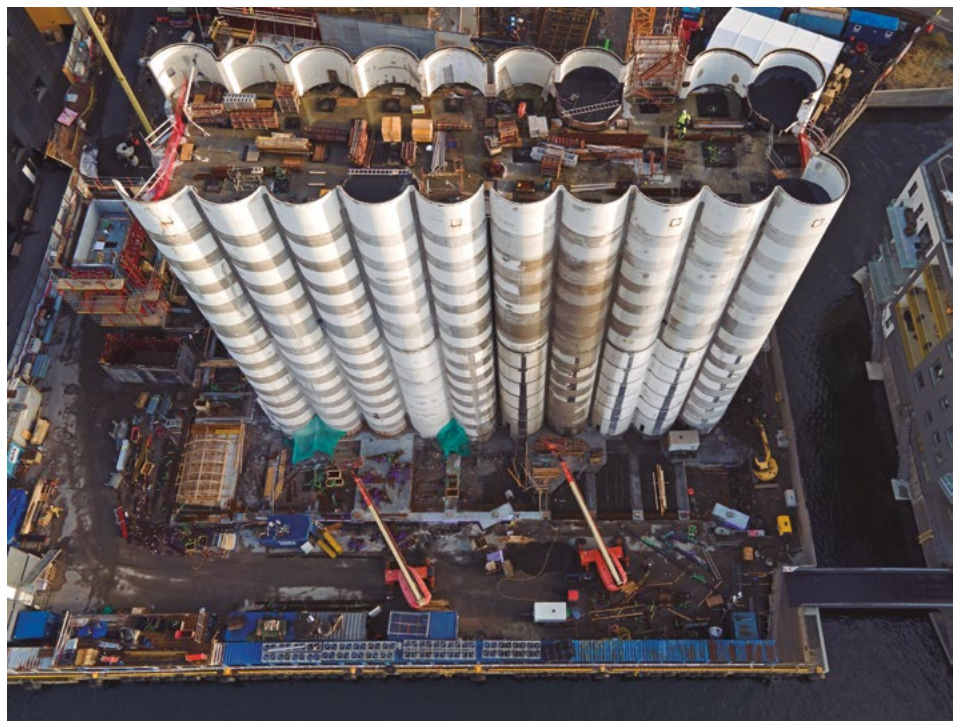
The Foundation is also supporting research into certain aspects of the collection by a doctoral candidate at the University of Agder, Norway.

## **British Museum**

### ***AKO Foundation support since 2018***

The Foundation has supported a number of exhibitions at the British Museum in recent years. More recently, it has also agreed to support two other initiatives:

- A strand of what the Museum calls the 'Rosetta Project', a comprehensive review of how the permanent collection is displayed, as well as an overhaul of the Museum's physical infrastructure; and
- Support over 5 years towards the Museum's collection of Nordic prints and drawings, through funding a dedicated curatorship, and facilitating acquisitions.



**AKO Kunststiftelse / Sørlandets Kunstmuseum:**  
aerial view of the Kunstsilo

### **The Courtauld Institute of Art** *AKO Foundation support since 2014*

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.

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 provided a major grant towards the first phase of this project, which was completed in late 2021.

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.

During the year the Foundation also agreed to support an exhibition at the Courtauld, to take place during 2022, of works by Edvard Munch, which will be lent by the KODE Museums of Bergen.



**Courtauld Institute of Art**

## **National Portrait Gallery**

### *AKO Foundation support new in 2021*

The Foundation has agreed to support an exhibition of portraits by Edvard Munch; this will be one of the first exhibitions at the National Portrait Gallery following its re-opening, after a major refurbishment project, most likely taking place in 2025.

## **SKMU Sørlandets Kunstmuseum**

### *AKO Foundation support since 2015*

The SKMU Sørlandets Kunstmuseum is a regional art institution, located in Kristiansand, Norway, which, since its formation in 1995, has collected high quality modern and contemporary art and crafts objects from the local area. The Foundation has made a number of grants to SKMU to be used for the acquisition of such objects. It has also supported an initiative by SKMU to cover the cost of transport to bring school children to the museum.

SKMU will take over the Kunstsilo Museum upon the expected completion of the latter in 2024. (See AKO Kunststiftelse above.) The Foundation has also supported SKMU's preparations for the opening of the Kunstsilo Museum.

## **Tate**

### *AKO Foundation support since 2019*

Having supported the staging by Turner Contemporary of the Turner Prize in 2019, the Foundation was the principal supporter of the 2021 Turner Prize, held at the Herbert Art Gallery & Museum, Coventry. The Foundation also supported the exhibition 'Surrealism Beyond Borders', being shown at Tate Modern in 2022; and 'Power to Change', a programme of workshops and public events focusing on the role and responsibilities of art, artists and museums in the climate emergency.

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# 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.

It will be noted that many of the Foundation’s beneficiaries within this Climate category are themselves re-granting organisations. The Foundation is thereby able to benefit from their research, scale and networks, which in turn benefit, in many cases, from the experience and expertise of other major funders. While acquiring experience in this field, the Foundation is also able to take advantage of the knowledge and advice offered by the Climate Leadership Initiative.

