

SWAROVSKI FOUNDATION

England & Wales · Charity number 1153618

Details

Status Registered

Legal form Charitable company

Company number [08325666](#)

Registered 2013-09-02

Register [View on the Charity Commission register](#)

Contact

Address Building 4 Chiswick Park
566 Chiswick High Road
1st Floor
London
W4 5YE

Phone 02036408310

Email office@swarovskifoundation.org

Website www.swarovskifoundation.org

Activities

Objects: 1.1 THE CHARITY'S OBJECTS ARE FOR SUCH PURPOSES AS ARE FOR THE PUBLIC BENEFIT AND EXCLUSIVELY CHARITABLE UNDER THE LAWS OF ENGLAND & WALES, INCLUDING, BUT NOT LIMITED TO:1.1.1 THE RELIEF OF SICKNESS AND THE PRESERVATION OF HEALTH AMONG PEOPLE RESIDING THROUGHOUT THE WORLD;1.1.2 THE ADVANCEMENT OF ART, CULTURE AND HERITAGE;1.1.3 THE PROMOTION FOR THE BENEFIT OF THE PUBLIC OF CONSERVATION PROTECTION AND IMPROVEMENT OF THE PHYSICAL AND NATURAL ENVIRONMENT;1.1.4 THE PROMOTION OF HUMAN RIGHTS (AS SET OUT IN THE UNIVERSAL DECLARATION OF HUMAN RIGHTS AND SUBSEQUENT UNITED NATIONS CONVENTIONS AND DECLARATIONS) THROUGHOUT THE WORLD.1.2 IN FURTHERANCE OF THE OBJECTS, BUT NOT OTHERWISE, THE DIRECTORS SHALL HAVE POWER TO ENGAGE IN POLITICAL ACTIVITY PROVIDED THAT THE DIRECTORS ARE SATISFIED THAT THE PROPOSED ACTIVITIES WILL FURTHER THE PURPOSES OF THE CHARITY TO AN EXTENT JUSTIFIED BY THE RESOURCES COMMITTED AND THE ACTIVITY IS NOT THE DOMINANT MEANS BY WHICH THE CHARITY CARRIES OUT ITS OBJECTS.

Activities: Established in 2013, the Swarovski Foundation brings focus to Swarovski's historical commitment to philanthropy by supporting charitable organisations and signature programmes to achieve positive social

and environmental impact. Its mission is to promote sustainable livelihoods through education to reduce inequality by supporting initiatives that focus on Equity, Water, and Creativity.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Other Finance, Provides Services, Sponsors Or Undertakes Research
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Arts/culture/heritage/science, Environment/conservation/heritage, Human Rights/religious Or Racial Harmony/equality Or Diversity
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** WORLDWIDE
- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£4,017,083	£1,658,276	£3,340,405	0
2023-12-31	£3,838,816	£3,239,427	£1,079,547	0
2022-12-31	£2,093,871	£1,626,909	£465,110	0
2021-12-31	£1,754,177	£1,613,007	£9,417	0
2020-12-31	£1,153,600	£853,222	£-138,198	0

Trustees

Name	Role	Appointed
Marisa Schiestl-Swarovski	Chair	2018-08-01
Dr Heinz Georg Albert Fassmann		2023-11-20
Laura Amaya Ceron		2025-10-20
Markus Langes-Swarovski		2026-01-20
Maximilian Haim-Swarovski		2025-02-27
Ryan Marshall Gawn		2024-05-17

SWAROVSKI FOUNDATION

England & Wales - Charity number 1153618

Accounts

Charity Registration No. 1153618 (England and Wales)
Company Registration No. 08325666



**SWAROVSKI
FOUNDATION**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024



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SWAROVSKI FOUNDATION
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Marisa Schiestl-Swarovski (Chair) Evelyn Marie Hilde Margit Haim- Swarovski Helene von Damm Anouchka Rafail-Vogiatzakis Dr Heinz Georg Albert Fassman Lynda Brooke Mansson Ryan Marshall Gawn (Appointment 17 May 2024)
Director of the Swarovski Foundation	Jakhya Rahman-Corey
Registered office	1st Floor, Building 4 Chiswick Park, 566 Chiswick High Road, London, W4 5YE
Bankers	HSBC 9 The Boulevard Crawley West Sussex RH10 1UT
Independent Statutory Auditor	HaysMac LLP 10 Queen Street Place London EC2R 1AG
Company Registration No.	08325666 (England and Wales)
Charity Registration No.	1153618



SWAROVSKI FOUNDATION REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees of the Swarovski Foundation present their annual report and financial statements for the year ended 31 December 2024, which are also prepared to meet the requirements of a directors' report and accounts for Companies Act 2006 purposes.

The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard (FRS 102). The legal and administrative information on page 1 forms part of this report.

Constitution and governance

The Swarovski Foundation was incorporated on 11 December 2012 and is governed by its Memorandum and Articles of Association. The Trustees who have been in office during the period or up to the date of this report are listed on page 1.

The Articles of Association of the Swarovski Foundation were last updated in January 2025. This process was undertaken to ensure they continue to reflect good governance and best practices across the charity sector. The updated Articles of Association clarify the terms of office for Chair and Trustees, following guidance from the Charity Governance Code, and develop the processes and conditions for their disqualification and removal. Furthermore, the requirements for making decisions outside of a Board Meeting were updated from unanimous approval to a majority vote, to support efficient and fair collective decision-making. Finally, a clause was added to specify how changes to the Articles of Association can be made in the future.

The Swarovski Foundation has created documents to support Trustee onboarding, including but not limited to a Policy Handbook. They outline important policies and procedures at the Swarovski Foundation in support of the following Charity Commission guidance: 'The essential trustee: what you need to know, what you need to do'; 'Guidance for Charities with a Connection to a Non-Charity'; and the 'Charity Governance Code' (a practical tool to help charities and their trustees develop high standards of governance). This is for the Trustees and other relevant parties who may need to understand the policies and processes we have in place to safeguard the Swarovski Foundation.

The Trustees consider the Board of Trustees and the Director to comprise the key management personnel. The Trustees are responsible for the strategic direction of the Swarovski Foundation, and they delegate day-to-day financial and operational responsibilities and administration to the Director.



SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024

No trustee remuneration was paid during the year. Details of trustee expenses and related party transactions are disclosed in notes 5 and 12 of the financial statements.

The remuneration of the Foundation's Director is reviewed annually by the Chair, utilising the Swarovski Global Grading System, which is a globally aligned methodology of role evaluation that enables external comparatives and internal equity, and is overseen by the global management consulting expert, Mercer.

The Swarovski Foundation operates a well-documented and appropriate methodology in relation to the declaration of interest. The Swarovski Foundation has in place a policy on conflicts of interest and loyalty, and the Trustees are regularly reminded of good practice based on guidance issued by the Charity Commission and disclose any actual or potential conflicts of interest. Furthermore, there is an extensive due diligence framework to ensure the pursuit of the public benefit and the mitigation of risk of supporting charities and/or organisations in accordance with Charity Commission guidance.

SWAROVSKI FOUNDATION STRATEGIC OBJECTIVES

Mission

The Swarovski Foundation's mission is to promote sustainable livelihoods through education to reduce inequality.

Strategic Approach

The Swarovski Foundation invests in educational initiatives for long-term skills development and job creation, supporting work across three key focus areas:

- 1) **Equity:** Empower Marginalised Groups
- 2) **Creativity:** Advance Creative Talent
- 3) **Water:** Improve Water Security

The Swarovski Foundation has curated initiatives connected to its impact legacy and ambition to use resources to build capacity for sustainable change:

- **Action Fund:** Aims to provide immediate relief to the most marginalised communities affected by urgent crises, including reducing vulnerability, addressing educational disruptions, and restoring human rights and livelihoods in the long term.
- **Creatives for Our Future:** Aims to empower the next generation of creative talent to unlock innovative approaches to our global sustainability challenges and drive progress towards the Sustainable Development Goals.
- **Waterschool:** Aims to educate young people on sustainable practices to address their local water challenges and improve water security globally.



SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024

Delivering Objectives

The Swarovski Foundation's governing document and charitable objectives enable our role as a grant-giving body to support a wide range of organisations through grants, advocacy and engagement to fulfil our mission for a more inclusive and equitable society whilst creating protections for the environment.

Grants – We work with and provide grants to charities and institutions globally to deliver our objectives. All grants are subject to assessment to ensure alignment with our values, code of conduct, and the strategic objectives of the Swarovski Foundation.

Advocacy and Engagement – We believe that genuinely enacting change requires individuals and communities to be aware of social and environmental challenges before they can take action to remedy the issue. To be made aware of these issues requires engagement and communication across global platforms to help empower people to understand the challenges presented and seek solutions. Therefore, the Swarovski Foundation's role, in addition to delivering grants, is to engage, advocate and communicate with society to mobilise sustainable change.

Striving for Impact – The Sustainable Development Goals (SDGs) set out by the United Nations, or Global Goals, are a collection of 17 interlinked global goals designed to be a "blueprint to achieve a better and more sustainable future for all". The SDGs serve as guidelines for several Foundations, providing a unified language to collaborate with partners working toward the same goals.

The Swarovski Foundation has been committed to aligning our mission with the guiding principles of the SDGs since 2018. Under our new strategy we have aligned more directly with Quality Education (SDG 4), Decent Work and Economic Growth (SDG 8) and Partnerships for the Goals (SDG 17) by investing in educational initiatives for skills development and access to employment under our areas of focus to empower marginalised groups, advance creative talent, and improve water security.

In pursuit of this, the Swarovski Foundation has developed an impact framework that integrates quantitative and qualitative data to assess programme effectiveness, tracks key performance indicators, and enhances data and metric reporting from partnerships. Through this approach, the Swarovski Foundation assesses the tangible impact created by these collaborations.

Since its inception, the Swarovski Foundation has reached over 2 million people across 100 countries, collaborating with 89 partners to advance the achievement of the SDGs. Through the **Action Fund**, we have supported communities facing urgent challenges, providing 39 grants in response to 26 crises across 24 countries. Our commitment to advancing creative talent has seen nearly 2,000 applications submitted from 92 countries to our **Creatives for Our Future** programme since its launch in 2021 and supported 21 young innovators from 12 countries through education programmes and networking opportunities. Through our **Waterschool** initiative, we have reached over 800,000 young people in 2,500 schools worldwide, equipping them with knowledge about global water security issues, as well as best practices for sustainable water management alongside 23,000 teachers.



SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024

Future Considerations

With impact at the core of our mission to promote sustainable livelihoods through education to reduce inequality, the Swarovski Foundation aims to build multi-year partnerships for long-term engagement across grants and advocacy and engagement initiatives. The priority is to build global collaboration by participating in international forums to address global challenges and leverage collective efforts for positive change. We maintain open and effective communication with key stakeholders to build trust and transparency and develop partnerships with organisations to amplify reach and influence.

Grant-Making Policy

In awarding grants, the Trustees apply the following principles:

- a) The Swarovski Foundation considers applications to support charitable organisations, trusts, associations or institutions whose purposes align with the Swarovski Foundation's objectives and working in three focus areas: Equity, Water and Creativity;
- b) Applications are eligible for consideration where there is a need for our support in alignment with the Sustainable Development Goals set out by the United Nations;
- c) The Swarovski Foundation works with charitable organisations, trusts, associations, or institutions to broaden our advocacy and engagement efforts, including but not limited to key geographical locations, synergies with other charity partners and opportunities for key stakeholders to get involved; and
- d) The Swarovski Foundation considers applications to support individuals applying under the Creatives for Our Future programme in line with the selection process established for this purpose.
- e) Exclusions – The Swarovski Foundation does not accept unsolicited grant requests.

All grant applications are subject to the Board's approval. Trustees shall not approve the use of any grant funds that fall outside the Swarovski Foundation's mission and objectives. The number of projects which can be supported by the Swarovski Foundation is, of necessity, limited to the amount of funds available for distribution in any one year.

Fundraising

The Trustees are aware of the additional disclosure requirements and guidance of The Charities (Protection and Social Investment) Act 2016; the updated Charity Commission's guidance – 'Charity fundraising: a guide to trustee duties' (CC20); and the Chartered Institute of Fundraising handbook – 'Trustees and fundraising: a practical handbook'. Whilst the Swarovski Foundation does not raise funds via direct contact with the general public, these are considered not applicable. The Swarovski Crystal Business are looking at potential Cause Related Marketing (CRM) opportunities with the Swarovski Foundation, of which all parties will go through relevant legal review to ensure compliance, including alignment with guidance for charitable institutions working with commercial participants - UK Fundraising Regulator.



SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024

Risk Management

The Trustees have examined the major strategic, business, and operational risks that the charity faces and confirm that systems have been established to enable necessary steps to lessen these risks, including the annual review and approval of the risk register.

The financial risk of not being able to pay grant instalments when due is mitigated by the letter of support provided by Swarovski AG noted on page 8. In addition, Swarovski AG has provided funds for the full duration of multi-year grant programmes at the start of each programme, meaning that the cash required to pay future grant instalments is held in the cash reserves of the Swarovski Foundation. The operational risk that the funds may not be used for the purpose of grant and/or non-grant funds is mitigated with the internal financial procedures (as outlined in the Swarovski Foundation Policy Handbook).

Overall, processes including thorough application assessments, contractual agreements, reporting requirements and financial controls (such as payments in tranches), combined with frequent contact with grant recipients (both organisations and individuals) and other non-grant partners, ensure funds are used appropriately and satisfactory progress, as agreed by the Swarovski Foundation and its partners, is achieved.

Additionally, the Swarovski Foundation conducts necessary due diligence checks on the potential charity partners, individuals, and external service providers it partners with, to prevent any risk to the organisation.

Financial Review

The Statement of Financial Activities recognises incoming resources of £4,017,083 (2023: £3,838,816) received in the year, whilst resources of £1,658,276 (2023: £3,239,427) were expended within the year. While the majority of the incoming resources are in the form of grants from Swarovski AG, these amounts also include the incoming resources and equivalent expenditure of £620,791 (2023: £762,628) representing an estimate of services donated by the Swarovski Group in 2024 in respect of employee time in the management of the grants programme, legal services and finance and administration services.

The Trustees recognise the full value of multi-year grant commitments in the year in which the Swarovski Foundation create a legal or constructive obligation, and where the terms of the related agreement support this accounting treatment.

As a result, at 31 December 2024, the net assets of the Swarovski Foundation amounted to £3,340,405 (2023: £1,079,547). The net asset position has increased compared to 2023, as incoming funding for general unrestricted funds programme and some unallocated reserves from which its charitable activities will be recognised in 2025. Swarovski AG provide Trustees with an undertaking on an annual basis in the form of a letter of support that the full value of multi-year grant commitments will be met as the future payment instalments arise.



SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024

Reserves Policy

Since its inception, the Swarovski Foundation has operated without a fixed rule on a minimum or maximum level of reserves that should be held. It is a company-funded charitable foundation that is funded on an as-and-when needed basis.

However, although Swarovski AG has always met its commitment, and the Trustees have confidence they always will, they recognise that having no reserves can create financial and operational risk. Holding appropriate reserves would enable the Swarovski Foundation to respond to unforeseen changes.

Taking into consideration the Charity Commission's guidance and events that have impacted the Swarovski Foundation in the past, including but not limited to the impact of the pandemic, during the November 2023 Board Meeting the Trustees approved the policy of significantly growing the reserves of the Swarovski Foundation in the short-term, including €500,000 of free cash for investment in high-interest cash deposit facilities in addition to operational cash requirements. The currency is in EURO (€), which aligns with the primary donor, the Swarovski business', budgetary relationship with the Swarovski Foundation. In the unlikely event that Swarovski AG is unable to support the Swarovski Foundation in the future, the Trustees will formally review and confirm the reserves to be drawn down to respond to the financial risk on the charity.

Free reserves at 31st December total £3,340,405 (€3,991,661). Included in this total are designated funds to ensure funds are held in the Swarovski Foundation bank account for multi-year commitments. For the 2024 financial year end these designated funds were of a value of £1,268,347 (€1,515,628).

Trustees' responsibilities statement

The Trustees (who are also directors of the Swarovski Foundation for the purposes of company law) are responsible for preparing the Report of the Trustees 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 an accurate and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in business.



SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees are responsible for keeping proper 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.

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.

Provision of information to the auditor

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Trustees has confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

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

On behalf of the board

Signiert von:

.....E2E0B0235D3642F.....
M Schiestl-Swarovski Chair

Date: 06/08/2025



SWAROVSKI FOUNDATION
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS
FOR THE YEAR ENDED 31 DECEMBER 2024

Opinion

We have audited the financial statements of the Swarovski Foundation for the year ended 31 December 2024 which comprise the statement of financial activities, balance sheet, statement of cash flows and 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2024 and of its net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustees. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material



misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report 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 Report of the Trustees (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Report of the Trustees have 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees (which incorporates the strategic report and the directors' report).

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

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 7-8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect



of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity and company law applicable in England and Wales, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to revenue recognition, in particular in relation to the valuation of donated services provided by the corporate entities. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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

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

Use of our report

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

A handwritten signature in blue ink, appearing to read "Adam Halsey".

Adam Halsey (Senior Statutory Auditor)
For and on behalf of HaysMac LLP, Statutory Auditor
10 Queen Street Place, London, EC4R 1AG

Date: 1 September 2025



SWAROVSKI FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2024

				2024	2023
		Unrestricted	Restricted	Total	Unrestricted & total funds
	Note	£	£	£	£
Income:					
Donations and legacies	2, 9	4,005,768	-	4,005,768	3,838,816
Investment Income		11,315	-	11,315	-
Total Income		4,017,083	-	4,017,083	3,838,816
Expenditure:					
Expenditure on charitable activities		1,658,276	-	1,658,276	1,744,725
Waterschool liabilities transferred		-	-	-	1,494,702
Total expenditure	3,9	1,658,276	-	1,658,276	3,239,427
Net income		2,358,807	-	2,358,807	599,389
Other gains / (losses) on foreign exchange		(97,948)	-	(97,948)	15,048
Net movement in funds for the year		2,260,858	-	2,260,858	614,437
Total funds brought forward		1,079,547	-	1,079,547	465,110
Total funds carried forward	9	3,340,405	-	3,340,405	1,079,547

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 15 to 24 form part of these financial statements.



SWAROVSKI FOUNDATION
BALANCE SHEET
AS AT 31 DECEMBER 2024

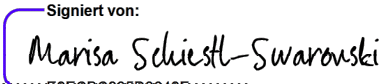
		2024	2023
	Note	£	£
Current assets			
Prepayments and other debtors	6	-	53,231
Cash at bank and in hand		3,362,262	2,014,337
		<u>3,362,262</u>	<u>2,067,568</u>
Liabilities			
Creditors: amounts falling due within one year	7	(21,857)	(848,457)
		<u>3,340,405</u>	<u>1,219,111</u>
Net current assets			
Creditors: amounts falling due after one year	8	-	(139,564)
		<u>3,340,405</u>	<u>1,079,547</u>
Net assets			
Funds	9		
Unrestricted funds			
General funds		2,072,606	857,812
Designated funds		1,267,799	221,735
		<u>3,340,405</u>	<u>1,079,547</u>
Total funds		<u>3,340,405</u>	<u>1,079,547</u>

The notes on pages 15 to 24 form part of these financial statements.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved and authorised for issue on behalf of the Trustees by:

On behalf of the board

Signiert von:

E2ECBC239D3042F.....
 M Schiestl-Swarovski Chair
 06/08/2025

2025



**SWAROVSKI FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024**

		2024	2023
	Note	£	£
Cash flow from operating activities:			
Net cash provided by operating activities and change in cash and cash equivalents in the reporting period	14	1,347,925	891,950
Cash and cash equivalents at the beginning of the reporting period		2,014,337	1,122,387
Cash and cash equivalents at the end of the reporting period		<u>3,362,262</u>	<u>2,014,337</u>



SWAROVSKI FOUNDATION NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

Swarovski Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is 1st Floor, Building 4 Chiswick Park, 566 Chiswick High Road, London W4 5YE.