## **Basecamp Explorer Foundation** *AKO Foundation support since 2019*

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, Basecamp has had a long association with tribal chiefs in the Maasai Mara region; by collaborating with the local communities, BEF seeks to halt the diminution of the region’s wildlife.



Basecamp Explorer Foundation

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

## **CDP**

### ***AKO Foundation support since 2019***

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 important role as the leading disclosure platform covering more than 7,000 companies and 600 cities globally, on the premise that what cannot be measured, cannot be managed. CDP is a founding member of the We Mean Business Coalition.

## **Client Earth**

### ***AKO Foundation support since 2020***

Client Earth is a UK charity that 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 provides unrestricted support; and in 2021 also made a grant specifically towards Client Earth's work in the area of deforestation.

## **Conservation International**

### ***AKO Foundation support since 2020***

Conservation International (CI) seeks to protect the earth's natural assets by promoting sustainable economic growth and climate resilience.

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, restoration and sustainable management of 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 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 their rangelands.

## **Energy Foundation China**

### ***AKO Foundation support since 2019***

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.

## **European Climate Foundation**

### ***AKO Foundation support since 2020***

Founded in 2008 and registered in the Netherlands as an international non-profit organisation, the European Climate Foundation is a strategic re-granter 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 provides unrestricted support to ECF; and has also made a grant to the Pooled Fund on International Energy (PIE), a re-granting entity that works to build a broad-based field of partners, grantees, and other actors to shift the power sector from coal to clean.

## **Foundation for International Law for the Environment**

### ***AKO Foundation support new in 2021***

Foundation for International Law for the Environment (FILE) was established to accelerate legal action globally to address the crises in climate and biodiversity. Through a combination of grant-making and in-house legal expertise, FILE collaborates with partners in countries around the world that seek to drive legal innovation and to bring high impact legal action and precedent-setting cases. Rather than bringing cases itself, FILE aims to promote successful legal outcomes through access to key research, strategic communications, campaign alignment, and capacity building.

During 2021 the Foundation made an initial, unrestricted, grant.

## Global Greengrants Fund

### *AKO Foundation support new in 2021*

Global Greengrants Fund and its affiliate in the US are re-granting entities, using a widespread network of expert advisers around the world to offer micro-grants to community organisations working in the fields of climate justice, healthy ecosystems and other environmental causes. The Foundation made a 3-year grant to be used towards re-granting in agroecology, a practice and science that uses ecological concepts and principles in the design and management of sustainable agricultural ecosystems, thus empowering local communities to lever traditional knowledge, local seed production, local consumption of food, and crop diversification.

## Live Ocean

### *AKO Foundation support since 2019*

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 has made an unrestricted match-funding grant.



Global Greengrants Fund



## The Nature Conservancy

### *AKO Foundation support new in 2021*

The Nature Conservancy promotes the conservation, protection and improvement of the physical and natural environment; biodiversity; sustainable development; and the education of the public regarding environmental and conservation issues.

The Foundation makes grants to its UK charitable entity, TNC UK Foundation Limited, to support the Nature Conservancy's work in 'Natural Climate Solutions' – the protection, restoration and sustainable management of forests, farms, wetlands and grasslands as a way both of reducing emissions, and also of enhancing mechanisms of carbon capture and storage.

## SED Fund

### *AKO Foundation support new in 2021*

SED Fund, a Dutch foundation, is another re-granting organisation. It supports programmes that reduce emissions and mitigate the worst impacts of climate change, primarily in India. This is done through a venture philanthropy model that provides seed funding to early-stage organisations or programmes, and continues to support them in their growth and scale-up journey. Since many of the ultimate grantees are new organisations, the SED team invests time and effort in mentoring and capacity-building; organisational development support is also provided in areas such as strategy, fundraising, systems and processes.

During 2021 the Foundation made an initial, unrestricted, grant.



The Nature Conservancy



SED Fund

# 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*

### **Doorstep Homeless Families Project**

*AKO Foundation support since 2017*

The Foundation supports 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.

### **Hampstead Theatre**

*AKO Foundation support since 2014*

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.

### **Maytree**

*AKO Foundation support since 2016*

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.

## Norway

### Fontenehuset Arendal

#### *AKO Foundation support new in 2021*

The Clubhouse model of psychosocial rehabilitation is an international community mental health service model that helps people with a history of mental illness or vulnerability to rejoin society and to maintain their place in it. A new Clubhouse recently opened in the southern Norwegian town of Arendal; the Foundation will contribute towards operating expenses during the first three years.

### Røde Kors Kristiansand

#### *AKO Foundation support new in 2021*

The branch of the Red Cross based in Kristiansand plans a new, purpose-built base for its search and rescue activities in Hovden, a popular centre for winter sports in southern Norway. The Foundation has agreed to provide the majority of the financial support that will be required for the construction of the new building.

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Røde Kors Kristiansand



# 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 short list of charitable projects, and all staff then vote on the allocation of a pool that in 2021 amounted to some £590,000.

In 2021 the largest grants were to the following recipients:

- **United Borders:** Uses music and other creative activities to alleviate gang-based violence in northwest London.
- **CoreArts:** A London-based charity; uses creative activities to assist some of the most excluded members of society.
- **Rewilding Britain:** Works to restore native habitats and to alleviate the species extinction crisis in Britain.