The principal accounting policies adopted, judgements and key sources of estimating uncertainty in the preparation of the financial statements are as follows:

1.1 Accounting convention

Basis of preparation

The financial statements have been prepared in accordance with 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 (FRS 102), Charities SOP (FRS 102), and the Companies Act 2006.

The Swarovski Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are recognised at the historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements are prepared in sterling, which is the financial currency of the Foundation. Monetary amounts in these financial statements are rounded to the nearest £.

1.2 Going concern

Total funds were positive in 2024 and 2023 arising from a timing difference between income received to fund grant commitments and the recording of full grant commitments as a liability on the balance sheet. The Trustees have received confirmation from Swarovski AG that funding will be received from Swarovski AG as the need to make payment arises. Furthermore, whilst Swarovski AG have always met its commitment to the Swarovski Foundation in 2023 the Trustees have implemented a Reserve Policy to further safeguard the charity accordingly. The Trustees are satisfied that there are no material uncertainties and that the Foundation going concern basis of accounting remains appropriate.

1.3 Income

1.3.1 Donations and gifts

Income is recognised in the period in which there is probability of receipt, the charity is entitled to receipt and the amount can be measured with reasonable certainty.

1.3.2 Donated services

Donated services are recognised as income and expenditure in the financial statements when companies and individuals provide their professional expertise pro bono. The value of these donated services is considered to be equivalent to the market value which would have been paid by the Foundation had the service been formally procured.



SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024

1.4 Expenditure

Expenditure is included on an accruals basis including irrecoverable VAT. Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Foundation to the expenditure.

1.4.1 Grants

In February 2023 the Foundation obtained the liabilities relating to the Waterschool from Swarovski AG, taking responsibility for the settlement of all current and future agreed liabilities (see note3).

The value of grants is recognised in full as expenditure in the year when the Foundation creates a legal or constructive obligation, even where they may be multi-year in nature. Typically, this arises when an unconditional grant offer has been communicated to the recipient. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant.

1.4.2 Governance costs

Governance costs are the costs involved in the constitutional and statutory aspects of running the Foundation as a legal entity.

1.4.3 Advocacy and Engagement and Other costs

Other direct and support costs are allocated to the appropriate activity as the cost is incurred, or on the basis of the estimated time spent on the activity.

1.5. Funds

Unrestricted funds comprise those funds, which the Trustees are free to use in accordance with the charitable objects. Designated funds are unrestricted funds of the Foundation which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are funds received where the donor has indicated that they can only be spent on specific projects.

1.6. Foreign currency translation

Foreign currency transactions are translated into pounds sterling at the exchange rate prevailing at the transaction date. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date.

1.7. Areas of judgement and uncertainties

In the application of the Foundation's accounting policies, the Trustees are required to make judgements, estimates and assumptions. These are based on historical experience and other relevant factors. The estimates and underlying assumptions are reviewed on an ongoing basis.

Donated services have been estimated and consist of staff time and consultancy services donated by Swarovski UK, Swarovski North America and D Swarovski KG in respect of management of the grants programme, legal services and finance and administration services.



SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024

1.8. Financial instruments

The Foundation only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value except for bank loans which are subsequently measured at amortised cost using the effective interest method. There were no bank loans in the year.

2 Voluntary income

	2024	2023
	£	£
Donation–Swarovski AG	3,174,831	3,074,928
Donation–Swarovski Tyrolit	209,904	-
Donated service–Swarovski North America	113,411	116,301
Donated service–Swarovski UK	307,903	396,937
Donated service–D Swarovski KG	199,477	249,390
Donation – other funding	242	1,260
Donation - restricted	-	-
	4,005,768	3,838,816

Donated services have been estimated and consist of staff time and consultancy services donated by Swarovski UK, Swarovski North America and D Swarovski KG in respect of management of the grants programme, legal services and finance and administration services.



SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024

3 Charitable activities

Grant making	2024	2023
	£	£
Action Fund		
British Red Cross	83,370	44,851
Caritas Der Diocese Innsbruck	-	22,216
Magic Breakfast	-	17,641
Mothers2mothers	-	8,603
The Trussell Trust	-	4,427
UK for UNHCR	41,468	34,716
Women in Need	-	21,876
Creativity		
Creatives for Our Future (grants to individuals)	25,888	106,846
Turquoise Mountain	43,948	43,331
Council of Fashion Designers of America	52,197	-
Central Saint Martins	43,948	-
AkiraChix	43,948	-
Equity		
Room to Read	84,908	-
Teach for Austria	44,456	86,783
Teach for Thailand	45,286	86,848
Village Enterprise	43,519	-
Learning Equality	51,929	-
ThinkForward	44,128	-
Water		
The Nature Conservancy Withdrawn	-	(80,538)
Verein der Freunde des Nationalparks Hohe Tauern	(67,595)	-
Lewis & Clark Community College	43,339	-
Earth Child Institute	(66,149)	-
Subtotal grants	558,586	397,600



SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024

3 Charitable activities (continued)

Waterschool liabilities transferred during the year	2024	2023
	£	£
Verein der Freunde des Nationalparks		
Hohe Tauern	-	333,872
Fundacao Amazonia Sustentavel		465,531
Raks Thai Foundation		64,476
Lewis & Clark Community	-	104,859
Earth Child Institute	-	243,997
Advocates for Water Environment	-	86,571
(AWEC)	-	195,396
Earthwatch Australia	-	
Waterschool liabilities total	-	1,494,702
Support costs (see below)	1,111,005	1,347,125
	<u>1,658,277</u>	<u>3,239,427</u>
	2024	2023
	£	£
Support Costs:		
Grant administration	648,900	1,016,093
Advocacy & Engagement	351,393	268,225
Finance and administration	27,100	13,292
Legal and professional	17,950	9,961
Governance costs (Note 4)	65,662	39,554
	<u>1,111,005</u>	<u>1,347,125</u>

Included above is a notional cost £620,791 - total of the PEX in respect of donated services related to personnel on secondment and office expenses (2023: £762,628).



SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024

4 Governance costs

	2024	2023
	£	£
Legal, professional, finance and administration	-	-
Audit and accountancy	59,250	26,485
Other governance costs	6,412	13,069
	<u>65,662</u>	<u>39,554</u>

Included above is a notional cost of £620,791 in respect of donated services (2023: £762,628).

Net income / (expenditure) is stated after charging:

	2024	2023
	£	£
Audit fee	15,420	15,420
Under Accrual for 2023	4,950	-
Under Accrual for 2022	-	25
Auditors' remuneration	<u>20,370</u>	<u>15,455</u>

5 Staff costs, trustee remuneration and expenses, and the cost of key management personnel

The Foundation has no directly employed staff and engages the services of key management personnel and staff employed by Swarovski UK, Swarovski North America and D Swarovski KG in respect of the management of the grants programme, legal services and finance and administration services. The aggregate cost of this was £595,761.2 – personnel cost wages and bonuses (2023: £584,832).

Trustees are not remunerated. For 2024, £944 (2023: £12,372) was reimbursed to 4 Trustees for directly incurred travel expenses to visit Foundation charity partner projects and attend board meetings.

The total employee benefits of the key management personnel of the Foundation were £137,441 (2023: £137,441).

6 Debtors: amounts receivable within one year

	2024	2023
	£	£
Prepayments	-	53,231



SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024

7	Creditors: amounts due within one year	2024	2023
		£	£
	Accruals	15,420	35,885
	Grants payable	-	753,179
	Other creditors	6,437	59,393
		<u>21,857</u>	<u>848,457</u>

8	Creditors: amounts due after one year	2024	2023
		£	£
	Grants payable (due within 1-2 years)	-	139,564
		-	139,564

9 Funds

2024	Funds b/fwd	Incoming Resources	Resources Expended	Other gains/(losses)	Transfers	Funds c/fwd
	£	£	£	£	£	£
General unrestricted funds	857,812	4,017,083	(1,166,735)	(97,948)	(1,537,606)	2,072,606
Restricted Funds	-	-	-	-	-	-
Designated Funds:						
Earth Child Institute	-	-	-	-	66,268	66,268
National Park Hohe Tauern	-	-	-	-	66,268	66,268
Lewis & Clark Comm College	-	-	(41,326)	-	82,651	41,325
Conservation International	-	-	-	-	82,651	82,651
Central St Martins	-	-	(41,326)	-	82,651	41,325
Turquoise Mountain	-	-	(41,326)	-	247,954	206,628
CFDA	-	-	(49,575)	-	82,651	33,076
AkiraChix	-	-	(41,326)	-	82,651	41,325
Teach for Austria	-	-	(41,326)	-	247,954	206,628
Village Enterprise	-	-	(41,326)	-	82,651	41,325
Learning Equality	-	-	(49,591)	-	82,651	33,060
Teach for Thailand	-	-	(41,326)	-	247,954	206,628
ThinkForward	-	-	(41,326)	-	82,651	41,325
Creatives for our Future	199,152	-	(59,223)	-	-	139,929
10 th Anniversary	22,583	-	(2,545)	-	(20,038)	-
25 th Waterschool Anniversary	-	-	-	-	20,038	20,038
Total Funds	1,079,547	4,017,083	(1,658,277)	(97,948)	-	3,340,405

Earth Child Institute, National Park Hohe Tauern, Lewis & Clark Community College, Conservation International, Central St Martins, Turquoise Mountain, CFDA, AkiraChix, Teach for Austria, Village Enterprise, Learning Equality, Teach for Thailand & Think Forward

In line with the updated reserves policy of the Foundation, designated funds were created during the year to reflect the full value of the commitments to charitable programme partners over the entire life



SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024

of programmes, including future-year commitments when multi-year programmes have been approved by the board. All transfers into these funds during the year relate to the creation of these funds, and all resources expended during the year relate to instalments paid to grant programme partners under the terms of each programme. The balance of the funds carried forward will be expended over the course of the remaining life of the partner programmes, during 2025 – 2027.

Creatives for Our Future

This is an initiative which empowers the next generation of creative talent to unlock innovative approaches to our global sustainability challenges. The 2025 edition of this initiative, funded in 2023, is expected to be completed in 2026.

10th Anniversary & 25th Waterschool Anniversary

In prior years, funds were designated for engagement events during the Swarovski Foundation's 10th Anniversary activations to mark our commitment to promoting sustainable livelihoods through education to reduce inequality and to advocate our work through communication across multiple platforms, charity project visits and events. The purpose of these initiatives was to build cross-collaboration among stakeholders, including Swarovski Foundation charity partners. Following expenditure in 2023, this initiative was closed, with the remaining fund balance transferred to a fund related to the 25th Anniversary of the Waterschool. To mark this milestone, engagement events will be held in 2025 to showcase our advocacy work and ongoing commitment to initiatives that improve water security globally.

2023	Funds b/fwd	Incoming resources	Resources expended	Gains/ (Losses)/ Transfers	Funds c/fwd
	£	£	£	£	£
General unrestricted funds	(16,774)	3,838,816	(3,000,641)	36,410	857,812
Restricted funds	-	-	-	-	-
Designated funds:					
Employee programme	21,251	-	-	(21,251)	-
Creatives for our Future	305,998	-	(106,846)	-	199,152
Action Fund	66,272	-	(66,161)	(111)	-
10 th Anniversary	88,362	-	(65,779)	-	22,583
Total funds	465,110	3,838,816	(3,239,427)	15,048	1,079,547



SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024

10 Analysis of net assets by fund

2024

	Cash at bank	Other Current Assets/ Liabilities	Creditors Over 1 year	Total
	£	£	£	£
Funds				
Unrestricted funds				
General funds	2,094,463	(21,857)	-	2,072,606
Designated funds	1,267,799	-	-	1,267,799
	<u>3,362,262</u>	<u>(21,857)</u>	<u>-</u>	<u>3,340,405</u>

2023

	Cash at bank	Current Assets/ Liabilities	Creditors Over 1 year	Total
	£	£	£	£
Funds				
Unrestricted funds				
General funds	1,792,602	(796,226)	(139,564)	894,819
Designated funds	221,735	-	-	184,728
	<u>2,014,337</u>	<u>(796,226)</u>	<u>(139,564)</u>	<u>1,079,547</u>

11 Company status

In the case of winding up, each member (who is also a Trustee) has guaranteed to contribute an amount not exceeding £10 (2023: £10).

12 Controlling party

The Swarovski Foundation is controlled by its Trustees. Marisa Schiestl-Swarovski is the sole member of the Swarovski Foundation and may have a greater degree of control than the other Trustees in some respects, as defined by the updated Memorandum and Articles of Association.



SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2024

13 Related party transactions

During the year, Swarovski AG donated £3,174,831 (2023: £3,074,928) to the Foundation. Additionally, D Swarovski KG donated services valued at £199,477 (2023: £249,390). Swarovski UK donated services valued at £307,903 (2023: £396,937) and Swarovski North America donated services to the Foundation of £113,411 (2023: £116,301) (see note 2).

Marisa Schiestl-Swarovski, a Trustee of the Swarovski Foundation, is also a member of the Advisory Board of Teach for Austria, which received a grant totalling £44,456 (£86,783 in 2023). Ms Schiestl-Swarovski abstained from any involvement or voting proposals related to Teach for Austria.

Marisa Schiestl-Swarovski, a Trustee of the Swarovski Foundation, is also a Vice-President of the Verein der Freunde des Nationalpark Hohe Tauern, which received a grant totalling £nil (£333,872 in 2023). Ms Schiestl-Swarovski abstained from any involvement or voting proposals related to the Verein der Freunde des Nationalpark Hohe Tauern.

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

	2024	2023
	£	£
Net (expenditure) / income for the reporting period (as per the statement of financial activities)	2,260,858	614,437
Adjustments for:		
(Increase)/decrease in debtors	53,231	(53,231)
Increase/(decrease) in creditors	(966,164)	330,744
Net cash provided by operating activities	<u>1,347,925</u>	<u>891,950</u>

15 Analysis of changes in net debt

2024	At start of year	Cashflows	At end of year
	£	£	£
Cash	2,014,337	1,347,925	3,362,262
Total	<u>2,014,337</u>	<u>1,347,925</u>	<u>3,362,262</u>

SWAROVSKI FOUNDATION

England & Wales - Charity number 1153618

Accounts

Charity Registration No. 1153618 (England and Wales)
Company Registration No. 08325666



ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023



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SWAROVSKI FOUNDATION
LEGAL AND ADMINISTRATIVE INFORMATION

Trustee	Marisa Schiestl-Swarovski (Chairperson) Helene von Damm Evelyn Haim-Swarovski Anouchka Rafail-Vogiatzakis Lynda Mansson (Appointment 1 Nov 2023) Heinz Fassmann (Appointment 20 Nov 2023) Ryan Marshall Gawn (Appointment 17 May 2024)
Director of the Swarovski Foundation	Jakhya Rahman-Corey
Registered office	1st Floor, Building 4 Chiswick Park, 566 Chiswick High Road, London, W4 5YE
Bankers	HSBC 9 The Boulevard Crawley West Sussex RH10 1UT
Independent Statutory Auditor	Saffery LLP 71 Queen Victoria Street London EC4V 4BE
Company Registration No.	08325666 (England and Wales)
Charity Registration No.	1153618

**SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023**

The Trustees of the Swarovski Foundation present their annual report and financial statements for the year ended 31 December 2023, which are also prepared to meet the requirements of a directors' report and accounts for Companies Act 2006 purposes.

The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard (FRS 102). The legal and administrative information on page 1 forms part of this report.

Constitution and governance

The Swarovski Foundation was incorporated on 11 December 2012 and is governed by its Memorandum and Articles of Association. The Trustees who have been in office during the period or up to the date of this report are listed on page 1.

The Memorandum and Articles of Association of the Swarovski Foundation were last updated in February 2022. The updated Memorandum and Articles of Association recognise that Marisa Schiestl-Swarovski is the sole member of the Foundation and has the right to appoint Trustees (Directors) by way of an ordinary resolution. Furthermore, the Memorandum and Articles of Association removed the minimum number of Trustees required in office. The Memorandum and Articles of Association will be reviewed again in 2024 and updated to ensure they continue to reflect good governance and best practice across the charity sector.

During 2023, the Swarovski Foundation underwent the recruitment of Trustees through the pro bono support of Egon Zehnder resulting in the appointment of two Trustees, Lynda Mansson and Heinz Fassmann). In 2024, the Swarovski Foundation appointed recruitment agency Prospectus to recruit a minimum of one more Trustee to support an odd number and thus support a quorum, if required. The recruitment search led to the Trustee appointment of Ryan Gawn.

The Swarovski Foundation has created documents to support Trustees onboarding including but not limited to a Policy Handbook. They outline important policies and procedures at the Swarovski Foundation in support of Charity Commission guidance 'The essential trustee: what you need to know, what you need to do'; 'Guidance for Charities with a Connection to a Non-Charity' and the 'Charity Governance Code' (a practical tool to help charities and their trustees develop high standards of governance). This is for the Trustees and other relevant parties who may need to understand the policies and processes we have in place to safeguard the Swarovski Foundation.

The Trustees consider the Board of Trustees and the Director as comprising the key management personnel. The Trustees are responsible for the strategic direction of the Swarovski Foundation, and they delegate day to day financial and operational responsibilities and administration to the Director.

SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2023

No trustee remuneration was paid during the year. Details of any trustee expenses and related party transactions are disclosed in notes 5 and 12 of the financial statements.

The remuneration of the Foundation's Director is reviewed annually by the Chair, utilising the Swarovski Global Grading System, which is a globally aligned methodology of role evaluation that enables external comparatives and internal equity, and is overseen by the global management consulting expert, Mercer.

The Swarovski Foundation operates a well-documented and appropriate methodology in relation to the declaration of interest. As part of an annual review, the Trustees' attention is drawn to an outline of good practice based on guidance issued by the Charity Commission. The Swarovski Foundation has in place a policy on conflicts of interest and loyalty, and the Trustees regularly disclose any actual or potential conflicts of interest. Furthermore, there is an extensive due diligence framework to ensure the pursuit of the public benefit and the mitigation of risk of support charities and/or organisations in accordance with Charity Commission guidance.

SWAROVSKI FOUNDATION STRATEGY OBJECTIVES

Mission

The Swarovski Foundation's mission is to promote sustainable livelihoods through education to reduce inequality by supporting initiatives that focus on Equity, Water, and Creativity, and through two signature programmes: Waterschool and Creatives for Our Future.

Striving for Impact

The United Nations Sustainable Development Goals (SDGs) or Global Goals are a collection of 17 interlinked global goals designed to be a "blueprint to achieve a better and more sustainable future for all".

The SDGs are the best practice for modern philanthropy, providing a unifying language to find and collaborate with partners working toward the same goals and thus by collaborating with grantees, the process of aligning with the SDGs achieves greater impact.

Since 2018, the Swarovski Foundation has been aligning with the SDGs. This framework underpins the strategy of the Foundation to deliver our mission and help drive impact. Currently, we have identified three global goals, Quality Education (SDG 4), Decent Work and Economic Growth (SDG 8) and Partnerships for the Goals (SDG 17) that we aim to follow and incorporate into the Swarovski Foundation strategy.

By investing in educational initiatives for skills development and job creation under its three strategic pillars (Equity, Water, Creativity), the Swarovski Foundation remains committed to empowering marginalised groups, improving water sustainability, and advancing creative talent.

SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2023

In pursuit of this, the Swarovski Foundation has developed a comprehensive strategy that includes a theory of change, specific indicators, and measurable targets. These elements form the Swarovski Foundation's framework for evaluating data and metric reporting from each partnership. Through this systematic approach, the Swarovski Foundation assesses the tangible impact created by these collaborations, ensuring alignment with its mission and fostering meaningful progress in achieving sustainable livelihoods through education to reduce inequality.

Delivering Objectives

The Swarovski Foundation's governing document and charitable objectives enables our role as a grant-giving body to support a wide range of organisations through grants, advocacy and engagement to fulfil our mission for a more inclusive and equitable society whilst creating protections for the environment.

Grants – We work with and provide grants to global charities and institutions to deliver our objectives. All grants are subject to assessment to ensure alignment with our values, code of conduct and the strategic objectives of the Swarovski Foundation.

The Swarovski Foundation Waterschool is an educational programme developed to empower young people and their communities to become water ambassadors by providing tools, resources, and training to enable them to address their local water needs. The Waterschool programme was established in 2000, by the Swarovski Business but as the business reviewed its own structure the assessment concluded the grant giving initiative is best aligned with the Swarovski Foundation charitable structure. The Swarovski Foundation Trustees reviewed and approved in February 2023, that due to the nature of the Waterschool the programme best aligns with the Swarovski Foundation mission.

The Swarovski Foundation Creatives for Our Future is a global grant programme designed in collaboration with the United Nations Office for Partnerships with the aim to empower the next generation of creative talent to unlock innovative approaches to global sustainability challenges.

Since its inception, the Swarovski Foundation has reached over 2 million people in 93 countries through 85 partnerships to drive progress towards the Sustainable Development Goals set out by the United Nations. In 2023, the Swarovski Foundation has supported 16 organisations and 3 global emergencies in 26 different countries.

Advocacy and Engagement – We believe to truly enact change requires individuals and communities to be aware of social and environmental challenges before they can take action to remedy the issue. To be made aware of these issues requires communication across global platforms to help empower people to understand the challenges presented and seek solutions. Therefore, the Swarovski Foundation's role in addition to delivering grants is to engage, advocate and communicate with society to mobilise sustainable change.

SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2023

In 2023, the Swarovski Foundation marked its 10th anniversary through a series of impactful advocacy and engagement initiatives in Brazil, Austria, and the USA. This milestone served as a platform to amplify the Foundation's efforts and create further impact with collaborations around the world. The initiatives generated over €400,000 AVE (Advertising Equivalent Value (AVE) is a metric that estimates the value of earned media coverage by calculating how much it would cost to purchase the same amount of exposure through paid advertising) from press coverage in Brazil alone, 15 media interviews took place globally with Vogue, Financial Times, and Forbes with a PR reach of over 2.1 million and 3 press releases were distributed. Over 700 people joined 20 initiatives, over 3,500 images were captured, and 26 films produced throughout the year.

Additionally, the Swarovski Foundation collaborated with BBC StoryWorks to produce a documentary on its Creatives for Our Future programme, featuring alumnus Joshua Ichor and programme advocate Tosin Oshinowo. The film had the second highest number of page views on BBC.com and over 4.1 million impressions on social media in 8 weeks. The Foundation continued to raise awareness on its digital platforms reaching 446,937 accounts on Instagram, 2,656 likes on LinkedIn and 16,000 users through 20,000 sessions on its website.

Future Considerations

In 2024, the Swarovski Foundation will continue to build on the momentum of its advocacy and engagement initiatives through various strategies, including raising awareness of its mission and emphasizing its significance. Educational resources will be developed to inform the public about the Foundation's focus areas, encouraging proactive solutions. Community engagement will be sought through partnerships and active participation, while media and public relations efforts will be designed to strategically shape public perception and increase visibility.

The Swarovski Foundation will also prioritise global collaboration by participating in international forums to address global challenges and leverage collective efforts for positive change. Whilst maintaining open and effective communication with key stakeholders to build trust and transparency and developing partnerships with like-minded organizations to amplify the Foundation's reach and influence. Impact measurement will also be a key focus, with clear metrics established for communicating the Foundation's impact.

SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2023

Grant Making Policy

In awarding Grants, the Trustees apply the following principles:

- a) The Swarovski Foundation considers applications to support charitable organisations, trusts, associations or institutions working in three focus areas: Equity, Water and Creativity;
- b) Applications are eligible for consideration where there is a need for our support in alignment with the Sustainable Development Goals set out by the United Nations;
- c) The Swarovski Foundation works with charitable organisations, trusts, associations, or institutions to broaden our advocacy and engagement efforts including but not limited to key geographical locations, synergies with other charity partners and opportunities for key stakeholders to get involved;
- d) The Swarovski Foundation considers applications to support individuals applying under the Swarovski Foundation Creatives For Our Future programme in line with the selection process established for this purpose;
- e) Exclusions – Due to the limited capacity of the Swarovski Foundation we do not accept unsolicited Grant requests.

All Grant applications are subject to the Board's approval. Trustees shall not approve the use of any Grant funds that fall outside of the Swarovski Foundation mission and objectives. The number of projects which can be supported by the Swarovski Foundation is, of necessity, limited to the amount of funds available for distribution in any one year.

Fundraising

The Trustees are aware of the additional disclosure requirements and guidance of The Charities (Protection and Social Investment) Act 2016; the updated Charity Commission's guidance – 'Charity fundraising: a guide to trustee duties' (CC20); and the Chartered Institute of Fundraising handbook – 'Trustees and fundraising: a practical handbook'. However, as the Foundation does not raise funds via direct contact with the general public, these are considered to be not applicable at the present time.

SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2023

Risk Management

The Trustees have examined the major strategic, business, and operational risks which the charity faces and confirm that systems have been established to enable necessary steps can be taken to lessen these risks including the annual review and approval of the risk register.

The financial risk of not being able to pay grant instalments when due is mitigated by the letter of support provided by Swarovski AG, noted on page 8. The operational risk that the funds may not be used for the purpose grant and/or non-grant funds is mitigated with the internal financial procedures (as outlined and recorded in the Swarovski Foundation policy handbook).

Furthermore, frequent contact with charity partners, individuals and non-grant recipients manages the process of funding due to contractual agreement, payment tranches (if required) and payment of tranches not committed until satisfactory progress as agreed by Swarovski Foundation and recipient has been achieved.

Overall, the Swarovski Foundation seeks to deliver necessary due diligence on, charity partners, individuals and external service providers to prevent any risk on the organisation.

Financial Review

The Statement of Financial Activities recognises incoming resources of £3,838,816 (2022: £2,093,871) received in the year, whilst resources of £3,239,427 (2022: £1,626,908) were expended within the year. While the majority of the incoming resources are in the form of grants from Swarovski AG, these amounts also include the incoming resources and equivalent expenditure of £762,628 and (2022: £457,488) representing an estimate of services donated by the Swarovski Group in 2023 in respect of employee time in the management of the grants programme, legal services and finance and administration services.

The trustees recognise the full value of multi-year grant commitments in the year in which the Swarovski Foundation create a legal or constructive obligation, and where the terms of the related agreement support this accounting treatment. On transfer of the Waterschool in February 2023 £1,494,702 in grants committed but not yet paid were taken on by Swarovski Foundation.

As a result, at 31 December 2023, the net assets of the Swarovski Foundation amounted to £1,079,547 (2022: £465,110). The net asset position has increased compared to 2022, as incoming funding for general unrestricted funds programme and some unallocated reserves from which its charitable activities will be recognised in 2024. Swarovski AG provide Trustees with an undertaking on an annual basis in the form of a letter of support that the full value of multi-year grant commitments will be met as the future payment instalments arise.

SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2023

Reserves Policy

Since inception the Swarovski Foundation has operated without a fixed rule on a minimum or maximum level of reserves that should be held, as it is a company-funded charitable foundation that is funded on an as-and-when basis by Swarovski AG.

However, although Swarovski AG has always met its commitment and Trustees have confidence they always will, they recognise that having no reserves can create financial risk. Holding appropriate reserves would enable the Swarovski Foundation to respond to any unforeseen changes.

Based on the charity's forecasts of income and expenditure for the current and future years, we have calculated an appropriate reserve range for the Swarovski Foundation of €500,000 corresponding to 6 months of operating costs and related services.

Taking into the consideration the Charity Commission's guidance and events that have made an impact on the Swarovski Foundation in the past, including but not limited to the impact of the pandemic. The Trustees approved during the 23rd November 2023 Board Meeting the reserves policy of €500,000 for the Swarovski Foundation. The currency is in EURO (€), as this aligns with the main donor, the Swarovski business budgetary relationship with the Swarovski Foundation. In the unlikely event that Swarovski AG are unable to support the Swarovski Foundation in the future, the Trustees will formally review and confirm the reserves to be drawn down to respond to the financial risk on the charity.

Trustees' responsibilities statement

The Trustees (who are also directors of the Swarovski Foundation for the purposes of company law) are responsible for preparing the Report of the Trustees 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 the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees are responsible for keeping proper 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.

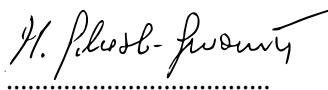
The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Provision of information to the auditor

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Trustees has confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

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

On behalf of the board



.....
M Schiestl-Swarovski Trustee

2024

14.08.2024

SWAROVSKI FOUNDATION
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS
FOR THE YEAR ENDED 31 DECEMBER 2023

Opinion

We have audited the financial statements of Swarovski Foundation for the year ended 31 December 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the charitable company's state of affairs as of 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material

SWAROVSKI FOUNDATION

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS (continued) FOR THE YEAR ENDED 31 DECEMBER 2023

inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies exemption in preparing the Trustees' Annual Report and the Strategic Report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 8-9, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative to do so.

SWAROVSKI FOUNDATION

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2023**

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included

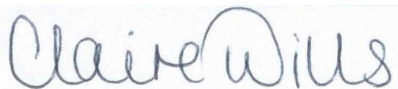
SWAROVSKI FOUNDATION
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2023

ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. A further description of our responsibilities is available on the Financial Reporting Council's website. at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.



.....
Claire Wills (Senior Statutory Auditor)
for and on behalf of Saffery LLP

Chartered Accountants 71 Queen Victoria Street
 London
 EC4V 4BE

Statutory Auditors

Date: 15 August 2024

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

SWAROVSKI FOUNDATION

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2023**

				2023	2022
		Unrestricted	Restricted	Total	Unrestricted & total funds
	Note	£	£	£	£
Income:					
Donations and legacies	2, 9	3,838,816	-	3,838,816	2,093,871
Total Income		3,838,816	-	3,838,816	2,093,871
Expenditure:					
Expenditure on charitable activities		1,744,725	-	1,744,725	1,626,908
Waterschool liabilities transferred		1,494,702	-	1,494,702	-
Total expenditure	3,9	3,239,427	-	3,239,427	1,626,908
Net income		599,389	-	599,389	466,963
Other gains / (losses) on foreign exchange		15,048	-	15,048	(11,270)
Net movement in funds for the year		614,437	-	614,437	455,693
Total funds brought forward		465,110	-	465,110	9,417
Total funds carried forward	9	1,079,547	-	1,079,547	465,110

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 17 to 26 form part of these financial statements.

SWAROVSKI FOUNDATION
BALANCE SHEET
AS AT 31 DECEMBER 2023

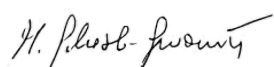
		2023	2022
	Note	£	£
Current assets			
Prepayments and other debtors	6	53,231	-
Cash at bank and in hand		2,014,337	1,122,387
		<u>2,067,568</u>	<u>1,122,387</u>
Liabilities			
Creditors: amounts falling due within one year	7	(848,457)	(657,277)
Net current assets		1,219,111	465,110
Creditors: amounts falling due after one year	8	(139,564)	-
Net assets		<u>1,079,547</u>	<u>465,110</u>
Funds	9		
Unrestricted funds			
General funds		857,812	(16,773)
Designated funds		221,735	481,883
Total funds		<u>1,079,547</u>	<u>465,110</u>

The notes on pages 17 to 26 form part of these financial statements.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved and authorised for issue on behalf of the Trustees by:

On behalf of the board



.....
M Schiestl-Swarovski Trustee

2024

14.08.2024

**SWAROVSKI FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023**

		2023	2022
	Note	£	£
Cash flow from operating activities:			
Net cash provided by operating activities and change in cash and cash equivalents in the reporting period	14	891,950	557,963
Cash and cash equivalents at the beginning of the reporting period		1,122,387	564,424
Cash and cash equivalents at the end of the reporting period		<u><u>2,014,337</u></u>	<u><u>1,122,387</u></u>

**SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

1 Accounting policies

Swarovski Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is 1st Floor, Building 4 Chiswick Park, 566 Chiswick High Road, London W4 5YE.

The principal accounting policies adopted, judgements and key sources of estimating uncertainty in the preparation of the financial statements are as follows:

1.1 Accounting convention

Basis of preparation

The financial statements have been prepared in accordance with 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 (FRS 102), Charities SORP (FRS 102), and the Companies Act 2006.

The Swarovski Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are recognised at the historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements are prepared in sterling, which is the financial currency of the Foundation. Monetary amounts in these financial statements are rounded to the nearest £.

1.2 Going concern

Total funds were positive in 2023 and 2022 arising from a timing difference between income received to fund grant commitments and the recording of full grant commitments as a liability on the balance sheet. The Trustees have received confirmation from Swarovski AG that funding will be received from Swarovski AG as the need to make payment arises. Furthermore, whilst Swarovski AG have always met its commitment to the Swarovski Foundation in 2023 the Trustees have implemented a Reserve Policy to further safeguard the charity accordingly. The Trustees have satisfied themselves that the Foundation going concern basis of accounting remains appropriate.

1.3 Income

1.3.1 Donations and gifts

Income is recognised in the period in which there is probability of receipt, the charity is entitled to receipt and the amount can be measured with reasonable certainty.

1.3.2 Donated services

Donated services are recognised as income and expenditure in the financial statements when companies and individuals provide their professional expertise pro bono. The value of these donated services is considered to be equivalent to the market value which would have been paid by the Foundation had the service been formally procured.

WAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2023

1.4 Expenditure

Expenditure is included on an accruals basis including irrecoverable VAT. Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Foundation to the expenditure.

1.4.1 Grants

In February 2023 the Foundation obtained the liabilities relating to the Waterschool from Swarovski AG, taking responsibility for the settlement of all current and future agreed liabilities (see note3).

The value of grants is recognised in full as expenditure in the year when the Foundation creates a legal or constructive obligation, even where they may be multi-year in nature. Typically, this arises when an unconditional grant offer has been communicated to the recipient. The notification gives the recipient a reasonable expectation that they will receive the one year or multi-year grant.

1.4.2 Governance costs

Governance costs are the costs involved in the constitutional and statutory aspects of running the Foundation as a legal entity.

1.4.3 Advocacy and Engagement and Other costs

Other direct and support costs are allocated to the appropriate activity as the cost is incurred, or on the basis of the estimated time spent on the activity.

1.5. Funds

Unrestricted Funds comprise those funds, which the Trustees are free to use in accordance with the charitable objects. Designated funds are unrestricted funds of the Foundation which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are funds received where the donor has indicated that they can only be spent on specific projects.

1.6. Foreign currency translation

Foreign currency transactions are translated into pounds sterling at the exchange rate prevailing at the transaction date. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date.

1.7. Areas of judgement and uncertainties

In the application of the Foundation's accounting policies, the Trustees are required to make judgements, estimates and assumptions. These are based on historical experience and other relevant factors. The estimates and underlying assumptions are reviewed on an ongoing basis.

Donated services have been estimated and consist of staff time and consultancy services donated by Swarovski UK, Swarovski North America and D Swarovski KG in respect of management of the grants programme, legal services and finance and administration services.

SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2023

1.8. Financial instruments

The Foundation only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. There were no bank loans in the year.

2 Voluntary income

	2023	2022
	£	£
Donation–Swarovski AG	3,074,928	1,506,854
Donated service–Swarovski North America	116,301	80,252
Donated service–Swarovski UK	396,937	294,860
Donated service–D Swarovski KG	249,390	82,376
Donation – other funding	1,260	124,807
Donation - restricted	-	4,722
	<u>3,838,816</u>	<u>2,093,871</u>

Donated services have been estimated and consist of staff time and consultancy services donated by Swarovski UK, Swarovski North America and D Swarovski KG in respect of management of the grants programme, legal services and finance and administration services.

SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2023

3 Charitable activities

Grant making	2023	2022
	£	£
Action Fund		
British Red Cross	44,851	-
Caritas Der Diözese Innsbruck	22,216	-
Employee Engagement (UK for UNHCR match)	-	21,746
Magic Breakfast	17,641	-
Mothers2mothers	8,603	-
The Trussell Trust	4,427	-
UK for UNHCR	34,716	125,786
UK for UNHCR (restricted)	-	4,722
Women in Need	21,876	-
Creativity		
Creatives for Our Future (grants to individuals)	106,846	113,394
Design Museum	-	65,413
Turquoise Mountain	43,331	84,194
Whitechapel Gallery	-	25,000
Equity		
Room to Read	-	84,194
Teach for Austria	86,783	84,194
Teach for Thailand	86,848	84,194
UNICEF Österreich	-	87,217
Water		
Conservation International	-	87,217
The Nature Conservancy	-	87,217
The Nature Conservancy Withdrawn	(80,538)	-
Subtotal grants	397,600	954,488

SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2023

3 Charitable activities (continued)

Waterschool liabilities transferred during the year	2023 £	2022 £
Verein der Freunde des Nationalparks Hohe Tauern	333,872	-
Fundacao Amazonia Sustentavel	465,531	-
Raks Thai Foundation	64,476	-
Lewis & Clark Community	104,859	-
Earth Child Institute	243,997	-
Advocates for Water Environment (AWEC)	86,571	-
Earthwatch Australia	195,396	-
Waterschool liabilities total	1,494,702	-
Support costs (see below)	1,307,571	603,621
Governance costs (Note 4)	39,554	68,799
	3,239,427	1,626,908
	2023 £	2022 £
Support Costs:		
Grant administration	1,016,093	400,677
Advocacy & Engagement	268,225	183,558
Finance and administration	13,292	5,152
Legal and professional	9,961	14,234
	1,307,571	603,621

Included above is a notional cost £762,628 in respect of donated services related to personnel on secondment and office expenses (2022: £420,064).

SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2023

4 Governance costs

	2023	2022
	£	£
Legal, professional, finance and administration	-	37,424
Audit and accountancy	26,485	16,020
Other governance costs	13,069	15,355
	<u>39,554</u>	<u>68,799</u>

Included above is a notional cost of £ nil in respect of donated services (2022: £37,424).

Net income / (expenditure) is stated after charging:

	2023	2022
	£	£
Audit fee	18,455	16,020
Over Accrual for 2022	(3,000)	-
Auditors' remuneration	<u>15,455</u>	<u>16,020</u>

5 Staff costs, trustee remuneration and expenses, and the cost of key management personnel

The Foundation has no directly employed staff and engages the services of key management personnel and staff employed by Swarovski UK, Swarovski North America and D Swarovski KG in respect of the management of the grants programme, legal services and finance and administration services. The aggregate cost of this was £584,832 (2022: £438,185).