Rewilding Britain

- **Brain and Spine Foundation:** Offers support to those suffering from a neurological condition and to their families and carers.
- **Feeding Britain:** Works to enable people in need to access and afford food, and to alleviate hunger caused by the lack of opportunities and resources.

The trustees are pleased that certain charities introduced to the Foundation through this initiative have subsequently developed deeper, multi-year relationships with the Foundation. Lively Minds and OnSide Youth Zones, 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.

### **Matched Funding**

During 2021 the Foundation initiated a new scheme, whereby certain charitable donations by members of staff of AKO Capital are matched, on a 1:1 basis, by the Foundation. The Foundation gave matching grants of around £310,000 under this scheme in 2021.

The two categories summarised immediately above – Give Back, and Matched Funding – are together described as ‘Other’ in the following Trustees’ report and financial statements.

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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 2021.

Reference and administrative information set out on page 1 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 Foundation. Any expenses reclaimed from the Foundation are set out in note 3 to the financial statements.

Any future trustee appointments are made by the Members of the Foundation. The Members are David Woodburn and Nicola Staples; David Woodburn is also a trustee 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 2021. 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 2021 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 descending size order within the relevant categories:

### Grants for the advancement of education

- **University of Pennsylvania (USA) Foundation Ltd** – to endow a scholarship fund for international students at the Wharton School.
- **Bite Back 2030** – to support its work towards the objective of halving the rate of childhood obesity in the United Kingdom by 2030.
- **Ark** – towards the work of the affiliated entity, Education Partnerships Group, to strengthen the Secondary School Subsidy Scheme in the Ivory Coast; and to help the students at the Ark Schools prepare for a life beyond school.
- **Strømme Foundation** – towards its educational work with poor or marginalised communities in Uganda.
- **Social Finance** – towards the continuation of the Liberia Education Advancement Program (LEAP) to improve learning outcomes in primary schools in Liberia.
- **OnSide Youth Zones** – to support the operations of the Barking & Dagenham and Barnet Youth Zones.
- **The Brightside Trust** – towards the rollout of the Brightside Schools Network.
- **The Brilliant Club** – towards expansion of its educational programmes to help high potential but less advantaged students attain places at top UK universities.

- **Little Sun Foundation** – towards provision of solar lamps to students in Ethiopia and Burkina Faso, thus allowing them to increase their study time and academic attainment.
- **Aalto University Executive Education** – towards scholarships and bursaries for participants from not-for-profit arts and cultural organisation on an executive education programme.
- **Right to Sight** – to support its work in Kenya for the early detection of cataract and refractive error in young children.
- **Lively Minds** – towards establishment of informal play schemes for pre-school children in rural villages in Uganda.
- **ReachOut Youth** – to support its work mentoring children in disadvantaged communities.
- **Real Action** – towards its Butterfly Reading and Writing Course and English Express literacy programmes

### Grants for the advancement of art

- **AKO Kunststiftelse** – towards AKO Kunststiftelse's acquisition of Nordic visual works of art; towards the design and building of the Kunstsilo Museum to house and exhibit these works; 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.
- **SKMU Sørlandets Kunstmuseum** – towards the preparation for the opening of the Kunstsilo Museum, and a grant to be used for the purchase of pan-Nordic modern craft items for public display.
- **National Portrait Gallery** – towards a planned exhibition of portraits by Edvard Munch.
- **The Courtauld Institute of Art** – towards a planned exhibition of works by Edvard Munch which are being lent by the KODE Art Museums of Bergen, Norway.

# Strategic Report *(continued)*

## Grants to mitigate the effect of climate change

- **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; and a grant towards the work of the Pooled Fund on International Energy, an international platform hosted at ECF, towards eliminating the use of coal and thereby accelerating the transition to clean energy supply.
- **Energy Foundation China** – towards achieving climate objectives and emission reduction in China.
- **The Foundation for International Law for the Environment ("FILE")** – an unrestricted grant to support the work of FILE to accelerate legal action globally to address the climate and nature crises.
- **Stichting SED Fund** – unrestricted support towards the work of the SED Fund, primarily in India, for an equitable energy transition and climate action.
- **ClientEarth** – towards the ClientEarth Forest Conservation Legal Defence Fund.
- **Nature Conservancy** – towards the work of the TNC UK Foundation in support of the 'Natural Climate Solutions' programme of The Nature Conservancy.
- **Basecamp Explorer Foundation** – grants towards the construction of the Wildlife Tourism College of Maasai Mara, and to support the area's wildlife.
- **Live Ocean** – unrestricted support for the work of Live Ocean in the preservation and enhancement of ocean health.
- **Global Greengrants Fund** – towards its work in the field of Agrecology.

## Local Projects

- **Røde Kors Kristiansand** – a grant to support the construction of a new Mountain Rescue Centre in Hovden, Norway by the Kristiansand Red Cross.
- **Fontenehuset Arendal** – a grant to support work of the Fontenehuset Arendal in supporting people living with mental illness.

## Other major grants

- **Feeding Britain** – towards Feeding Britain's Healthy Holidays programme, which provides children with nutritious meals and enriching activities during the school holidays.
- **Brain and Spine Foundation ("BFS")** – an unrestricted grant to support BFS's work in providing information and support for those suffering from neurological disorders.