Trustees are not remunerated. For 2023, £12,372 (2022: £17,681) was reimbursed to 2 Trustees for directly incurred travel expenses to visit Foundation charity partner projects and attend board meetings.

The total employee benefits of the key management personnel of the Foundation were £137,441 (2022: £108,538).

6 Debtors: amounts receivable within one year

	2023	2022
	£	£
Prepayments	53,231	-

-

SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2023

7	Creditors: amounts due within one year	2023	2022
		£	£
	Accruals	35,885	15,420
	Grants payable	753,179	636,206
	Other creditors	59,393	5,651
		<u>848,457</u>	<u>657,277</u>
8	Creditors: amounts due after one year	2023	2022
		£	£
	Grants payable (due within 1-2 years)	139,564	-
		<u>139,564</u>	<u>-</u>

9 Funds

2023	Funds b/fwd	Incoming resources	Resources expended	Gains/ (Losses)/ Transfer	Funds c/fwd.
	£	£	£	£	£
General unrestricted funds	(16,773)	3,838,816	(3,000,641)	36,410	857,812
Restricted funds	-	-	-	-	-
Designated funds:					
Employee programme	21,251	-	-	(21,251)	-
Creatives for our Future	305,998	-	(106,846)	-	199,152
Action Fund	66,272	-	(66,161)	(111)	-
10 th Anniversary	88,362	-	(65,779)	-	22,583
Total funds	<u>465,110</u>	<u>3,838,816</u>	<u>(3,239,427)</u>	<u>15,048</u>	<u>1,079,547</u>

2022	Funds b/fwd	Incoming resources	Resources expended	Gains/ (Losses)	Funds c/fwd
	£	£	£	£	£
General unrestricted funds	(184,677)	1,674,868	(1,487,046)	(19,918)	(16,773)
Restricted funds	-	4,722	(4,722)	-	-
Designated funds:					
Employee programme	41,900	-	(21,746)	1,097	21,251
Creatives for our Future	152,194	261,651	(113,394)	5,547	305,998
Action Fund	-	65,413	-	859	66,272
10 th Anniversary	-	87,217	-	1,145	88,362
Total funds	<u>9,417</u>	<u>2,093,871</u>	<u>(1,626,908)</u>	<u>(11,270)</u>	<u>465,110</u>

SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2023

The Swarovski Foundation employee engagement programme encourages Swarovski employees to engage towards Swarovski Foundation connected charitable initiatives. Creatives for our Future identifies and mentors young creatives in a variety of areas. The 2023 programme funded in 2022 completed mid-year 2023, and the incoming resources in 2023 are for the 2023 programme. The Action fund approved in late 2022 was to address emergency relief in the cost-of-living crisis and has been distributed during early 2023. Funds were also designated for the engagement during the Foundation's 10th Anniversary activations to mark our commitment to tackling global challenges and to advocate our work through communication across multiple platforms, charity project visits and events to build cross collaboration across stakeholders including Swarovski Foundation charity partners and the Swarovski community.

10 Analysis of net assets by fund

2023

	Cash at bank	Other Current Assets/ Liabilities	Creditors Over 1 year	Total
	£	£	£	£
Funds				
Unrestricted funds				
General funds	1,792,602	(795,226)	(139,564)	894,819
Designated funds	221,735	-	-	184,728
	<u>2,014,337</u>	<u>(795,226)</u>	<u>(139,564)</u>	<u>1,079,547</u>

2022

	Cash at bank	Current Assets/ Liabilities	Creditors Over 1 year	Total
	£	£	£	£
Funds				
Unrestricted funds				
General funds	640,504	(657,277)	-	(16,773)
Designated funds	481,883	-	-	481,883
	<u>1,122,387</u>	<u>(657,277)</u>	<u>-</u>	<u>465,110</u>

11 Company status

In the case of winding up, each member (who is also a trustee) has guaranteed to contribute an amount not exceeding £ 10 (2022: £10).

SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2023

12 Controlling party

The Swarovski Foundation is controlled by its Trustees. Marisa Schiestl-Swarovski is the sole member of the Swarovski Foundation and may have a greater degree of control than the other Trustees in some respects, as defined by the updated Memorandum and Articles of Association.

13 Related party transactions

During the year, Swarovski AG donated £3,074,928 (2022: £1,506,854) to the Foundation. Additionally, D Swarovski KG donated services valued at £249,390 (2022: £82,376). Swarovski UK donated services valued at £396,937 (2022: £294,860) and Swarovski North America donated services to the Foundation of £116,301 (2022: £80,252) (see note 2).

Marisa Schiestl-Swarovski, a trustee of the Swarovski Foundation, is also a trustee of Teach for Austria, which received a grant totalling £86,783 (£84,194 in 2022). Ms Schiestl-Swarovski abstained from any involvement or voting proposals related to Teach for Austria.

Marisa Schiestl-Swarovski, a trustee of the Swarovski Foundation, is also a trustee of the Verein der Freunde des Nationalpark Hohe Tauern, which received a grant totalling £333,872 (£nil in 2022). Ms Schiestl-Swarovski abstained from any involvement or voting proposals related to the Verein der Freunde des Nationalpark Hohe Tauern.

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

	2023	2022
	£	£
Net (expenditure) / income for the reporting period (as per the statement of financial activities)	614,437	455,693
Adjustments for:		
(Increase)/decrease in debtors	(53,231)	32,500
Increase/(decrease) in creditors	330,744	69,770
Net cash provided by operating activities	<u>891,950</u>	<u>557,963</u>

SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2023

15 Analysis of changes in net debt

2023	At start of year £	Cashflows £	At end of year £
Cash	1,122,387	891,950	2,014,337
Total	1,122,387	891,950	2,014,337

SWAROVSKI FOUNDATION

England & Wales - Charity number 1153618

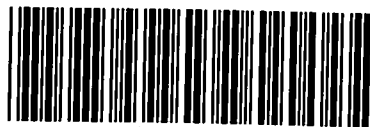
Accounts

Charity Registration No. 1153618 (England and Wales)
Company Registration No. 08325666



ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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**SWAROVSKI FOUNDATION
LEGAL AND ADMINISTRATIVE INFORMATION**

Trustee	Marisa Schiestl-Swarovski (Chairperson) Helene Antonia von Damm Evelyn Haim Swarovski (Appointment 25 Jan 2022) Anouchka Rafail-Vogiatzakis (Appointment 11 Feb 2022) Paul van Zyl (Resignation 21 Jan 2022) Jonathan Edward Michener Baillie (Resignation 24 Jan 2022) Lorenza (aka Mimma) Viglezio (Resignation 21 Jan 2022) Teri Ellen Schwartz (Resignation 4 Feb 2022) Melanie Grieder-Swarovski (Resignation 4 Feb 2022)
Director of the Swarovski Foundation	Jakhya Rahman-Corey
Registered office	1st Floor, Building 4 Chiswick Park, 566 Chiswick High Road, London, W4 5YE
Bankers	HSBC 9 The Boulevard Crawley West Sussex RH10 1UT
Independent Statutory Auditor	Saffery Champness 71 Queen Victoria Street London EC4V 4BE
Company Registration No.	08325666 (England and Wales)
Charity Registration No.	1153618

**SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

The Trustees of the Swarovski Foundation present their annual report and financial statements for the year ended 31 December 2022, which are also prepared to meet the requirements of a directors' report and accounts for Companies Act 2006 purposes.

The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard (FRS 102). The legal and administrative information on page 1 forms part of this report.

Constitution and governance

The Swarovski Foundation was incorporated on 11 December 2012 and is governed by its Memorandum and Articles of Association. The Trustees who have been in office during the period or up to the date of this report are listed on page 1.

The Memorandum and Articles of Association of the Swarovski Foundation were updated in February 2022. The updated Memorandum and Articles of Association recognise that Marisa Schiestl-Swarovski is the sole member of the Foundation and has the right to appoint Trustees (directors) by way of an ordinary resolution. Furthermore, the Memorandum and Articles of Association removed the minimum number of Trustees required in office. The process of recruiting Trustees are under review by current Trustees and the Swarovski Foundation team. The initial process is to identify Trustee skillsets required by the organisation to fulfil its charitable objectives and subsequently seek Trustees with the relevant skills and experience to support the Swarovski Foundation.

The Swarovski Foundation has created documents to support Trustees onboarding including but not limited to a Policy Handbook, highlighting the roles and responsibilities of Trustees.

The Trustees consider the Board of Trustees and the Director as comprising the key management personnel. The Trustees are responsible for the strategic direction of the Swarovski Foundation, and they delegate day to day financial and operational responsibilities and administration to the Director.

No trustee remuneration was paid during the year. Details of any trustee expenses and related party transactions are disclosed in notes 5 and 12 of the financial statements.

The remuneration of the Foundation's Director is reviewed annually, utilising the Swarovski Global Grading System, which is a globally aligned methodology of role evaluation that enables external comparatives and internal equity, and is overseen by the global management consulting expert, Mercer.

SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

The Swarovski Foundation operates a well-documented and appropriate methodology in relation to the declaration of interest. As part of an annual review, the Trustees' attention is drawn to an outline of good practice based on guidance issued by the Charity Commission. The Foundation has in place a policy on conflicts of interest and loyalty, and the Trustees regularly disclose any actual or potential conflicts of interest. Furthermore, there is an extensive due diligence framework to ensure the pursuit of the public benefit and the mitigation of risk of support charities and/or organisations in accordance to Charity Commission guidance.

The Trustees are aware of the principles of the Charity Governance Code for larger charities: organisational purpose, leadership, integrity, decision making, risk & control, board effectiveness, diversity, integrity and openness and accountability. The Swarovski Foundation Policy Handbook is updated regularly to reflect these changes. Furthermore, Trustees have received Charity Commission: The Essential Trustee Guidance (CC3) and Charity Commission: The hallmarks of an effective charity (CC10).

SWAROVSKI FOUNDATION STRATEGY OBJECTIVES

Mission

The Swarovski Foundation aims to build on its heritage to foster creativity, promote human empowerment, preserve the environment to achieve a more inclusive and equitable society whilst creating protections for the environment

Striving for Impact

The United Nations Sustainable Development Goals (SDGs) or Global Goals are a collection of 17 interlinked global goals designed to be a "blueprint to achieve a better and more sustainable future for all".

The SDGs are the best practice for modern philanthropy, providing a unifying language to find and collaborate with partners working toward the same goals and thus by collaborating with grantees, the process of aligning with the SDGs achieves greater impact.

Since 2018, the Swarovski Foundation has been aligning with the SDGs. This framework underpins the strategy of the Foundation to deliver our objective and help drive impact. Currently, we have identified 8 global goals that we aim to follow and incorporate into the Swarovski Foundation strategy.

SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

Objectives

The Swarovski Foundation's mission is to create impact through three areas of focus - culture and creativity, human empowerment and the environment, through global partnerships.

- 1) **Culture and Creativity** - Increase access to the creative industry through education, jobs, innovation and sustainable economic growth
- 2) **Human Empowerment** - Increase youth and gender rights through education and empowerment programmes
- 3) **Environment** - Increase protection of water and biodiversity through education and climate change mitigation

SWAROVSKI FOUNDATION VISUALISATION OF STRATEGIC OBJECTIVES



Image Credits to Swarovski Foundation Charity Partners:
 Nest, Mothers2Mothers, Room to Read, Blue Marine Foundation and The Nature Conservancy

SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

Delivering Objectives

The Swarovski Foundation as a grant-giving body seeks to empower organisations through grants, advocacy and engagement to fulfil our mission for a more inclusive and equitable society whilst creating protections for the environment.

Global Partnerships – We work with and provide grants to global charities and institutions to deliver our objectives. All grants are subject to assessment to ensure alignment with our values, code of conduct and the strategic objectives of the Swarovski Foundation.

Advocacy and Engagement – We believe to truly enact change requires individuals, communities, and overall society to be aware of social and environmental challenges to take action to remedy the issue. For people to be made aware of these issues requires communication across many platforms to help empower people to understand the challenges presented and seek solutions. Therefore, the Swarovski Foundation's role in addition to delivering grants is to communicate, advocate and engage society to mobilise effective and sustainable change.

Significant activities that contribute to the achievement of the stated objectives in the year ending 31 December 2022:

Global Partnerships

Since our inception, the Swarovski Foundation has reached more than 2 million people through 85 partnerships and 14 global emergencies across 87 countries to drive progress towards the Sustainable Development Goals. In 2022, the Swarovski Foundation has supported 16 organisations and 3 global emergencies in 24 different countries, reaching a total of 37,919 people directly:

Advocacy and Engagement

The Swarovski Foundation believes in the power of engaging stakeholders to create a ripple effect of impact and regularly organizes engagement activities that aim to drive both awareness and concrete action to initiate change.

In 2022, the Swarovski Foundation organized various advocacy, engagement, and communication efforts in alignment with key United Nations awareness days to ensure maximum visibility and impact.

Additionally, the Swarovski Foundation organized initiatives with partner Teach for Thailand which engaged 80 students during an English Class and Career Fair. Then looking at press and communication results the Swarovski Foundation distributed 5 press releases globally in 114 countries reaching 3,196 media with over 136,000 views. Raised awareness of efforts and key topics across social and digital platforms reaching 358,000 people through 200 posts on Instagram and 16,000 users through 20,000 sessions on the website.

SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

Embedding our Signature Programme: The Swarovski Foundation Creatives For Our Future

Following the successful launch of the Creatives For Our Future program, a global grant and mentorship program designed in collaboration with the United Nations Office for Partnerships. The program aims to empower the next generation of creative talent to unlock innovative approaches to global sustainability challenges.

Creatives For Our Future is an open-submission initiative, to which creatives aged 21 to 30 of all nationalities are invited to enter creative ideas for sustainable innovation. The Swarovski Foundation received 230 submissions from 55 countries in 2022, from which six successful applicants were chosen.

They come from six different countries and represent a wide range of disciplines, including fashion, product design, biotechnologies, geoscience, and engineering. All share a focus on sound environmental and human practices.

The programme aimed to leverage the Swarovski Foundation's ability to combine investment and education with a stakeholder network crossing borders and industries. As well as funding, the Swarovski Foundation assembled an international team of 30 advocates to provide tailored mentorship and training, making the programme a unique digital teaching and learning platform.

The cohort embarked on the eight-month program with an announcement reception at the United Nations New York Headquarters during General Assembly week for which some of the world's leading thinkers and industry leaders in sustainability, creativity, academia, and government joined. The second-year cohort members will present their final projects at a virtual graduation event in coming April 20th, 2023.

Please visit the Creatives for our Future program website for more information: [Link](#)

SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

Future Considerations

As 2023 will mark ten years of the Swarovski Foundation, the organisation will reflect on its impact to ensure we continue to serve effective public benefit.

The Swarovski Foundation recognises the position it holds as a corporate foundation. As a charity we aim to maintain and build positive relationships with charities tasked to deliver optimum impact for society and the environment.

Our relationship with the Swarovski business enables us to access resources such as funds and employees that can accelerate our global charitable efforts. Furthermore, there are legacy philanthropic programs run by the Swarovski business that the Swarovski Foundation have reviewed and assessed to determine if they are considered as an activity under the Swarovski Foundation delivering to our mission statement.

This assessment has confirmed future incorporation into the Swarovski Foundation of the Swarovski Waterschool, an educational program developed to empower young people and their communities around the world to become water ambassadors by providing tools, resources, and training to enable them to address their local water needs. The Waterschool program was established in 2000 in Austria and has since grown in a total of 8 countries in partnership with global charities to deliver this program. Since inception, the Waterschool program has educated over 800,000 children in 2,500 schools and engaged with over 23,000 teachers globally. Further details, including the likely financial impact, are provided in Note 15.

Grant Making Policy

In awarding Grants, the Trustees apply the following principles:

- a) Alignment with the Swarovski Foundation's mission and objective to support charitable initiatives and organisations working in three focus areas: culture and creativity, human empowerment and the environment.
- b) Alignment to the United Nations Sustainable Development Goals to deliver greatest impact.
- c) To support any charitable organisation, trust, association, or institution that help broaden our advocacy and engagement efforts including but not limited to key geographical locations, synergies with other charity partners and opportunities for Swarovski colleagues to fundraise/volunteer for organisations.
- d) Exclusions – Due to the limited capacity of the Swarovski Foundation we do not accept unsolicited Grant requests.

All Grant applications are subject to the Board's approval. Trustees shall not approve the use of any Grant funds that fall outside of the Swarovski Foundation mission and objectives. The number of projects which can be supported by the Swarovski Foundation is, of necessity, limited to the amount of funds available for distribution in any one year.

SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

Fundraising

The Trustees are aware of the additional disclosure requirements and guidance of The Charities (Protection and Social Investment) Act 2016; the updated Charity Commission's guidance - Charity fundraising trustee duties (CC20); and the Institute of Fundraising handbook - Trustees and fundraising: a practical handbook; however, as the Foundation does not raise funds via direct contact with the general public, these are considered to be not applicable at the present time.

Risk Management

The Trustees have examined the major strategic, business, and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that necessary steps can be taken to lessen these risks.

The financial risk of not being able to pay grant instalments when due is mitigated by the letter of support provided by Swarovski AG, noted on page 9. The operational risk that the funds may not be used for the purpose granted is mitigated both by the frequent contact with charity partners, as well as the process of funding grants in two tranches, with the second tranche not paid until satisfactory progress has been made. While the reputational risk of being associated with an errant charity partner is of concern to all charitable organisations, the Foundation attempts to lessen this through its due diligence process. In addition, the Foundation does not deal directly with beneficiaries of our charity partners.

Financial Review

The Statement of Financial Activities recognises incoming resources of £2,093,871 (2021: £1,754,117) received in the year, whilst resources of £1,626,908 (2021: £1,613,007) were expended within the year. While the majority of the incoming resources are in the form of grants from Swarovski AG, these amounts also include the incoming resources and equivalent expenditure of £457,488 (2021: £462,510) representing an estimate of services donated by the Swarovski Group in 2022 in respect of employee time in the management of the grants programme, legal services and finance and administration services.

The trustees recognise the full value of multi-year grant commitments in the year in which the Swarovski Foundation create a legal or constructive obligation, and where the terms of the related agreement support this accounting treatment.

As a result, at 31 December 2022, the net assets of the Swarovski Foundation amounted to £465,110 (2021: £9,417). The net asset position has increased compared to 2021, as incoming funding for a designated funds programme (Creatives for Our Future), as well as funding related to the Foundation's upcoming 10th Anniversary and its Action Fun was received in 2022, but charitable activities will be recognised in 2023. Swarovski AG provide Trustees with an undertaking on an annual basis in the form of a letter of support that the full value of multi-year grant commitments will be met as the future payment instalments arise.

SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

Reserves Policy

As noted above, as at 31 December 2022, the Foundation is in a net positive reserves position of £465,110 (2021: £9,417). This reflects free reserves at a deficit of £16,773 (2021: deficit £184,678) and designated reserves of £481,883 (2021: £194,094). The improvement in free reserves reflects the reducing liability of several multi-year grant made in 2021. As noted in the Financial Review, designated reserves have been set aside and are listed with more specifics in footnote 8. The Foundation does not have a specific reserves target, and is supported by the wider business, and specifically Swarovski AG, who funds the Foundation on an as-needed basis.

The Foundation operates within the confines of a project budget that is reviewed and approved by the Board of Trustees. The Foundation is provided with funding by Swarovski AG on an unrestricted basis. Within these unrestricted funds, certain funds have been designated by Trustees for future projects, but this remains at their discretion.

The Trustees have received confirmation from Swarovski AG that funding will be provided as the need to make payment of grant instalments arises in the form of a letter of support, and accordingly the Trustees have satisfied themselves that the Foundation remains a going concern and the going concern basis of accounting remains appropriate. The Trustees have also considered the future take-on of the Swarovski Waterschool in this regard (see Note 15).

Trustees are mindful that as a corporate foundation, the Swarovski Foundation is supported by the wider business and specifically by Swarovski AG, and share confidence in the Swarovski group. The Swarovski Foundation is part of the overall group budgeting and rolling forecast processes.

Trustees' responsibilities statement

The Trustees (who are also directors of the Swarovski Foundation for the purposes of company law) are responsible for preparing the Report of the Trustees 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 the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.



SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees are responsible for keeping proper 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.

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.

Provision of information to the auditor

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Trustees has confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

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

On behalf of the board

A handwritten signature in black ink, appearing to read "M. Schiestl-Swarovski".

M Schiestl-Swarovski Trustee

17 August 2023

Swarovski Foundation
Independent auditor's report to the members

Opinion

We have audited the financial statements of Swarovski Foundation for the year ended 31 December 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the charitable company's state of affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

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 which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies exemption in preparing the Trustees' Annual Report and the Strategic Report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 9 and 10, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative to do so.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, and guidance issued by the Charity Commission for England and Wales .

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.

Claire Wills

.....
Claire Wills (Senior Statutory Auditor)
for and on behalf of Saffery Champness

	71 Queen Victoria Street
	London
Chartered Accountants	EC4V 4BE

Statutory Auditors

Date: 04 September 2023

Saffery Champness is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

SWAROVSKI FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2022

				2022	2021
		Unrestricted	Restricted	Total	Unrestricted & total funds
	Note	£	£	£	£
Income:					
Donations and legacies	2, 8	2,089,149	4,722	2,093,871	1,754,117
Total Income		2,089,149	4,722	2,093,871	1,754,117
Expenditure:					
Expenditure on charitable activities	3, 8	1,622,186	4,722	1,626,908	1,613,007
Total expenditure		1,622,186	4,722	1,626,908	1,613,007
Net income		466,963	-	466,963	141,110
Other (losses) /gains on foreign exchange		(11,270)	-	(11,270)	6,505
Net movement in funds for the year		455,693	-	455,693	147,615
Total funds / (deficit) brought forward		9,417	-	9,417	(138,198)
Total funds carried forward	8	465,110	-	465,110	9,417

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 18 to 27 form part of these financial statements.

**SWAROVSKI FOUNDATION
BALANCE SHEET
AS AT 31 DECEMBER 2022**

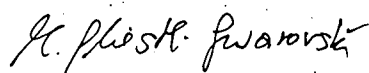
		2022	2021
	Note	£	£
Current assets			
Cash at bank and in hand		1,122,387	564,424
Prepayments		-	32,500
		<u>1,122,387</u>	<u>596,924</u>
Liabilities			
Creditors: amounts falling due within one year	6	(657,277)	(455,523)
Net current assets		465,110	141,401
Creditors: amounts falling due after one year	7	-	(131,984)
Net assets		<u>465,110</u>	<u>9,417</u>
Funds			
Unrestricted funds			
General funds		(16,773)	(184,677)
Designated funds		481,883	194,094
Total funds	8	<u>465,110</u>	<u>9,417</u>

The notes on pages 18 to 27 form part of these financial statements.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved and authorised for issue on behalf of the Trustees by:

On behalf of the board



M Schiestl-Swarovski Trustee

17 August 2023

**SWAROVSKI FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

		2022	2021
	Note	£	£
Cash flow from operating activities:			
Net cash provided by operating activities and change in cash and cash equivalents in the reporting period	13	557,963	49,552
Cash and cash equivalents at the beginning of the reporting period		564,424	514,872
Cash and cash equivalents at the end of the reporting period		<u>1,122,387</u>	<u>564,424</u>

**SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1 Accounting policies

Swarovski Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is 1st Floor, Building 4 Chiswick Park, 566 Chiswick High Road, London W4 5YE.

The principal accounting policies adopted, judgements and key sources of estimating uncertainty in the preparation of the financial statements are as follows:

1.1 Accounting convention

Basis of preparation

The financial statements have been prepared in accordance with 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 (FRS 102), Charities SORP (FRS 102), and the Companies Act 2006.

The Swarovski Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are recognised at the historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements are prepared in sterling, which is the financial currency of the Foundation. Monetary amounts in these financial statements are rounded to the nearest £.

1.2 Going concern

Total funds were positive in 2022 and 2021, although there was a deficit in unrestricted general funds. This deficit position in the financial statements arises from a timing difference between income received to fund grant commitments and the recording of full grant commitments as a liability on the balance sheet. The Trustees have received confirmation from Swarovski AG that funding will be received from Swarovski AG as the need to make payment of grant instalments arises. Accordingly, the Trustees have satisfied themselves that the Foundation remains a going concern and the going concern basis of accounting remains appropriate.

1.3 Income

1.3.1 Donations and gifts

Income is recognised in the period in which there is probability of receipt, the charity is entitled to receipt and the amount can be measured with reasonable certainty.

1.3.2 Donated services

Donated services are recognised as income and expenditure in the financial statements when companies and individuals provide their professional expertise pro bono. The value of these donated services is considered to be equivalent to the market value which would have been paid by the Foundation had the service been formally procured.

SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

1.4 Expenditure

Expenditure is included on an accruals basis including irrecoverable VAT. Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Foundation to the expenditure.

1.4.1 Grants

The value of grants is recognised in full as expenditure in the year when the Foundation creates a legal or constructive obligation, even where they may be multi-year in nature. Typically, this arises when an unconditional grant offer has been communicated to the recipient. The notification gives the recipient a reasonable expectation that they will receive the one year or multi-year grant.

1.4.2 Governance costs

Governance costs are the costs involved in the constitutional and statutory aspects of running the Foundation as a legal entity.

1.4.3 Advocacy and Engagement and Other costs

Other direct and support costs are allocated to the appropriate activity as the cost is incurred, or on the basis of the estimated time spent on the activity.

1.5 Funds

Unrestricted Funds comprise those funds, which the Trustees are free to use in accordance with the charitable objects. Designated funds are unrestricted funds of the Foundation which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are funds received where the donor has indicated that they can only be spent on specific projects.

1.6 Foreign currency translation

Foreign currency transactions are translated into pounds sterling at the exchange rate prevailing at the transaction date. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date.

1.7 Areas of judgement and uncertainties

In the application of the Foundation's accounting policies, the Trustees are required to make judgements, estimates and assumptions. These are based on historical experience and other relevant factors. The estimates and underlying assumptions are reviewed on an ongoing basis.

Donated services have been estimated and consist of staff time and consultancy services donated by Swarovski UK, Swarovski North America and D Swarovski KG in respect of management of the grants programme, legal services and finance and administration services.

SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

1.8 Financial instruments

The Foundation only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. There were no bank loans in the year.

2 Voluntary income

	2022	2021
	£	£
Donation–Swarovski AG	1,506,854	1,283,694
Donated service–Swarovski North America	80,252	105,910
Donated service–Swarovski UK	294,860	286,208
Donated service–D Swarovski KG	82,376	70,392
Donation – other funding	124,807	7,913
Donation - restricted	4,722	-
	<u>2,093,871</u>	<u>1,754,117</u>

Donated services have been estimated and consist of staff time and consultancy services donated by Swarovski UK, Swarovski North America and D Swarovski KG in respect of management of the grants programme, legal services and finance and administration services.

SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

3	Charitable activities		
	Grant making	2022	2021
		£	£
	UNHCR	125,786	42,825
	UNHCR (restricted)	4,722	-
	UNICEF	87,217	-
	The Nature Conservancy	87,217	-
	Teach for Thailand	84,194	-
	Conservation International	87,217	42,895
	Room to Read	84,194	4,516
	Teach for Austria	84,194	-
	Design Museum	65,413	64,342
	Turquoise Mountain	84,194	-
	CFDA	-	116,110
	Equal Justice Initiative	-	64,343
	Blue Marine Foundation	-	64,343
	UNFPA	-	4,517
	VOW to End Child Marriage	-	(9,033)
	Women for Women	-	42,825
	Central Saint Martins	-	128,685
	Mothers 2 Mothers	-	42,851
	Fashion Council Germany	-	128,685
	Young Minds	-	42,851
	National Aids Trust	-	42,851
	Womankind	-	17,200
	ACE	-	42,851
	Reserved for Action Fund	-	21,447
	Creatives for Our Future (grants to individuals)	113,394	98,312

SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

3	Charitable activities		
	Grant making (continued)	2022	2021
		£	£
	Employee Engagement (Ukraine UNHCR match)	21,746	-
	Whitechapel Gallery	25,000	
	Subtotal grants	954,488	1,003,406
	Support costs (see below)	603,621	564,758
	Governance costs (Note 4)	68,799	44,843
		<u>1,626,908</u>	<u>1,613,007</u>
		2022	2021
		£	£
	Support Costs:		
	Grant administration	400,677	413,708
	Advocacy & Engagement	183,558	132,787
	Finance and administration	5,152	5,920
	Legal and professional	14,234	12,343
		<u>603,621</u>	<u>564,758</u>

Included above is a notional cost of £420,064 in respect of donated services (2021: £431,971).

SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

4 Governance costs

	2022	2021
	£	£
Legal, professional, finance and administration	37,424	30,538
Audit and accountancy	16,020	11,040
Other governance costs	15,355	3,265
	<u>68,799</u>	<u>44,843</u>

Included above is a notional cost of £37,424 in respect of donated services (2021: £30,538).

Net income / (expenditure) is stated after charging:

	2022	2021
	£	£
Auditors' remuneration	<u>16,020</u>	<u>11,040</u>

5 Staff costs, trustee remuneration and expenses, and the cost of key management personnel

The Foundation has no directly employed staff and engages the services of key management personnel and staff employed by Swarovski UK, Swarovski North America and D Swarovski KG in respect of the management of the grants programme, legal services and finance and administration services. The aggregate cost of this was £438,185 (2021: £451,075).

Trustees are not remunerated. For 2022, £17,681 was reimbursed to 2 Trustees for directly incurred travel expenses to visit Foundation charity partner projects and attend board meetings. (2021: no reimbursements, as were covered by Swarovski business, not the Foundation.)

The total employee benefits of the key management personnel of the Foundation were £108,538 (2021: £86,518).

SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

6	Creditors: amounts due within one year	2022 £	2021 £			
	Accruals	15,420	28,200			
	Grants payable	636,206	394,723			
	Other creditors	5,651	32,500			
		<u>657,277</u>	<u>455,523</u>			
7	Creditors: amounts due after one year	2022 £	2021 £			
	Grants payable (due within 1-2 years)	-	131,984			
		<u>-</u>	<u>131,984</u>			
8	Funds					
2022	Funds b/fwd	Incoming resources	Resources expended	Gains/ (Losses)	Funds c/fwd	
	£	£	£	£	£	
	General unrestricted funds	(184,677)	1,674,868	(1,487,046)	(19,918)	(16,773)
	Restricted funds	-	4,722	(4,722)	-	-
	Designated funds:					
	Employee programme	41,900	-	(21,746)	1,097	21,251
	Creatives for our Future	152,194	261,651	(113,394)	5,547	305,998
	Action Fund	-	65,413	-	859	66,272
	10 th Anniversary	-	87,217	-	1,145	88,362
	Total funds	9,417	2,093,871	(1,626,908)	(11,270)	465,110
2021	Deficit b/fwd	Incoming resources	Resources expended	(Losses)/ Gains	Funds c/fwd	
	£	£	£	£	£	
	General unrestricted funds	(296,048)	1,608,274	(1,514,695)	17,792	(184,677)
	Designated funds:					
	Employee programme	45,100	-	-	(3,200)	41,900
	Creatives for our Future	112,750	145,843	(98,312)	(8,087)	152,194
	Total funds	(138,198)	1,754,117	(1,613,007)	6,505	9,417

SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

The employee programme supports individual charitable initiatives of the Swarovski employees; funds were used during 2022 for matching employee contributions raised for Ukraine. Creatives for our Future identifies and mentors young creatives in a variety of areas. The 2022 programme funded in 2021 completed mid-year 2022, and the incoming resources in 2022 are for the 2023 programme. The Action fund approved in late 2022 was to address emergency relief in the cost of living crisis and has been distributed during early 2023. Funds were also designated for the engagement during the Foundation's 10th Anniversary activations

9 Analysis of net assets by fund

2022

	Cash at bank	Other Current Assets/ Liabilities	Creditors Over 1 year	Total
	£	£	£	£
Funds				
Unrestricted funds				
General funds	640,504	(657,277)	-	(16,773)
Designated funds	481,883	-	-	481,883
	<u>1,122,387</u>	<u>(657,277)</u>	<u>-</u>	<u>465,110</u>

2021

	Cash at bank	Current Assets/ Liabilities	Creditors Over 1 year	Total
	£	£	£	£
Funds				
Unrestricted funds				
General funds	370,330	(423,023)	(131,984)	(184,677)
Designated funds	194,094	-	-	194,094
	<u>564,424</u>	<u>(423,023)</u>	<u>(131,984)</u>	<u>9,417</u>

SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

10 Company status

In the case of winding up, each member (who is also a trustee) has guaranteed to contribute an amount not exceeding £10 (2021: £10).

11 Controlling party

The Swarovski Foundation is controlled by its Trustees. Marisa Schiestl-Swarovski (from 9 February 2022, previously Nadja Swarovski) is the sole member of the Swarovski Foundation and may have a greater degree of control than the other Trustees in some respects, as defined by the updated Memorandum and Articles of Association.

12 Related party transactions

During the year, Swarovski AG donated £1,506,854 (2021: £1,283,694) to the Foundation. Additionally, D Swarovski KG donated services valued at £82,376 (2021: £70,392). Swarovski UK donated services valued at £294,860 (2021: £286,208) and Swarovski North America donated services to the Foundation of £80,252 (2021: £105,910) (see note 2).

Marisa Schiestl-Swarovski, a trustee of the Swarovski Foundation, is also a trustee of Teach for Austria, which received a grant totalling £84,194 in 2022. Ms Schiestl-Swarovski abstained from any involvement or voting proposals related to Teach for Austria.

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

	2022 £	2021 £
Net (expenditure) / income for the reporting period (as per the statement of financial activities)	455,693	147,614
Adjustments for:		
Decrease / (increase) in debtors	32,500	(32,500)
Increase / (decrease) in creditors	69,770	(65,562)
Net cash provided by operating activities	<u>557,963</u>	<u>49,552</u>

SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

14 Analysis of changes in net debt

2022	At start of year £	Cashflows £	At end of year £
Cash	564,424	557,963	1,122,387
Total	564,424	557,963	1,122,387
2021	At start of year £	Cashflows £	At end of year £
Cash	514,872	49,552	564,424
Total	514,872	49,552	564,424

15 Event subsequent to Balance Sheet date

Effective 1 February 2023, the existing Swarovski Waterschool grant programmes will transfer from the Swarovski business to the Swarovski Foundation. The Waterschool has a number of multi-year grants, with obligations of £824,892 for 2023 and £544,534 for the years 2024-2025. This transfer will create negative reserves of £1,369,426 on the date of the transfer.

The Letter of Support from Swarovski AG noted earlier in the Company's Reserves Policy includes the funding for the Swarovski Waterschool for the 2023 - 2025 grants. Obligations of the Waterschool at the effective date of 1 February 2023 have been funded by Swarovski AG as they come due.

SWAROVSKI FOUNDATION

England & Wales - Charity number 1153618

Accounts

Charity Registration No. 1153618 (England and Wales)
Company Registration No. 08325666



ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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**SWAROVSKI FOUNDATION
LEGAL AND ADMINISTRATIVE INFORMATION**

Trustee	Marisa Schiestl-Swarovski (Chairperson) Helene Antonia von Damm Evelyn Haim Swarovski (Appointment 25 Jan 2022) Anouchka Rafail-Vogiatzakis (Appointment 11 Feb 2022) Nadja Swarovski (Resignation 31 Dec 2021) Paul van Zyl (Resignation 21 Jan 2022) Jonathan Edward Michener Baillie (Resignation 24 Jan 2022) Lorenza (aka Mimma) Viglezio (Resignation 21 Jan 2022) Teri Ellen Schwartz (Resignation 4 Feb 2022) Melanie Grieder-Swarovski (Resignation 4 Feb 2022)
Director	Jakhya Rahman-Corey
Bankers	HSBC 9 The Boulevard Crawley West Sussex RH10 1UT
Registered office	1st Floor, Building 4 Chiswick Park, 566 Chiswick High Road, London, W4 5YE
Independent Statutory Auditor	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE
Company Registration No.	08325666 (England and Wales)
Charity Registration No.	1153618

**SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021**

The Trustees of the Swarovski Foundation present their annual report and financial statements for the year ended 31 December 2021, which are also prepared to meet the requirements of a directors' report and accounts for Companies Act 2006 purposes.

The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2016, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard (FRS 102). The legal and administrative information on page 1 forms part of this report.

Constitution and governance

The Swarovski Foundation was incorporated on 11 December 2012 and is governed by its Memorandum and Articles of Association. The Trustees who have been in office during the period or up to the date of this report are listed on page 1.

The Memorandum and Articles of Association of the Swarovski Foundation were updated in February 2022. The updated Memorandum and Articles of Association recognise that Marisa Schiestl-Swarovski is the sole member of the Foundation and has the right to appoint Trustees (directors) by way of an ordinary resolution. Furthermore, the Memorandum and Articles of Association removed the minimum number of Trustees required in office. The process of recruiting Trustees are under review by current Trustees and the Swarovski Foundation team. The initial process is to identify Trustee skillsets required by the organisation to fulfil its charitable objectives and subsequently seek Trustees with the relevant skills and experience to support the Swarovski Foundation.

The Swarovski Foundation has created documents to support Trustees onboarding including but not limited to a Policy Handbook, highlighting the roles and responsibilities of Trustees.

The Trustees consider the Board of Trustees and the Director as comprising the key management personnel. The Trustees are responsible for the strategic direction of the Swarovski Foundation, and they delegate day to day financial and operational responsibilities and administration to the Director.

No trustee remuneration was paid during the year. Details of any trustee expenses and related party transactions are disclosed in notes 5 and 12 of the financial statements.

The remuneration of the Foundation's Director is reviewed annually, utilising the Swarovski Global Grading System, which is a globally aligned methodology of role evaluation that enables external comparatives and internal equity, and is overseen by the global management consulting expert, Mercer.

SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2021

The Swarovski Foundation operates a well-documented and appropriate methodology in relation to the declaration of interest. As part of an annual review, the Trustees' attention is drawn to an outline of good practice based on guidance issued by the Charity Commission. The Foundation has in place a policy on conflicts of interest and loyalty, and the Trustees regularly disclose any actual or potential conflicts of interest. Furthermore, there is an extensive due diligence framework to ensure the pursuit of the public benefit and the mitigation of risk of support charities and/or organisations in accordance to Charity Commission guidance.

The Trustees are aware of the principles of the Charity Governance Code for larger charities: organisational purpose, leadership, integrity, decision making, risk & control, board effectiveness, diversity, integrity and openness and accountability. The Swarovski Foundation Policy Handbook is updated regularly to reflect these changes. Furthermore, Trustees have received Charity Commission: The Essential Trustee Guidance (CC3) and Charity Commission: The hallmarks of an effective charity (CC10).

SWAROVSKI FOUNDATION STRATEGY OBJECTIVES

Vision

Spark change for good

Mission

The Swarovski Foundation aims to build on its heritage to foster creativity, promote human empowerment, preserve the environment to achieve a more inclusive and equitable society whilst creating protections for the environment

Striving for Impact

The United Nations Sustainable Development Goals (SDGs) or Global Goals are a collection of 17 interlinked global goals designed to be a "blueprint to achieve a better and more sustainable future for all".