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 2021 the Foundation had income of £268,458,000 (2020: £439,773,000), made new grants of £40,888,000 (2020: £23,294,000) and carried forward funds of £1,071,662,000 (2020: £650,635,000). It distributed cash of £29,965,000 (2020: £23,815,000) to grant recipients. The trustees are satisfied with the performance of the Foundation over the year.



## Financial Review

In 2021 the Foundation received its income through donations from Nicolai Tangen, 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 (2020: donations from Nicolai Tangen, via DSHN Philanthropy LLP and directly, 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). Total donations of £27,359,000 (2020: total donations of £302,394,000) were received in the year to 31 December 2021 which includes £Nil receivable at 31 December 2021 (2020: £Nil receivable at 31 December 2020). The income arising from its interest in AKO Capital LLP in 2021 was £241,088,000 of which £183,171,000 was receivable at 31 December 2021 (2020: £137,377,000 all of which was receivable at 31 December 2020).

### Reserves Policy

At 31 December 2021 the Foundation had total funds of £1,071,662,000 (2020: £650,635,000). 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. It does not currently hold any restricted funds and thus characterises all funds as unrestricted reserves.

### Investment Policy

During 2020 several venture capital type investments were donated to the Foundation and the nature of these investments means that the Foundation expects to hold them to their maturity.

With respect to its other assets, the Investment Policy of the Foundation is for these to be held in either equity-based investments or 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 2021 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 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 the largest component of the Foundation's investments is the Management Shares of funds managed by AKO Capital LLP which are non-fee paying. In 2021 the total costs of the Foundation were £235,000 which represents 0.02% of the Foundation's net assets and 0.6% 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 2022 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 2021 AKO Capital LLP remained very profitable. 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 and it has substantial reserves. 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.

## Fundraising

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 2021 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 21 April 2022 and signed on their behalf by

David Woodburn,  
Trustee  
21 April 2022

# 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 2021 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 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with 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](http://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: 22 April 2022  
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 2021

		Year ended 31 December 2021 £'000	Year ended 31 December 2020 £'000
	Notes		
<b>Income</b>			
<i>Incoming resources from generated funds</i>			
Income from interests in associated undertakings		241,088	137,377
Donations		27,359	302,394
<i>Investment income</i>		11	2
<b>Total incoming resources</b>		<b>268,458</b>	<b>439,773</b>
<b>Expenditure</b>			
<i>Charitable activities</i>			
Education		9,685	8,617
Art		18,101	9,512
Climate		11,549	4,885
Local projects		886	-
Other		902	614
<b>Total resources expended</b>	2	<b>41,123</b>	<b>23,628</b>
<b>Net incoming resources for the year</b>	3	<b>227,335</b>	<b>416,145</b>
<b>Net gains on investments</b>		<b>194,748</b>	<b>114,801</b>
<b>Foreign exchange gain/(loss)</b>		<b>(1,012)</b>	<b>(821)</b>
<b>Net income for the year before tax</b>		<b>421,071</b>	<b>530,125</b>
<b>Tax payable</b>		<b>(44)</b>	<b>-</b>
<b>Net income for the year and net movement in funds</b>		<b>421,027</b>	<b>530,125</b>
<b>Total funds brought forward</b>		<b>650,635</b>	<b>120,510</b>
<b>Total funds carried forward</b>	16	<b>1,071,662</b>	<b>650,635</b>

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° 08385711

as at 31 December 2021

	Notes	2021 £'000	2020 £'000
<b>Fixed assets</b>			
Investments	7	874,424	438,859
		<b>874,424</b>	<b>438,859</b>
<b>Current assets</b>			
Debtors	11	183,171	137,377
Cash		41,471	91,311
		<b>224,642</b>	<b>228,688</b>
<b>Current liabilities</b>			
<i>Creditors:</i> amounts falling due within one year	12	22,046	11,428
<b>Net current assets</b>		<b>202,596</b>	<b>217,260</b>
<i>Creditors:</i> amounts falling due in more than one year	13	5,358	5,484
<b>Net assets</b>	15	<b>1,071,662</b>	<b>650,635</b>
<b>Funds</b>			
Unrestricted funds – general income funds	16	799,519	548,481
Unrestricted funds – fair value reserve	16	272,143	102,154
Total unrestricted funds and total funds		<b>1,071,662</b>	<b>650,635</b>

Approved by the trustees on 21 April 2022 and signed on their behalf by:

David Woodburn  
Trustee

# Company Balance Sheet

Registered Company N° 08385711

as at 31 December 2021

	Notes	2021 £'000	2020 £'000
<b>Fixed assets</b>			
Investments	7	874,424	438,859
		874,424	438,859
<b>Current assets</b>			
Debtors	11	-	233
Cash		41,315	56,285
		41,315	56,518
<b>Current liabilities</b>			
<i>Creditors:</i> amounts falling due within one year	12	22,027	11,404
<b>Net current assets</b>		19,288	45,114
<i>Creditors:</i> amounts falling due in more than one year	13	5,358	5,484
<b>Net assets</b>		888,354	478,489
<b>Funds</b>			
Unrestricted funds – general income funds	16	622,165	382,288
Unrestricted funds – fair value reserve	16	266,189	96,201
<i>Total unrestricted funds and total funds</i>		888,354	478,489

Approved by the trustees on 21 April 2022 and signed on their behalf by:

David Woodburn  
Trustee



# Group Cash Flow Statement

For the year ended  
31 December 2021

	2021 £'000	2020 £'000
<b>Reconciliation of net incoming resources to operating cash flow</b>		
Net incoming/(outgoing) resources for the period	227,335	416,145
Foreign exchange gain/(loss)	(1,012)	(821)
Interest receivable	(11)	(2)
Donation of investments	(27,278)	(284,863)
(Increase)/decrease in debtors	(45,794)	(137,377)
Increase/(decrease) in creditors	10,492	(409)
	-----	-----
<b>Net cash outflow from operating activities before tax</b>	163,732	(7,327)
	-----	-----
Corporation tax paid	(44)	-
	-----	-----
<b>Net cash outflow from operating activities after tax</b>	163,688	(7,327)
	-----	-----
<b>Return on investments</b>		
Interest received	11	2
<b>Capital expenditure/receipts</b>		
Additions to investments	(250,431)	(4,701)
Proceeds from sale of investments	36,892	88,417
	-----	-----
<b>Increase/(decrease) in cash</b>	(49,840)	76,391
Cash at bank and in hand brought forward	91,311	14,920
	-----	-----
Cash at bank and in hand carried forward	41,471	91,311
	=====	=====

# Notes to the Financial Statements

For the year ended  
31 December 2021

## 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 the donated item.

e) Resources expended are allocated to the 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:

	2021	2020
Education	24%	36%
Art	44%	40%
Climate	28%	21%
Local projects	2%	-
Other	2%	3%

## 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 of 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 investments 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 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 included in 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

<b>2021</b>	Grants Payable (Note 6)	Legal fees	Other Governance and Support Costs	Total	Allocation of Governance and Support Costs	<b>Total 2021</b>
	£'000	£'000	£'000	£'000	£'000	£'000
Education	<b>9,628</b>	<b>2</b>	-	<b>9,630</b>	<b>55</b>	<b>9,685</b>
Art	<b>17,998</b>	-	-	<b>17,998</b>	<b>103</b>	<b>18,101</b>
Climate	<b>11,484</b>	-	-	<b>11,484</b>	<b>65</b>	<b>11,549</b>
Local Projects	<b>881</b>	-	-	<b>881</b>	<b>5</b>	<b>886</b>
AKO Give Back Initiative	<b>897</b>	-	-	<b>897</b>	<b>5</b>	<b>902</b>
	<b>40,888</b>	<b>2</b>	-	<b>40,890</b>	<b>233</b>	<b>41,123</b>
Governance Costs	-	<b>13</b>	<b>24</b>	<b>37</b>	<b>(37)</b>	-
Support Costs	-	-	<b>196</b>	<b>196</b>	<b>(196)</b>	-
<b>Total resources expended</b>	<b>40,888</b>	<b>15</b>	<b>220</b>	<b>41,123</b>	<b>-</b>	<b>41,123</b>

## 2. Total resources expended (*continued*)

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
Art	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)	-
<b>Total resources expended</b>	<b>23,294</b>	<b>101</b>	<b>233</b>	<b>23,628</b>	<b>-</b>	<b>23,628</b>

### Analysis of Support Costs

	2021 £'000	2020 £'000
<b>Governance Costs</b>		
Legal fees	13	101
Audit & Accountancy	24	15
	37	116
<b>Other Support Costs</b>		
Staff costs	130	125
Bank charges and other costs	66	93
	196	218
<b>Total Governance and Support Costs</b>	<b>233</b>	<b>334</b>



### 3. Net incoming resources for the year

This is stated after charging

	2021 £'000	2020 £'000
Trustees' remuneration	-	-
Trustees' expenses	-	-
Auditor's remuneration		
Audit	11	10
Other	9	2
	<hr/>	<hr/>

### 4. Staff costs

	2021 £'000	2020 £'000
Wages and salaries	114	110
Social security costs	13	12
Other pension costs	3	3
Total staff costs	130	125
	<hr/>	<hr/>

The average monthly number of employees was 1 (2020: 1) and the employee benefits detailed above relate to a single employee.

The total employee benefits including pension contributions of the key management personnel were £130,000 (2020: £125,000).

### 5. Taxation

The Foundation paid corporation tax of £44,000 in respect of a profit share it received directly from AKO Capital LLP in 2020. Otherwise, the Foundation 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 2021 and 31 December 2020 is shown below.