The SDGs are the best practice for modern philanthropy, providing a unifying language to find and collaborate with partners working toward the same goals and thus by collaborating with grantees, the process of aligning with the SDGs achieves greater impact.

Since 2018, the Swarovski Foundation has been aligning with the SDGs. This framework underpins the strategy of the Foundation to deliver our objective and help drive impact. Currently, we have identified 8 global goals that we aim to follow and incorporate into the Swarovski Foundation strategy.

SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2021

Objectives

The Swarovski Foundation's mission is to create impact through three areas of focus - culture and creativity, human empowerment and the environment, through global partnerships.

- 1) **Culture and Creativity** - Increase access to the creative industry through education, jobs, innovation and sustainable economic growth
- 2) **Human Empowerment** - Increase youth and gender rights through education and empowerment programmes
- 3) **Environment** - Increase protection of water and biodiversity through education and climate change mitigation

SWAROVSKI FOUNDATION VISUALISATION OF STRATEGIC OBJECTIVES



Image Credits to Swarovski Foundation Charity Partners:
Nest, Mothers2Mothers, Room to Read, Blue Marine Foundation and The Nature Conservancy

SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2021

Delivering Objectives

The Swarovski Foundation as a grant giving body seeks to empower organisations through grants, advocacy and engagement to fulfil our mission for a more inclusive and equitable society whilst creating protections for the environment.

- 1) Global Partnerships** – We work with and provide grants to global charities and institutions to deliver our objectives. All grants are subject to assessment to ensure alignment to our values, code of conduct and the strategic objectives of the Swarovski Foundation.
- 2) Advocacy and Engagement** – We believe to truly enact change requires individuals, communities and overall society to be aware of social and environmental challenges to take action to remedy the issue. For people to be made aware of these issues requires communication across many platforms to help empower people to understand the challenges presented and seek solutions.

Therefore, the Swarovski Foundation role in addition to delivering grants is to communicate, advocate and engage society to mobilise effective and sustainable change. For example, by raising awareness and advocating causes to global Swarovski employees could lead to future volunteer and/or fundraising opportunities for charities which can create further positive impact.

Significant activities that contribute to the achievement of the stated objectives in the year ending 31 December 2021:

Global Partnerships – In 2021 The Swarovski Foundation has supported 24 organisations and 3 global emergencies in 38 different countries, reaching a total of 25,875 people directly: 5,053 of those under the pillar of Culture and Creativity, 14,212 under the pillar of Human Empowerment and 6,610 under the pillar of Environment.

Advocacy and Engagement – The Swarovski Foundation believes in the power of engaging both internal and external stakeholders to create a ripple effect of impact. The Swarovski Foundation regularly sets up various engagement activities that aim to drive both more awareness and concrete actions to activate change.

In 2021, the Swarovski Foundation carried out various advocacy and engagement efforts with a focus on digital engagement due to the limitations of the global pandemic by organising 8 virtual in conversation events which allowed our stakeholders to join from all over the world. Over 35 email marketing newsletters were distributed to our network to keep them informed and educated on the work of our partners. Raised awareness of key topics across all of our digital platforms including Instagram through 600 posts reaching 576,000 people and the Swarovski Foundation website reaching 15,000 users with an above average user time of 2 minutes.

SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2021

Significant activities that contribute to the achievement of the stated objectives in the year ending 31 December 2021:

Launch of a new programme - Creatives for our Future - Due to the COVID-19 pandemic many creative talents experienced many challenges to access the creative industry. At the Swarovski Foundation, we reflected the impact this caused not only for creativity but also for society and the environment, as many creative and innovative solutions help people and planet.

In April 2021, the Swarovski Foundation launched a programme called Creatives For Our Future, a global mentorship and grant initiative, in collaboration with the United Nations Office for Partnerships. The programme sought to identify and accelerate the next generation of creative leaders in sustainable development.

Creatives For Our Future builds on the Swarovski Foundation's commitment to foster creativity that will drive positive change through cultural, educational and advocacy collaborations. The cornerstone of the Swarovski Foundation's work is the 17 Sustainable Development Goals, in turn these goals were the anchor for our Creatives For Our Future programme.

Creatives For Our Future was an open-submission initiative, to which creatives aged 18 to 25 of all nationalities were invited to enter ideas for sustainable innovation. The Swarovski Foundation received 400 submissions from 72 countries, from which nine successful applicants were chosen.

They come from nine different countries, and represent a wide range of disciplines, including fashion, product design, biotechnologies, architecture, engineering and the visual arts. All share a focus on sound environmental and human practices.

The programme aimed to leverage the Swarovski Foundation's ability to combine investment and education with a stakeholder network crossing borders and industries. As well as funding, the Swarovski Foundation assembled an international team of 28 advocates to provide tailored mentorship and training, making the programme a unique digital teaching and learning platform.

The cohort embarked on the eight-month program and taking in a week-long digital summit which featured some of the world's leading thinkers in sustainability and creativity. The cohort presented their final projects at a virtual graduation event in December 2021.

Please find enclosed here the Creatives for our Future Impact report, for more information: ([LINK](#))

SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2021

Future Considerations and COVID-19

A year on from the start of the COVID-19 pandemic, and the impact continues to be felt in society and charities.

The Swarovski Foundation recognises that COVID-19 had a devastating impact on individuals, organisations and economies, and the ultimate outcome remains uncertain. Whilst the Swarovski Foundation does not deliver services directly to beneficiaries, it recognises that its grants support charity organisations to fulfil their objective.

Many of the Swarovski Foundation charity partners shared their concern of funds withdrawn from them as other funders redirected efforts to other causes. Therefore, during these challenging times the Swarovski Foundation considers it important to uphold longstanding charity partnerships, so that they can deliver the necessary support needed to beneficiaries.

The Swarovski Foundation will continue to observe the situation and will adapt to any changes necessary to achieve the greatest positive social impact.

Grant Making Policy

In awarding Grants, the Trustees apply the following principles:

- a) Alignment with the Swarovski Foundation's mission and objective to support charitable initiatives and organisations working in three focus areas: culture and creativity, human empowerment and the environment.
- b) Alignment to the United Nations Sustainable Development Goals to deliver greatest impact.
- c) To support any charitable organisation, trust, association, or institution that help broaden our advocacy and engagement efforts including but not limited to key geographical locations, synergies with other charity partners and opportunities for Swarovski colleagues to fundraise/volunteer for organisations.
- d) Exclusions - Due to the limited capacity of the Swarovski Foundation we do not accept unsolicited Grant requests.

All Grant applications are subject to the Board's approval. Trustees shall not approve the use of any Grant funds that fall outside of the Swarovski Foundation mission and objectives. The number of projects which can be supported by the Swarovski Foundation is, of necessity, limited to the amount of funds available for distribution in any one year.

SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2021

Fundraising

The Trustees are aware of the additional disclosure requirements and guidance of The Charities (Protection and Social Investment) Act 2016; the updated Charity Commission's guidance - Charity fundraising trustee duties (CC20); and the Institute of Fundraising handbook - Trustees and fundraising: a practical handbook; however, as the Foundation does not raise funds via direct contact with the general public, these are considered to be not applicable at the present time.

Risk Management

The Trustees have examined the major strategic, business, and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that necessary steps can be taken to lessen these risks.

The financial risk of not being able to pay grant instalments when due is mitigated by the letter of support provided by Swarovski AG, noted on page 9. The operational risk that the funds may not be used for the purpose granted is mitigated both by the frequent contact with charity partners, as well as the process of funding grants in two tranches, with the second tranche not paid until satisfactory progress has been made. While the reputational risk of being associated with an errant charity partner is of concern to all charitable organisations, the Foundation attempts to lessen this through its due diligence process. In addition, the Foundation does not deal directly with beneficiaries of our charity partners.

COVID-19 Risk Management

The Swarovski Foundation is funded by Swarovski AG, and does not rely on fund-raising for its income. It has no staff of its own, and services of several UK, US and Austrian-based staff are donated by the Swarovski businesses in those countries. It has no volunteers.

Its primary financial asset is cash, it does not have investments. Likewise, its primary financial liabilities are the grants payable to its charity partners and programs; there are no pension or other financial liabilities.

Swarovski Foundation is in close contact with its charity partners to understand how the crisis is impacting these organisations.

SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2021

Financial Review

Incoming resources of £1,291,607 (2020: £760,138) were received in the year, primarily in the form of grants from Swarovski AG, whilst resources of £1,150,498 (2020: £459,761) were expended within the year. In addition to these amounts, the Statement of Financial Activities also recognises incoming resources and equivalent expenditure of £462,510 (2020: £393,462) representing an estimate of services donated by the Swarovski Group in 2021 in respect of employee time in the management of the grants programme, legal services and finance and administration services.

The trustees recognise the full value of multi-year grant commitments in the year in which the Swarovski Foundation create a legal or constructive obligation, and where the terms of the related agreement support this accounting treatment.

As a result, at 31 December 2021, the net assets of the Swarovski Foundation amounted to £9,417 (2020: net liabilities of £138,198). The net asset position is positive compared to 2020, as incoming funding for a designated funds programme (Creatives for Our Future) was received in 2021, but charitable activities will be recognised in 2022. Swarovski AG provide Trustees with an undertaking on an annual basis in the form of a letter of support that the full value of multi-year grant commitments will be met as the future payment instalments arise.

Reserves Policy

As noted above, as at 31 December 2021, the Foundation is in a positive reserves position of £9,417 (2020: negative reserves of £138,198). The Foundation does not have a specific reserves target, and is supported by the wider business, and specifically Swarovski AG, who funds the Foundation on an as-needed basis.

The Foundation operates within the confines of a project budget that is reviewed and approved by the Board of Trustees. The Foundation is provided with funding by Swarovski AG on an unrestricted basis. Within these unrestricted funds, certain funds have been designated by Trustees for future projects such as the Creatives for Our Future programme, but this remains at their discretion.

The Trustees have received confirmation from Swarovski AG that funding will be provided as the need to make payment of grant instalments arises in the form of a letter of support, and accordingly the Trustees have satisfied themselves that the Foundation remains a going concern and the going concern basis of accounting remains appropriate.

Trustees are mindful that as a corporate foundation, the Swarovski Foundation is supported by the wider business and specifically by Swarovski AG, and share confidence in the Swarovski group. The Swarovski Foundation is part of the overall group budgeting and rolling forecast processes.

SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2021

Trustees' responsibilities statement

The Trustees (who are also directors of the Swarovski Foundation for the purposes of company law) are responsible for preparing the Report of the Trustees 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 the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper 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.

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.

SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2021

Provision of information to the auditor

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Trustees has confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

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

On behalf of the board



.....
M Schiestl-Swarovski Trustee

31 August 2022

**SWAROVSKI FOUNDATION
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS
YEAR ENDED 31 DECEMBER 2021**

Opinion

We have audited the financial statements of Swarovski Foundation for the year ended 31 December 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the charitable company's state of affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

SWAROVSKI FOUNDATION
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS (continued)
YEAR ENDED 31 DECEMBER 2021

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

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 which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies exemption in preparing the Trustees' Annual Report and the Strategic Report.

SWAROVSKI FOUNDATION
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS (continued)
YEAR ENDED 31 DECEMBER 2021

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 10, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

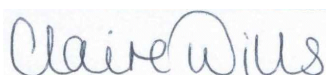
During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.



.....
Claire Wills (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

Chartered Accountants
Statutory Auditors
Date: 07 September 2022

71 Queen Victoria Street
London
EC4V 4BE

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

**SWAROVSKI FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2021**

		2021	2020
		Unrestricted & total funds	Unrestricted & total funds
	Note	£	£
Income:			
Donations and legacies	2, 8	1,754,117	1,153,600
Total Income		1,754,117	1,153,600
Expenditure:			
Expenditure on charitable activities	3, 8	1,613,007	853,222
Total expenditure		1,613,007	853,222
Net income / (expenditure)		141,110	300,378
Other gains / (losses) - foreign exchange		6,505	(34,599)
Net movement in funds for the year		147,615	265,779
Total funds / (deficit) brought forward		(138,198)	(403,977)
Total funds / (deficit) carried forward	8	9,417	(138,198)

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 19 to 28 form part of these financial statements.

**SWAROVSKI FOUNDATION
BALANCE SHEET
AS AT 31 DECEMBER 2021**

		2021	2020
	Note	£	£
Current assets			
Cash at bank and in hand		564,424	514,872
Prepayments		32,500	-
		<u>596,924</u>	<u>514,872</u>
Liabilities			
Creditors: amounts falling due within one year	6	(455,523)	(619,245)
Net current assets / (liabilities)		<u>141,401</u>	<u>(104,373)</u>
Creditors: amounts falling due after one year	7	(131,984)	(33,825)
Net assets / (liabilities)		<u>9,417</u>	<u>(138,198)</u>
Funds			
Unrestricted funds			
General funds		(184,678)	(296,048)
Designated funds		194,094	157,850
Total funds / (deficit)	8	<u>9,417</u>	<u>(138,198)</u>

The notes on pages 19 to 28 form part of these financial statements.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved and authorised for issue on behalf of the Trustees by:

On behalf of the board



.....
M Schiestl-Swarovski Trustee

31 August 2022

**SWAROVSKI FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021**

		2021	2020
	Note		
		£	£
Cash flow from / (used in) operating activities:			
Net cash provided by operating activities and change in cash and cash equivalents in the reporting period	13	49,552	(32,367)
Cash and cash equivalents at the beginning of the reporting period		514,872	547,239
Cash and cash equivalents at the end of the reporting period		<u>564,424</u>	<u>514,872</u>

**SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1 Accounting policies

Swarovski Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is 4th floor, 21 Sackville Street, London W1S 3DN. The principal accounting policies adopted, judgements and key sources of estimating uncertainty in the preparation of the financial statements are as follows:

1.1 Accounting convention

Basis of preparation

The financial statements have been prepared in accordance with 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 (FRS 102), Charities SORP (FRS 102), and the Companies Act 2006.

The Swarovski Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are recognised at the historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements are prepared in sterling, which is the financial currency of the Foundation. Monetary amounts in these financial statements are rounded to the nearest £.

1.2 Going concern

Total funds were positive in 2021, although there was a deficit in unrestricted general funds. This deficit position in the financial statements arises from a timing difference between income received to fund grant commitments and the recording of full grant commitments as a liability on the balance sheet. The Trustees have received confirmation from Swarovski AG that funding will be received from Swarovski AG as the need to make payment of grant instalments arises. Accordingly, the Trustees have satisfied themselves that the Foundation remains a going concern and the going concern basis of accounting remains appropriate.

1.3 Income

1.3.1 Donations and gifts

Income is recognised in the period in which there is probability of receipt, the charity is entitled to receipt and the amount can be measured with reasonable certainty.

1.3.2 Donated services

Donated services are recognised as income and expenditure in the financial statements when companies and individuals provide their professional expertise pro bono. The value of these donated services is considered to be equivalent to the market value which would have been paid by the Foundation had the service been formally procured.

1.3.3 Investment income

Investment income is accounted for on a receivable basis.

SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2021

1.4 Expenditure

Expenditure is included on an accruals basis including irrecoverable VAT. Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Foundation to the expenditure.

1.4.1 Grants

The value of grants is recognised in full as expenditure in the year when the Foundation creates a legal or constructive obligation, even where they may be multi-year in nature. Typically, this arises when an unconditional grant offer has been communicated to the recipient. The notification gives the recipient a reasonable expectation that they will receive the one year or multi-year grant.

1.4.2 Governance costs

Governance costs are the costs involved in the constitutional and statutory aspects of running the Foundation as a legal entity.

1.4.3 Advocacy and Engagement and Other costs

Other direct and support costs are allocated to the appropriate activity as the cost is incurred, or on the basis of the estimated time spent on the activity.

1.5 Funds

Unrestricted Funds comprise those funds, which the trustees are free to use in accordance with the charitable objects. Designated funds are unrestricted funds of the Foundation which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are funds received where the donor has indicated that they can only be spent on specific projects. There were no restricted funds in 2021 nor 2020.

1.6 Foreign currency translation

Foreign currency transactions are translated into pounds sterling at the exchange rate prevailing at the transaction date. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date.

1.7 Areas of judgement and uncertainties

In the application of the Foundation's accounting policies, the trustees are required to make judgements, estimates and assumptions. These are based on historical experience and other relevant factors. The estimates and underlying assumptions are reviewed on an ongoing basis.

Donated services have been estimated and consist of staff time and consultancy services donated by Swarovski UK, Swarovski North America and D Swarovski KG in respect of management of the grants programme, legal services and finance and administration services.

SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2021

1.8 Financial instruments

The Foundation only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. There were no bank loans in the year.

2 Voluntary income

	2021	2020
	£	£
Donation-Swarovski AG	1,283,694	760,138
Donated service-Swarovski North America	105,910	43,823
Donated service-Swarovski UK	286,208	279,887
Donated service-D Swarovski KG	70,392	69,752
Donation - other funding	7,913	-
	<u>1,754,117</u>	<u>1,153,600</u>

Donated services have been estimated and consist of staff time and consultancy services donated by Swarovski UK, Swarovski North America and D Swarovski KG in respect of management of the grants programme, legal services and finance and administration services.

SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2021

3	Charitable activities	2021	2020
	Grant making	£	£
	Womankind	17,200	-
	CFDA	116,100	-
	Blue Marine Foundation	64,343	-
	NAACP LDF	-	22,350
	Equal Justice Initiative	64,343	22,652
	Jane Goodall	-	26,169
	Teach for Thailand	-	34,892
	Room to Read	4,516	34,892
	UNFPA	4,517	45,165
	VOW to End Child Marriage (2021 cancelled, reallocated)	(9,033)	9,033
	Turquoise Mountain	-	27,099
	Conservation International	42,895	-
	Australian Red Cross	-	42,720
	Design Museum	64,342	-
	Barefoot College	-	34,892
	Identity 2021	-	4,565
	FIT Foundation	-	3,918
	Whitechapel Gallery	-	25,000
	Women for Women	42,825	43,615
	Central Saint Martins	128,685	27,099
	Mothers 2 Mothers	42,851	43,615
	Fashion Council Germany	128,685	-
	Nest Inc	-	824
	Young Minds	42,851	-
	National Aids Trust	42,851	-

SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2021

Charitable activities (continued)	2021	2020
	£	£
UNHCR	42,825	-
ACE	42,851	-
Reserved for Action Fund	21,448	-
Creatives for Our Future (grants to individuals)	98,312	-
Subtotal Grants	<u>1,003,406</u>	<u>448,501</u>
Support costs (see below)	564,758	367,315
Governance costs (Note 4)	<u>44,843</u>	<u>37,406</u>
	<u>1,613,007</u>	<u>853,222</u>
	2021	2020
	£	£
Support costs:		
Grant administration	413,708	340,166
Advocacy and engagement	132,787	1,635
Finance and administration	5,920	7,986
Legal and professional	<u>12,343</u>	<u>17,528</u>
	<u>564,758</u>	<u>367,315</u>

Included above is a notional cost of £431,971 in respect of donated services (2020: £367,315).

SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2021

4 Governance costs

	2021 £	2020 £
Legal, professional, finance and administration	30,538	26,146
Audit and accountancy	11,040	10,200
Other governance costs	3,265	1,060
	<u>44,843</u>	<u>37,406</u>

Included above is a notional cost of £30,538 in respect of donated services (2020: £26,146).