### 2021

#### Recipient

<b>Grants for the advancement of education</b>	<b>£'000</b>
University of Pennsylvania (USA) Foundation Ltd	<b>3,665</b>
Bite Back 2030	<b>1,000</b>
Ark	<b>975</b>
Strømme Foundation	<b>951</b>
Social Finance	<b>721</b>
OnSide Youth Zones	<b>400</b>
The Brightside Trust	<b>300</b>
Brilliant Club	<b>300</b>
Little Sun Foundation	<b>300</b>
Aalto University	<b>180</b>
Right to Sight	<b>147</b>
Lively Minds	<b>100</b>
ReachOut Youth	<b>100</b>
Real Action	<b>100</b>
Literacy Pirates	<b>95</b>
Become	<b>75</b>
ImpactEd	<b>75</b>
Peer Productions	<b>72</b>
Education and Employers	<b>50</b>
Coretta & Martin Luther King Institute for Peace	<b>22</b>
	<b>9,628</b>

<b>Grants for the advancement of art</b>	<b>£'000</b>
AKO Kunststiftelse	<b>15,887</b>
SKMU Sørlandets Kunstmuseum	<b>1,259</b>
National Portrait Gallery	<b>350</b>
The Courtauld Institute	<b>255</b>
Whitechapel Gallery	<b>75</b>
Albright-Knox Art Gallery	<b>73</b>
British Museum	<b>50</b>
Zeitz MOCAA	<b>21</b>
Kettle's Yard	<b>20</b>
Asbjorn Bjornes	<b>8</b>
	<b>17,998</b>

## 6. Grants Payable (*continued*)

<b>Grants to mitigate the effect of climate change</b>	£'000
European Climate Foundation	3,843
The Energy Foundation China	1,877
Foundation for International Law for the Environment	1,725
Stichting SED Fund	1,070
ClientEarth	750
TNC UK Foundation Limited	722
Basecamp Explorer Foundation	570
Live Ocean	472
Global Greengrants Fund UK	450
Julie's Bicycle	5
	-----
	<b>11,484</b>
	-----
<b>Local projects</b>	£'000
Røde Kors Kristiansand	442
Fontenehuset Arendal	259
Doorstep Homeless Families Project	85
Burgh House	60
Jackson's Lane	35
	-----
	<b>881</b>
	-----
<b>Other</b>	£'000
Feeding Britain	116
Brain and Spine Foundation	115
CoreArts	95
Rewilding Britain	95
United Borders	54
Chance UK	25
Other AKO Give Back initiative donations	85
AKO Matched Funding initiative donations	312
	-----
	<b>897</b>
	-----
	<b>40,888</b>
	=====

## 6. Grants Payable (*continued*)

**2020**

### **Recipient**

<b>Grants for the advancement of education</b>	<b>£'000</b>
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 National Children's SpringBoard Foundation	50
Brilliant Club	30
Teach First	18
Lively Minds	17
South Hampstead High School	10
	<b>8,495</b>

<b>Grants for the advancement of art</b>	<b>£'000</b>
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
	<b>9,378</b>



## 6. Grants Payable (*continued*)

<b>Grants to mitigate the effect of climate change</b>	£'000
CDP Worldwide	1,500
ClientEarth	1,500
European Climate Foundation	910
Conservation International	778
Live Ocean	78
Science Museum	50
	<b>4,816</b>
<b>Other</b>	£'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
	<b>605</b>
	<b>23,294</b>

## 7. Investments

	2021 £'000	2020 £'000
<b>Group</b>		
Carrying value at the start of the year	438,859	122,911
Additions	324,960	356,928
Disposals	(59,384)	(115,174)
Gain on investments	169,989	74,194
Carrying value at the end of the year	874,424	438,859
Historic cost at the end of the year	602,281	336,705
	2021 £'000	2020 £'000
<b>The Foundation</b>		
Carrying value at the start of the year	438,859	122,911
Additions	324,960	343,945
Disposals	(59,384)	(96,239)
Gain on investments	169,989	68,242
Carrying value at the end of the year	874,424	438,859
Historic cost at the end of the year	608,235	342,659

## 7. Investments *(continued)*

### Investments comprise

#### Group

Interests in associated undertakings

2021

£'000

1,303

2020

£'000

1,303

#### Other investments

£'000

£'000

##### Investment funds

Investment in AKO Fund Ltd

251,113

221,628

Investment in AKO Global Fund Ltd

180,085

95,103

Investment in AKO European Long-only Fund Ltd

3,364

2,649

Investment in other investment funds

11,978

10,799

Venture capital type investments

226,463

107,377

Investment in money market and short dated fixed income funds

200,118

-

Market value at the end of the year

873,121

437,556

Total investments

874,424

438,859

### Investments comprise

#### The Foundation

Shares in subsidiary undertakings

2021

£'000

1,303

2020

£'000

1,303

#### Other investments

£'000

£'000

##### Investment funds

Investment in AKO Fund Ltd

251,113

221,628

Investment in AKO Global Fund Ltd

180,085

95,103

Investment in AKO European Long-only Fund Ltd

3,364

2,649

Investment in other investment funds

11,978

10,799

Venture capital type investments

226,463

107,377

Investment in money market and short dated fixed income funds

200,118

-

Market value at the end of the year

873,121

437,556

Total investments

874,424

438,859

## 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. From 7 July 2020 until 12 November 2021 AKO Investment Holdings Limited was registered with Companies House as an overseas company with a UK establishment under reference FC037506. AKO Investment Holdings Limited is currently being shut down.

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

<b>AKO Subsidiary 2020 Limited</b>	<b>2021</b>	<b>2020</b>
Percentage owned by the Foundation	100%	100%
<b>Financial information</b>	<b>£'000</b>	<b>£'000</b>
Income	<b>241,098</b>	<b>137,144</b>
Expenses	<b>6</b>	<b>-</b>
Profit	<b>241,092</b>	<b>137,144</b>
Assets and liabilities at 31 December:	<b>£'000</b>	<b>£'000</b>
Assets	<b>184,609</b>	<b>138,447</b>
Liabilities	<b>6</b>	<b>-</b>
	<b>184,603</b>	<b>138,447</b>
<b>AKO Investment Holdings Limited</b>	<b>2021</b>	<b>2020</b>
Percentage owned by the Foundation	100%	100%
<b>Financial information</b>	<b>£'000</b>	<b>£'000</b>
Income	<b>-</b>	<b>5,600</b>
Expenses	<b>1,229</b>	<b>796</b>
Profit	<b>(1,229)</b>	<b>4,804</b>
Assets and liabilities at 31 December:	<b>£'000</b>	<b>£'000</b>
Assets	<b>20</b>	<b>35,025</b>
Liabilities	<b>13</b>	<b>24</b>
	<b>7</b>	<b>35,001</b>

## 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 £43,656,000 fall in the assets of the Group.

### Foreign exchange risk

Several of the Foundation's investments and parts of the Foundation's current assets and liabilities are denominated in foreign currencies. At 31 December 2021 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, £5,429,000, £6,288,000 and £1,597,000.

### 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 money market and short dated fixed income funds have daily liquidity. 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 Handelsbanken plc (credit rating AA- (S&P)) or Santander UK plc (credit rating A1 (Moody's) / A (S&P)).

## 11. Debtors

<b>Group</b>	2021 £'000	2020 £'000
Accrued income	<b>183,171</b>	<b>137,377</b>
<b>The Foundation</b>	2021 £'000	2019 £'000
Accrued income	<b>-</b>	<b>233</b>

## 12. Creditors: amounts falling due within one year

<b>Group</b>	2021 £'000	2020 £'000
Accruals	<b>38</b>	<b>43</b>
Grants payable	<b>22,008</b>	<b>11,385</b>
	<b>22,046</b>	<b>11,428</b>
<b>The Foundation</b>	2020 £'000	2019 £'000
Accruals	<b>19</b>	<b>19</b>
Grants payable	<b>22,008</b>	<b>11,385</b>
	<b>22,027</b>	<b>11,404</b>

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

<b>Group and the Foundation</b>	2021 £'000	2020 £'000
Grants payable	<b>5,358</b>	<b>5,484</b>



## 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 £2,683,000) (2020: NOK 32,000,000, approximately £2,700,000) 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 £32,476,000 (2020; £55,939,000). These amounts will be payable when called over the next 10 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

### 2021

	<i>Fair Value Reserve £'000</i>	<i>Income Funds £'000</i>	<i>Total Funds £'000</i>
Investments	<b>272,143</b>	<b>602,281</b>	<b>874,424</b>
Net current assets less longer term creditors	-	<b>197,238</b>	<b>197,238</b>
<b>Net assets at the end of the year</b>	<b>272,143</b>	<b>799,519</b>	<b>1,071,662</b>

### 2020

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

## 16. Movements in funds

### Group

	2021 £'000	2020 £'000
<b>General funds</b>		
<i>Income funds at start of the year</i>	<b>548,481</b>	<b>92,551</b>
Incoming resources	<b>268,458</b>	<b>439,773</b>
Outgoing resources	<b>(41,123)</b>	<b>(23,628)</b>
Foreign exchange gain/(loss)	<b>(1,012)</b>	<b>(821)</b>
Realised gain on investments	<b>24,759</b>	<b>40,606</b>
Tax payable	<b>(44)</b>	<b>-</b>
<i>Income funds at the end of the year</i>	<b>799,519</b>	<b>548,481</b>
<i>Revaluation reserve at start of year</i>	<b>102,154</b>	<b>27,959</b>
Net unrealised gains on investments	<b>169,989</b>	<b>74,195</b>
<i>Revaluation reserve at the end of year</i>	<b>272,143</b>	<b>102,154</b>
Total funds at the end of year	<b>1,071,662</b>	<b>650,635</b>

### The Foundation

	2021 £'000	2020 £'000
<b>General funds</b>		
<i>Income funds at start of the year</i>	<b>382,288</b>	<b>92,551</b>
Incoming resources	<b>256,176</b>	<b>272,431</b>
Outgoing resources	<b>(41,501)</b>	<b>(23,496)</b>
Foreign exchange gain/(loss)	<b>486</b>	<b>(157)</b>
Realised gain on investments	<b>24,760</b>	<b>40,959</b>
Tax payable	<b>(44)</b>	<b>-</b>
<i>Income funds at the end of the year</i>	<b>622,165</b>	<b>382,288</b>
<i>Revaluation reserve at start of year</i>	<b>96,201</b>	<b>27,959</b>
Net unrealised gains on investments	<b>169,988</b>	<b>68,242</b>
<i>Revaluation reserve at the end of year</i>	<b>266,189</b>	<b>96,201</b>
Total funds at the end of year	<b>888,354</b>	<b>478,489</b>

## 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. David Woodburn, a trustee, is a partner in AKO Capital LLP which is the investment manager of the AKO funds in which assets from the Foundation are invested. 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 1 March 2021 DSHN Philanthropy LLP, a limited liability partnership in which David Woodburn is a partner, donated EUR Management Shares in AKO Global Fund Limited of a value of £27,185,000 (2020; £13,871,000) to the Foundation. 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 2021 AKO Capital Management Limited, a company which is part of the AKO Capital group, made donations of £7,000 (2020; £5,000) to the Foundation.