Net income / (expenditure) is stated after charging:

	2021 £	2020 £
Auditors' remuneration	11,040	10,200
	<u>11,040</u>	<u>10,200</u>

5 Staff costs, trustee remuneration and expenses, and the cost of key management personnel

The Foundation has no directly employed staff and engages the services of key management personnel and staff employed by Swarovski UK, Swarovski North America and D Swarovski KG in respect of the management of the grants programme, legal services and finance and administration services. The aggregate cost of this was £451,075 (2020: £393,462).

The trustees received no remuneration nor had any expenses reimbursed during the period.

The total employee benefits of the key management personnel of the Foundation were £86,518 (2020 equivalent: £81,842).

SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2021

6	Creditors: amounts due within one year	2021 £	2020 £
	Accruals	28,300	10,200
	Other creditors – grants payable	394,723	609,045
	Other creditors – advocacy and engagement contract	32,500	-
		<u>455,523</u>	<u>619,245</u>

In addition to the £32,500 included in creditors, at the year end, the Foundation is also contractually committed to a further spend of £32,500 in relation to engagement during 2022.

7	Creditors: amounts due after one year	2021 £	2020 £
	Grants payable (due within 1-2 years)	<u>131,985</u>	<u>33,825</u>
		<u>131,985</u>	<u>33,825</u>

8 Funds

2021	Funds b/fwd	Incoming resources	Resources expended	Gains/ (Losses)	Funds c/fwd
	£	£	£	£	£
General unrestricted funds	(296,048)	1,608,274	(1,514,695)	17,792	(184,678)
Designated funds:					
Employee programme	45,100	-	-	(3,200)	41,900
Creatives for our Future	112,750	145,843	(98,312)	(8,087)	152,194
Total funds	(138,198)	1,754,117	(1,613,007)	6,505	9,417
2020	Deficit b/fwd	Incoming resources	Resources expended	(Losses) / Gains	Funds c/fwd
	£	£	£	£	£
General unrestricted funds	(446,697)	1,040,697	(853,222)	(36,816)	(296,048)
Designated funds:					
Employee programme	42,720	-	-	2,360	45,100
Creatives for our Future	-	112,913	-	(163)	112,750
Total funds	(403,977)	1,153,600	(853,222)	(34,599)	(138,198)

SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2021

Funds (continued)

The employee programme supports individual charitable initiatives of the Swarovski employees; it has continued to be delayed due to office closures from Covid-19 restrictions. Creatives for our Future identifies and mentors young (age 18-25) creatives in a variety of areas. The 2021 programme funded in 2020 completed at the end of 2021, and the incoming resources in 2021 are for the 2022 programme.

9 Analysis of net assets by fund

2021

	Cash at bank	Other Current Assets/ Liabilities	Creditors Over 1 year	Total
	£	£	£	£
Funds				
Unrestricted funds				
General funds	370,330	(423,023)	(131,985)	(184,678)
Designated funds	194,094	-	-	194,094
	<u>564,424</u>	<u>(423,023)</u>	<u>(131,985)</u>	<u>9,416</u>

2020

	Cash at bank	Current Assets/ Liabilities	Creditors Over 1 year	Total
	£	£	£	£
Funds				
Unrestricted funds				
General funds	357,022	(619,245)	(33,825)	(296,048)
Designated funds	157,850	-	-	157,850
	<u>514,872</u>	<u>(619,245)</u>	<u>(33,825)</u>	<u>(138,198)</u>

10 Company status

In the case of winding up, each member (who is also a trustee) has guaranteed to contribute an amount not exceeding £10 (2020: £10).

11 Controlling party

The Swarovski Foundation is controlled by its Trustees. Nadja Swarovski is the sole member of the Swarovski Foundation and may have a greater degree of control than the other Trustees in some respects, as defined by the updated Memorandum and Articles of Association.

SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2021

12 Related party transactions

During the year, Swarovski AG donated £1,283,694 (2020: £760,138) to the Foundation. Additionally, D Swarovski KG donated services valued at £70,392 (2020: £69,752). Swarovski UK donated services valued at £286,208 (2020: £279,887) and Swarovski North America donated services to the Foundation of £105,910 (2020: £43,823) (see note 2). Swarovski AG, D Swarovski KG, Swarovski North America and Swarovski UK are considered related parties of the Foundation by virtue of N Swarovski, who is a Trustee of the Foundation and exerts significant influence over Swarovski AG, D Swarovski KG, Swarovski UK and Swarovski North America by virtue of her role on the Executive Board of the Swarovski Group. N Swarovski resigned from the Group in December 2021.

Marisa Schiestl-Swarovski, a trustee of the Swarovski Foundation, is also a trustee of Teach for Austria, which received a 3-year grant totalling £260,370 in 2019. Ms Schiestl-Swarovski abstained from any involvement or voting proposals related to Teach for Austria.

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

	2021	2020
	£	£
Net (expenditure) / income for the reporting period (as per the statement of financial activities)	147,614	265,779
Adjustments for:		
Decrease / (increase) in debtors	(32,500)	-
Increase / (decrease) in creditors	(65,562)	(298,146)
Net cash (used in) / provided by operating activities	<u>49,552</u>	<u>(32,367)</u>

SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2021

14 Analysis of changes in net debt

2021	At start of year £	Cashflows £	At end of year £
Cash	514,872	49,552	564,424
Total	514,872	49,552	564,424
2020	At start of year £	Cashflows £	At end of year £
Cash	547,239	(32,367)	514,872
Total	547,239	(32,367)	514,872

SWAROVSKI FOUNDATION

England & Wales - Charity number 1153618

Accounts

Charity Registration No. 1153618 (England and Wales)
Company Registration No. 08325666

SWAROVSKI FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

SWAROVSKI FOUNDATION

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SWAROVSKI FOUNDATION
LEGAL AND ADMINISTRATIVE INFORMATION

Trustee

Nadja Swarovski
Paul van Zyl
Johnathan Edward Michener Baillie
Lorenza (aka Mimma) Viglezio
Helene Antonia vonDamm
Teri Ellen Schwartz
Marisa Schiestl-Swarovski
Melanie Grieder-Swarovski (appointed 23rd March 2021)

Director

Jakhya Rahman-Corey

Bankers

HSBC
9 The Boulevard
Crawley
West Sussex
RH10 1UT

Registered office

4th Floor
21 Sackville Street
London
Greater London
W1S 3DN

Statutory Auditor

Saffery Champness LLP
71 Queen Victoria Street
London
EC4V 4BE

Company Registration No.

08325666 (England and Wales)

Charity Registration No.

1153618

**SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020**

The Trustees of the Swarovski Foundation present their annual report and financial statements for the year ended 31 December 2020, which are also prepared to meet the requirements of a directors' report and accounts for Companies Act 2006 purposes.

The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2016, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard (FRS 102). The legal and administrative information on page 1 forms part of this report.

Constitution, objects and governance

The Foundation was incorporated on 11 December 2012 and is governed by its Memorandum and Articles of Association. The Trustees who have been in office during the period or up to the date of this report are listed on page 1.

The Memorandum and Articles of Association of the Foundation were updated in November 2016. The updated Memorandum and Articles of Association recognise that Nadja Swarovski is the sole member of the Foundation and has the right to appoint Trustees (directors) by way of an ordinary resolution.

The Foundation has created documents to support Trustees onboarding including but not limited to a Policy Handbook, highlighting the roles and responsibilities of Trustees.

The Trustees consider the Board of Trustees and the Director as comprising the key management personnel. The Trustees are responsible for the strategic direction of the Foundation, and they delegate day to day financial and operational responsibilities and administration to the Director.

No trustee remuneration was paid during the year. Details of any trustee expenses and related party transactions are disclosed in notes 5 and 11 of the financial statements.

The remuneration of the Foundation's Director is reviewed annually, utilising the Swarovski Global Grading System, which is a globally aligned methodology of role evaluation that enables external comparatives and internal equity, and is overseen by the global management consulting expert, Mercer.

The Foundation operates a well-documented and appropriate methodology in relation to the declaration of interest. As part of an annual review, the Trustees attention is drawn to an outline of good practice based on guidance issued by the Charity Commission. The Foundation has in place a policy on conflicts of interest and loyalty, and the Trustees regularly disclose any actual or potential conflicts of interest.

The Trustees are aware of the principles of the 2017 Charity Governance Code for larger charities: organisational purpose, leadership, integrity, decision making, risk & control, board effectiveness, diversity and openness and accountability. The Charity Governance Code was refreshed in December 2020 to expand the diversity principle into equality, diversity and inclusion and to expand the integrity principle. The Swarovski Foundation Policy Handbook is updated regularly to reflect these changes. Furthermore, Trustees have received Charity Commission: The Essential Trustee Guidance (CC3) and Charity Commission: The hallmarks of an effective charity (CC10).

The Foundation's objects as set out in its Memorandum of Association are for such purposes as:

"The relief of sickness and the preservation of health among people residing throughout the world; the advancement of art, culture and heritage; the promotion for the benefit of the public of conservation protection and improvement of the physical and natural environment; the promotion of human rights (as set out in the Universal Declaration of Human Rights and subsequent United Nations conventions and declarations) throughout the world."

Strategy, objectives, and activities

The Swarovski Foundation's vision is to connect to the philanthropic spirit of Swarovski's business founder who stated "a precondition of your long-term success is that you endeavour to think not only of yourselves but also of your fellow human beings. Those who adhere to this condition will certainly be blessed with success." Daniel Swarovski (Founder of the Swarovski Business)

Main objectives

The Swarovski Foundation's mission is to create impact through grants, awareness and action, across three areas of focus - culture and creativity, human empowerment and the environment, through global partnerships.

- 1) Culture and Creativity - We preserve cultural heritage and foster emerging creative talent by funding educational charities and institutions working across fashion, jewellery and design
- 2) Human Empowerment - We promote education equality and gender equality by working with organisations that educate young people and address the challenges facing women around the world
- 3) Environment - We partner with environmental organisations and projects engaged in the conservation, protection and improvement of the natural world.

Strategies for achieving stated objectives:

The Sustainable Development Goals (SDGs) and Sustainability - The Sustainable Development Goals or Global Goals are a collection of 17 interlinked global goals designed to be a "blueprint to achieve a better and more sustainable future for all". The SDGs were set in 2015 by the United Nations General Assembly and are intended to be achieved by the year 2030. Since 2018, the Swarovski Foundation has been aligning with the SDGs. This framework underpins the strategy of the Foundation to deliver our objective and help drive impact.

The SDGs are the best practice for modern philanthropy, providing unifying language to find and collaborate with partners working toward the same goals and thus by collaborating with grantees, the process of aligning with the SDGs yields greater impact.

Furthermore, Sustainable Development refers to the many processes and pathways to achieve Sustainability. Sustainability is a paradigm for thinking about the future in which environmental, societal, and economic considerations are balanced in the pursuit of an improved quality of life. There are four identified dimensions to sustainable development - social, natural/environmental, political and economic. The Swarovski Foundation aligns to social sustainability (achieve peace, equality and human rights) and environmental sustainability (conservation, all living things, resources and life support systems).

Global Partnerships – We work with and provide grants to global charities and institutions to deliver our objectives. All grants are subject to assessment to ensure alignment to our values, code of conduct and the strategic objectives of the Swarovski Foundation.

Community Engagement – Nadja Swarovski shares “money is not the only currency” as we can use human power to create change, such as volunteering. The Foundation seeks to empower Swarovski employees globally to understand engagement opportunities to volunteer and/or fundraise for charities which can create further impact for Foundation partners.

Significant activities that contribute to the achievement of the stated objectives in the year ending 31 December 2020:

The Sustainable Development Goals (SDGs) - The Swarovski Foundation is committed to supporting the 17 Sustainable Development Goals; we believe in the power of the global goals to shape a better world. Our Foundation focuses on eight key goals which most closely link to our partners’ work and the communities we reach including but not limited to No Poverty (Goal 1), Quality Education (Goal 4), Gender Equality (Goal 5), Clean Water and Sanitation (Goal 6), Decent Work and Economic Growth (Goal 8), Life Below Water (Goal 14), Life on Land (Goal 15) and Partnerships for the Goals (Goal 17). All partners of the Swarovski Foundation must align with the SDGs and promote sustainability.

Global Partnerships – Since 2013, the Swarovski Foundation has reached over 600,000 people through partnerships with 55 organisations across 47 countries. In 2020 The Swarovski Foundation has supported 21 organisations in 24 different countries, reaching a total of 83,000 people; 45,000 of those under the pillar of Culture and Creativity, 18,000 under the pillar of Human Empowerment and 20,000 under the Environment.

Community Engagement - The Swarovski Foundation believes in the power of engaging both external and internal stakeholders to involve them in its work and be one of our partners. The Swarovski Foundation regularly sets up various engagement activities that aim to drive both more awareness and concrete actions to activate change. In 2020 the Swarovski Foundation has carried out engagement efforts for its workforce especially in the first months of the year before the pandemic hit - reaching a total of 40 employees (through its first lunch lecture in Gdansk, Poland and a Swarovski Waterschool training for Swarovski employees in Austria and raising more than 2,100 Euros in support of Women for Women International - and again towards the end of the year with new virtual engagement formats that allowed employees from all over the world to take part.

Delivering Objectives During COVID-19 - The Swarovski Foundation recognises that COVID-19 had increased inequality leaving a devastating impact on individuals, organisations and economies. Whilst the Swarovski Foundation does not deliver services directly to beneficiaries, we considered during such challenging times that we must uphold longstanding charity partnerships, so that they are able to deliver the necessary support needed to beneficiaries. Our charity partners had shown such resilience and creative measures to deliver their work safely on the ground, as well as virtually, reaching over 100,000 people. We know the ripple effects of the pandemic continue, and therefore the Swarovski Foundation will continue to observe the situation and will adapt to any changes necessary to achieve the greatest positive social and environmental impact.

Some examples of partners aligning with Foundation strategic areas year ending 31 December 2020:

- **Blue Marine Foundation** - The Swarovski Foundation has partnered with the Blue Marine Foundation, to educate the Aeolian Islands community and achieve effective marine conservation. Blue Marine Foundation aims to build 48 students' awareness in marine conservation, promote education across 1,000 local community members and launch 4 Marine programs in Lipari and Salina island with 3 schools by 2021. The Blue Marine Foundation project aligns with SDG Quality Education (Goal 4), Life Below Water (Goal 14) and Partnerships for the Goals (Goal 17).
- **Equal Justice Initiative** - The Equal Justice Initiative (EJI) is committed to ending mass incarceration and excessive punishment in the United States, to challenging racial and economic justices, and to protecting basic human rights. It works with communities that have been marginalized by poverty and discouraged by unequal treatment and is committed to protecting basic human rights for the most vulnerable people in society, and to changing the narrative about race in the US. In 2020 the Swarovski Foundation supported the EJI's core funding and the project aligns with SDG Quality Education (Goal 4), and Partnerships for the Goals (Goal 17).
- **Nest** - The Swarovski Foundation supports Nest to help promising and engaged artisans, providing them with the support they need to strengthen their businesses through the Artisan Accelerator Program, improve the environmental impact of production and preserve important cultural traditions around the world. Nest aligns with SDG No Poverty (Goal 1), Quality Education (Goal 4), Gender Equality (Goal 5), Clean Water and Sanitation (Goal 6), Decent Work and Economic Growth (Goal 8), and Partnerships for the Goals (Goal 17). In 2020, with the support of the Foundation, Nest reached 10 businesses employing more 4,800 artisans represented across 8 countries.
- **Teach for Austria** - The Swarovski Foundation supports Teach for Austria, helping to recruit, select and train university graduates to work with hundreds of disadvantaged children in Austria. The partnership began in 2014 and covers the program costs for participants of the fellowship. Teach for Austria aligns with Quality Education (SDG 4) and Gender Equality (SDG 5). In 2019, the partnership was renewed for a further 3 years, and aimed to recruit, place, train and mentor a total of 15 Fellows teaching 1,500 children, as well as educating 50 Swarovski Waterschool Ambassadors.
- **The Nature Conservancy (TNC)** – The Swarovski Foundation supports The Nature Conservancy, which implements multiple restoration methods and works with local communities and authorities to restore landscapes in the Mantiqueira Mountains of Brazil. The Mantiqueira Mountains project will indirectly benefit 20 million people and 1.2 million hectares of land by 2030. The Nature Conservancy project aligns with SDG No Poverty (Goal 1), Quality Education (Goal 4), Clean Water and Sanitation (Goal 6), Life on Land (Goal 15) and Partnerships for the Goals (Goal 17).

- **Whitechapel Gallery** - The Swarovski Foundation has supported the Whitechapel Gallery since 2015, donating funds towards its Youth Programme, which supports young people through short- and long-term creative engagement opportunities including creative work placements, meeting creative professionals and contemporary art workshops and masterclasses. Whitechapel Gallery aligns with Quality Education (SDG 4) Decent Work and Economic Growth (SDG 8) and Partnership for the Goals (SDG 17). Since 2015, the Swarovski Foundation has reached approximately 4,000 young people through the Youth Programme.
- **Women for Women International** - The Swarovski Foundation supports Women for Women International's social and economic empowerment programme in Nigeria, which helps women survivors of war to rebuild their lives by measurably improving their incomes, health and wellbeing, and decision-making abilities. Women for Women International aligns with SDG No Poverty (Goal 1), Quality Education (Goal 4), Gender Equality (Goal 5) and Partnerships for the Goals (Goal 17). Since 2014, the Swarovski Foundation have supported more than 1,000 women survivors of war in Nigeria.
- **UNFPA** - UNFPA is the United Nations' sexual and reproductive health agency with a mission to deliver a world where every pregnancy is wanted, every childbirth is safe and every young person's potential is fulfilled. In November 2020 the Swarovski Foundation answered a UNFPA emergency appeal to provide life-saving assistance to mothers and their children in Yemen by empowering midwives with emergency clinical services, and distributing clean delivery kits containing simple items that can help a woman deliver safely if she cannot access a health facility. Swarovski Foundation partnered with UNFPA on Giving Tuesday communications and fundraising initiative and will continue this commitment to its work in Yemen through 2021. This project aligns with Quality Education (Goal 4), Gender Equality (Goal 5) and Partnerships for the Goals (Goal 17).

Financial Review

Incoming resources of £760,138 (2019: £635,139) were received in the year, primarily in the form of grants from Swarovski AG, whilst resources of £459,761 (2019: £1,083,536) were expended within the year. In addition to these amounts, the Statement of Financial Activities also recognises incoming resources and equivalent expenditure of £393,462 (2019: £322,836) representing an estimate of services donated by the Swarovski Group in 2020 in respect of employee time in the management of the grants programme, legal services and finance and administration services.

The trustees recognise the full value of multi-year grant commitments in the year in which the Swarovski Foundation create a legal or constructive obligation, and where the terms of the related agreement support this accounting treatment.

As a result, at 31 December 2020, the net liabilities of the Swarovski Foundation amounted to £138,198 (2019: £403,977). The net liabilities position recognises a decrease of £265,779 in 2020's net liabilities compared to 2019, when several new multi-year grants were made. Swarovski AG provide Trustees with an undertaking on an annual basis in the form of a letter of support that the full value of multi-year grant commitments will be met as the future payment instalments arise.

SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

Reserves Policy

As noted above, as at 31 December 2020, the Foundation is in a negative reserves position of £139,198 (2019: £403,977).

The Foundation operates within the confines of a project budget that is reviewed and approved by the Board of Trustees. The Foundation is provided with funding by Swarovski AG on an unrestricted basis. Within these unrestricted funds, certain funds have been designated by Trustees for future projects, but this remains at their discretion.