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:

- Henrik Syse is a trustee, or trustee equivalent, of the King Institute which received grants from the Foundation in 2020 and 2021.

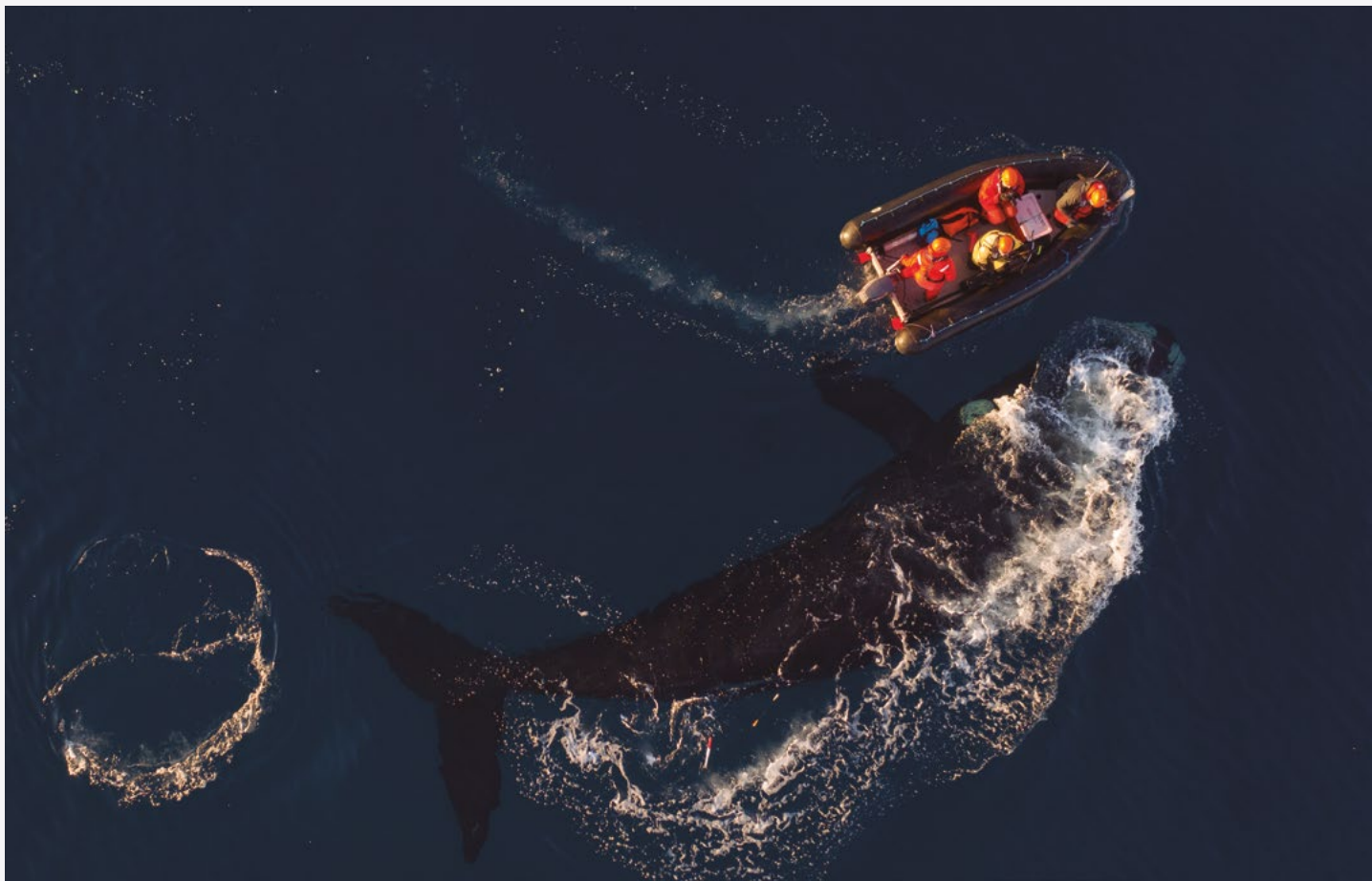
Details of grants made to those entities are included in note 6 and any amounts payable at the year-end are included in the grants payable disclosed in notes 12 and 13.

Nicolai Tangen and Katja Tangen resigned as trustees on 1 July 2020 and therefore are no longer related parties of the Foundation. The transactions of the Foundation in 2020 to which they were related parties were as follows:

- Until 1 July 2020 Mr. Nicolai Tangen, was 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. As stated above 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.
- 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.
- Mr Nicolai Tangen was a partner in DSHN Philanthropy LLP.
- Nicolai Tangen was a trustee, or trustee equivalent, of the following entities that received grants from the Foundation in 2020: 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.
- Katja Tangen was a trustee, or trustee equivalent, of the following entities that received grants from the Foundation in 2020: Hampstead Theatre.



Partnership for Change



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

Live Ocean