The negative reserves position in 2020 arises from a timing difference between income received to fund grant commitments and the recording of multi-year grant commitments as a liability on the balance sheet. The Trustees have received confirmation from Swarovski AG that funding will be provided as the need to make payment of grant instalments arises in the form of a letter of support, and accordingly the Trustees have satisfied themselves that the Foundation remains a going concern and the going concern basis of accounting remains appropriate.

Future Considerations and COVID-19

The Swarovski Foundation will continue in its vision to spark change for good through awareness and action, by supporting culture and creativity, promoting human empowerment, and preserving the environment, through global partnerships (as stated above).

The Swarovski Foundation recognises that COVID-19 is having a devastating impact on individuals, organisations and economies, and the ultimate outcome remains uncertain. Whilst the Swarovski Foundation does not deliver services directly to beneficiaries, it recognises that its grants support charity organisations to fulfil this service. Therefore, during these challenging times the Swarovski Foundation considers it important to uphold longstanding charity partnerships, so that they can deliver the necessary support needed to beneficiaries.

The Swarovski Foundation will continue to observe the situation and will adapt to any changes necessary to achieve the greatest positive social impact.

Grant Making Policy

The Swarovski Foundation has determined the following policy for Grant making purposes.

Principles

In awarding Grants, the Trustees apply the following principles:

- a) Alignment with the Swarovski Foundation's mission to support charitable initiatives and organisations working in three focus areas: culture and creativity, promoting human empowerment and conserving natural resources.
- b) Applications from key geographical areas which align with Swarovski's wider business operations are eligible for consideration and where there is a need for our support in alignment with United Nations Sustainable Development Goals; and
- c) To support any charitable organisation, trust, association, or institution formed for any of the charitable purposes whose purposes align with the Swarovski Foundation objectives.

SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

Exclusions

The Swarovski Foundation does not accept unsolicited Grant requests.

All Grant applications are subject to the Board's approval. Trustees shall not approve the use of any Grant funds that fall outside of the Swarovski Foundation mission and objectives. The number of projects which can be supported by the Swarovski Foundation is, of necessity, limited to the amount of funds available for distribution in any one year.

Risk Management

The Trustees have examined the major strategic, business, and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that necessary steps can be taken to lessen these risks.

The financial risk of not being able to pay grant instalments when due is mitigated by the letter of support provided by Swarovski AG, noted on page 7. The operational risk that the funds may not be used for the purpose granted is mitigated both by the frequent contact with charity partners, as well as the process of funding grants in two tranches, with the second tranche not paid until satisfactory progress has been made. While the reputational risk of being associated with an errant charity partner is of concern to all charitable organisations, the Foundation attempts to lessen this through its due diligence process. In addition, the Foundation does not deal directly with beneficiaries of our charity partners.

Fundraising

The Trustees are aware of the additional disclosure requirements and guidance of The Charities (Protection and Social Investment) Act 2016; the updated Charity Commission's guidance - Charity fundraising trustee duties (CC20); and the Institute of Fundraising handbook - Trustees and fundraising: a practical handbook; however, as the Foundation does not raise funds via direct contact with the general public, these are considered to be not applicable at the present time.

COVID-19 Risk Management

The Swarovski Foundation is funded by Swarovski AG, and does not rely on fund-raising for its income. It has no staff of its own, and services of several UK and Austrian-based staff are donated by the Swarovski businesses in those countries. It has no volunteers.

The Swarovski Foundation does not deliver services directly to beneficiaries, but funds other charitable organisations. Its primary financial asset is cash, it does not have investments. Likewise, its primary financial liabilities are the grants payable to its charity partners; there are no pension or other financial liabilities.

Swarovski Foundation is in close contact with its charity partners to understand how the crisis is impacting these organisations.

The overall Swarovski business is financially healthy, yet like many retail businesses, had felt the liquidity impact of Covid-19 with a large number of stores closed globally during 2020 and early 2021, but many are now reopen and on-line sales healthy. Swarovski AG is expected to continue to support the Swarovski Foundation as it has in the past.

SWAROVSKI FOUNDATION
REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

Trustees are mindful that as a corporate foundation, the Swarovski Foundation is supported by the wider business and specifically by Swarovski AG, and share confidence in the Swarovski group. The Swarovski Foundation is part of the overall group budgeting and rolling forecast processes.

Trustees' responsibilities statement

The Trustees (who are also directors of the Swarovski Foundation for the purposes of company law) are responsible for preparing the Report of the Trustees 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 the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper 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.

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.

Provision of information to the auditor

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Trustees has confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

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

On behalf of the board



N Swarovski Trustee

12 July 2021

SWAROVSKI FOUNDATION
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS
FOR THE YEAR ENDED 31 DECEMBER 2020

Opinion

We have audited the financial statements of Swarovski Foundation for the year ended 31 December 2020 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit

**SWAROVSKI FOUNDATION
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS
FOR THE YEAR ENDED 31 DECEMBER 2020**

or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees which includes the Directors' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies exemption in preparing the Trustees' Annual Report and the Strategic Report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 9, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with informed management, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with informed management and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include the Companies Act 2006, and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

**SWAROVSKI FOUNDATION
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS
FOR THE YEAR ENDED 31 DECEMBER 2020**

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.



.....
Liz Hazell (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

Chartered Accountants	71 Queen Victoria Street
Statutory Auditors	London
	EC4V 4BE

Date: 16 July 2021.

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

SWAROVSKI FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2020

		2020	2019
		Unrestricted & total funds	Unrestricted & total funds
	Note		As restated
		£	£
Income:			
Donations and legacies	2, 8	1,153,600	957,975
Total Income		<u>1,153,600</u>	<u>957,975</u>
Expenditure:			
Expenditure on charitable activities	3, 8	853,222	1,406,372
Total expenditure		<u>853,222</u>	<u>1,406,372</u>
Net income / (expenditure)		300,378	(448,397)
Other gains /(losses) - foreign exchange		(34,599)	2,062
Net movement in funds for the year		<u>265,779</u>	<u>(446,355)</u>
Total funds / (deficit) brought forward		<u>(403,977)</u>	<u>42,358</u>
Total (deficit) / funds carried forward	8	<u><u>(138,198)</u></u>	<u><u>(403,977)</u></u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 17 to 25 form part of these financial statements. Note 15 shows the impact of the prior year restatement.

SWAROVSKI FOUNDATION
BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 As restated £
Current assets			
Cash at bank and in hand		514,872	547,239
		<u>514,872</u>	<u>547,239</u>
Liabilities			
Creditors: amounts falling due within one year	6	(619,245)	(481,296)
Net current (liabilities) / assets		<u>(104,373)</u>	<u>65,943</u>
Creditors: amounts falling due after one year	7	(33,825)	(469,920)
Net (liabilities) / assets		<u>(138,198)</u>	<u>(403,977)</u>
Funds			
Unrestricted funds			
General funds		(296,048)	(446,697)
Designated funds		157,850	42,720
Total (deficit) / funds	8	<u>(138,198)</u>	<u>(403,977)</u>

The notes on pages 17 to 25 form part of these financial statements.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved and authorised for issue on behalf of the Trustees by:


..... Trustee
N Swarovski

.....12 July..... 2021

Company Registration No. 08325666 (England and Wales)

SWAROVSKI FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

		2020	2019
	Note		
		£	£
Cash flow from / (used in) operating activities:			
Net cash provided by operating activities and change in cash and cash equivalents in the reporting period	13	(32,367)	45,324
Cash and cash equivalents at the beginning of the reporting period		547,239	501,915
Cash and cash equivalents at the end of the reporting period		<u>514,872</u>	<u>547,239</u>

1 Accounting policies

Swarovski Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is 2nd floor, 21 Sackville Street, London W1S 3DN.

The principal accounting policies adopted, judgements and key sources of estimating uncertainty in the preparation of the financial statements are as follows:

1.1 Accounting convention

Basis of preparation

The financial statements have been prepared in accordance with 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 (FRS 102), Charities SORP (FRS 102), and the Companies Act 2006.

The Swarovski Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are recognised at the historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements are prepared in sterling, which is the financial currency of the Foundation. Monetary amounts in these financial statements are rounded to the nearest £.

The 2019 financial statements have been restated to reflect the reclassification of the charitable grant-making activity for the Swarovski Foundation Community Engagement programme as a designed fund rather at 31 December 2019, rather than a grant payable. The impact of this is shown in note 15.

1.2 Going concern

The net deficit position in the financial statements arises from a timing difference between income received to fund grant commitments and the recording of full grant commitments as a liability on the balance sheet. The Trustees have received confirmation from Swarovski AG that funding will be received from Swarovski AG as the need to make payment of grant instalments arises. Accordingly, the Trustees have satisfied themselves that the Foundation remains a going concern and the going concern basis of accounting remains appropriate.

1.3 Income

1.3.1 Donations and gifts

Income is recognised in the period in which there is probability of receipt, the charity is entitled to receipt and the amount can be measured with reasonable certainty.

1.3.2 Donated services

Donated services are recognised as income and expenditure in the financial statements when companies and individuals provide their professional expertise pro bono. The value of these donated services is considered to be equivalent to the market value which would have been paid by the Foundation had the service been formally procured.

1.3.3 Investment income

Investment income is accounted for on a receivable basis.

1.4 Expenditure

Expenditure is included on an accruals basis including irrecoverable VAT. Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Foundation to the expenditure.

1.4.1 Grants

The value of grants is recognised in full as expenditure in the year when the Foundation creates a legal or constructive obligation, even where they may be multi-year in nature. Typically, this arises when an unconditional grant offer has been communicated to the recipient. The notification gives the recipient a reasonable expectation that they will receive the one year or multi-year grant.

1.4.2 Governance costs

Governance costs are the costs involved in the constitutional and statutory aspects of running the Foundation as a legal entity.

1.4.3 Other costs

Other direct and support costs are allocated to the appropriate activity as the cost is incurred, or on the basis of the estimated time spent on the activity.

1.5 Funds

Unrestricted Funds comprise those funds, which the trustees are free to use in accordance with the charitable objects. Designated funds are unrestricted funds of the Foundation which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are funds received where the donor has indicated that they can only be spent on specific projects.

1.6 Foreign currency translation

Foreign currency transactions are translated into pounds sterling at the exchange rate prevailing at the transaction date. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date.

1.7 Areas of judgement and uncertainties

In the application of the Foundation's accounting policies, the trustees are required to make judgements, estimates and assumptions. These are based on historical experience and other relevant factors. The estimates and underlying assumptions are reviewed on an ongoing basis.

Donated services have been estimated and consist of staff time and consultancy services donated by Swarovski UK, Swarovski North America and D Swarovski KG in respect of management of the grants programme, legal services and finance and administration services.

1.8 Financial instruments

The Foundation only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. There were no bank loans in the year.

SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

2 Voluntary income

	2020	2019
	£	£
Donation–Swarovski AG	760,138	635,139
Donated service–Swarovski North America	43,823	-
Donated service–Swarovski UK	279,887	251,958
Donated service–D Swarovski KG	69,752	70,878
	<u>1,153,600</u>	<u>957,975</u>

Donated services have been estimated and consist of staff time and consultancy services donated by Swarovski UK, Swarovski North America and D Swarovski KG in respect of management of the grants programme, legal services and finance and administration services.

3 Charitable activities

Grant making	2020	2019
	£	As restated £
The Nature Conservancy	-	260,370
British Red Cross	-	34,588
Blue Marine Foundation	-	43,235
NAACP LDF	22,350	-
Equal Justice Initiative	22,652	-
Jane Goodall	26,169	-
Teach for Thailand	34,892	-
Room to Read	34,892	-
UNFPA	45,165	-
VOW to End Child Marriage	9,033	-
Turquoise Mountain	27,099	-
Conservation International	-	43,235
Australian Red Cross	42,720	-
Plastic Ocean Project (2019: cancelled)	-	(78,000)
Barefoot College	34,892	-
Nest Inc	824	195,278

SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

Charitable activities (continued)	2020	2019
	£	As restated £
Identity 2020	4,565	-
FIT Foundation	3,918	-
Whitechapel Gallery	25,000	8,647
Women for Women	43,615	52,074
Central Saint Martins	27,099	-
Mothers 2 Mothers	43,615	52,075
Street Business School (was previously Bead for Life)	-	43,395
Sustainable Ocean Alliance	-	86,470
Superar	-	25,940
Waterkeepers	-	43,235
Teach for Austria	-	260,370
Support costs (see below, next page)	365,680	288,280
Governance costs (Note 4)	39,041	47,180
	<u>853,222</u>	<u>1,406,372</u>
	2020	2019
	£	£
Support costs:		
Grant administration	340,166	262,638
Finance and administration	7,986	7,957
Legal and professional	17,528	17,685
	<u>365,680</u>	<u>288,280</u>

Included above is a notional cost of £365,680 in respect of donated services (2019: £288,280).

SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

4 Governance costs

	2020	2019
	£	£
Legal, professional, finance and administration	26,146	34,555
Audit and accountancy	10,200	9,240
Communication & Promotion	1,635	2,365
Other support costs	1,060	1,020
	<u>39,041</u>	<u>47,180</u>

Included above is a notional cost of £27,782 in respect of donated services (2019: £34,556).

Net income / (expenditure) is stated after charging:

	2020	2019
	£	£
Auditors' remuneration	<u>10,200</u>	<u>9,240</u>

5 Staff costs, trustee remuneration and expenses, and the cost of key management personnel

The Foundation has no directly employed staff and engages the services of key management personnel and staff employed by Swarovski UK, Swarovski North America and D Swarovski KG in respect of the management of the grants programme, legal services and finance and administration services. The aggregate cost of this was £393,462 (2019: £322,835).

The trustees received no remuneration nor had any expenses reimbursed during the period.

The total employee benefits of the key management personnel of the Foundation were £90,935 (2019: £84,229).

6 Creditors: amounts due within one year

	2020	2019
	£	As restated £
Accruals	10,200	9,240
Other creditors – grants payable	609,045	472,056
	<u>619,245</u>	<u>481,296</u>

SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

7	Creditors: amounts due after one year				2020 £	2019 £
	Grants payable (due within 1-2 years)				33,825	469,920
					33,825	469,920
8	Funds					
	2020	Funds b/fwd	Incoming resources	Resources expended	Gains/ (Losses)	Deficit c/fwd
		£	£	£	£	£
	General unrestricted funds	(446,697)	1,040,687	(853,222)	(36,816)	(296,048)
	Designated funds:					
	Community Engagement	42,720	-	-	2,380	45,100
	Creatives for Our Future	-	112,913	-	(163)	112,750
	Total funds	(403,977)	1,153,600	(853,222)	(34,599)	(138,198)
	2019, as restated	Deficit b/fwd	Incoming resources	Resources expended	(Losses) / Gains	Funds c/fwd
		£	£	£	£	£
	General unrestricted funds	42,358	914,740	(1,406,372)	2,577	(446,697)
	Designated funds:					
	Community Engagement	-	43,235	-	(515)	42,720
	Creatives for Our Future	-	-	-	-	-
	Total funds	42,358	957,975	(1,406,372)	2,577	(403,977)

The Community Engagement programme supports individual charitable initiatives; it has been delayed due to office closures from Covid-19 restrictions. Creatives for Our Future is a new global grant programme designed with advisor the United Nations Office for Partnerships to identify and accelerate the next generation of creative leaders in sustainability. It has already commenced in 2021.

SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

9 Analysis of net assets by fund

2020

	Cash at bank	Current Assets/ Liabilities	Creditors Over 1 year	Total
	£	£	£	£
Funds				
Unrestricted funds				
General funds	357,022	(619,245)	(33,825)	(296,048)
Designated funds	157,850	-	-	157,850
	<u>514,872</u>	<u>(619,245)</u>	<u>(33,825)</u>	<u>(138,198)</u>

2019, as restated

	Cash at bank	Current Assets/ Liabilities	Creditors Over 1 year	Total
	£	£	£	£
Funds				
Unrestricted funds				
General funds	504,519	(481,296)	(469,920)	(446,697)
Designated funds	42,720	-	-	42,720
	<u>547,239</u>	<u>(481,296)</u>	<u>(469,920)</u>	<u>(403,977)</u>

10 Company status

In the case of winding up, each member (who is also a trustee) has guaranteed to contribute an amount not exceeding £10 (2019: £10).

11 Controlling party

The Swarovski Foundation is controlled by its Trustees. Nadja Swarovski is the sole member of the Swarovski Foundation and may have a greater degree of control than the other Trustees in some respects, as defined by the updated Memorandum and Articles of Association.

12 Related party transactions

During the year, Swarovski AG donated £760,138 (2019: £635,139) to the Foundation. Additionally, D Swarovski KG donated services valued at £69,752 (2019: £70,878). Swarovski UK donated services valued at £279,887 (2019: £251,958) and Swarovski North America donated services to the Foundation of £43,823 (2019: Nil) (see note 2). Swarovski AG, D Swarovski KG, Swarovski North America and Swarovski UK are considered related parties of the Foundation by virtue of N Swarovski,

SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

who is a Trustee of the Foundation and exerts significant influence over Swarovski AG, D Swarovski KG and Swarovski UK by virtue of her role on the Executive Board of the Swarovski Group.

In 2019, Paul van Zyl, a trustee of the Swarovski Foundation, was also a trustee of Nest Inc, which received a 3-year grant of £195,278 during the year. Mr van Zyl abstained from any involvement or voting on proposals relating to Nest Inc.

There were no other related party transactions in the year.

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

	2020	2019
	£	As restated £
Net (expenditure) / income for the reporting period (as per the statement of financial activities)	265,779	(446,335)
Adjustments for:		
Decrease / (increase) in debtors	-	4,500
Increase / (decrease) in creditors	(298,146)	487,159
Net cash (used in) / provided by operating activities	<u>(32,367)</u>	<u>45,324</u>

14 Analysis of changes in net debt

2020	At start of year £	Cashflows £	At end of year £
Cash	547,239	(32,367)	514,872
Total	<u>547,239</u>	<u>(32,367)</u>	<u>514,872</u>
2019	At start of year £	Cashflows £	At end of year £
Cash	501,915	45,324	547,239
Total	<u>501,915</u>	<u>45,324</u>	<u>547,239</u>

SWAROVSKI FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

15 Impact of prior year adjustment

<u>Changes to balance sheet</u>	As previously reported at 31 December 2019 £	Adjustment (see below explanation) £	As restated at 31 December 2019 £
Current assets			
Cash at bank	547,239		547,239
Liabilities			
Creditors: amounts falling due within one year	(524,016)	42,720	(481,296)
Net current assets	23,223	42,720	65,943
Creditors: amounts falling due after one year	(469,920)		(469,920)
Net assets	(446,697)	42,720	(403,977)
Funds			
Unrestricted general funds	(446,697)	-	(446,697)
Designated funds	-	42,720	42,720
Total funds	(446,697)	42,720	(403,977)
 <u>Changes to statement of financial activities</u>			
Income			
Donations and legacies	957,975	-	957,975
Expenditure			
Expenditure on charitable activities	1,449,607	(43,235)	1,406,372
Net (expenditure) / income	(491,632)	43,235	(448,397)
Other gains / (losses)	2,577	(515)	2,062
Net movement in funds	(489,055)	42,720	(446,335)
Funds brought forward	42,358	-	42,358
Funds carried forward	(446,697)	42,720	(403,977)

The 2019 financial statements have been restated to reflect the reclassification of the charitable grant-making activity for the Swarovski Foundation Community Engagement programme as a designated fund at 31 December 2019, rather than a grant payable. Creditors and expenditure have been restated as a result of this.