

Charity Registration No. 1155564

Company Registration No. CE000734 (England and Wales)

THE IGY FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

Preamble

The IGY Foundation makes donations and grants to a limited number of charities principally for the benefit of young people. The IGY Foundation has received or expects to receive funding from IGY Limited and Sleep, Zakaria and Company Limited. Funding from the wider public is not sought or expected. The Foundation does not usually respond to unsolicited requests for donations as the trustees prefer to do their own research assessing which potential causes to support. Our strong preference is that donations are, as much as is practical, anonymous.

More information about the IGY Foundation, our wider thoughts on philanthropy, as well as the letters of the Nomad Investment Partnership, can be found at the Foundation's website, www.igyfoundation.org.uk.

THE IGY FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr N Sleep Mrs S Sleep Mr M Byrne Mr A Montgomery
Charity number	1155564
Principal address	1A Burnsall Street London SW3 3SR
Auditor	Arnold Hill & Co LLP Craven House 16 Northumberland Avenue London United Kingdom WC2N 5AP
Bankers	C Hoare & Co 32 Lowndes Street London SW1X 9HZ

THE IGY FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their report and accounts for the year ended 31 March 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 2 to the accounts and comply with the Foundation's articles of association, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)".

Objectives and activities

The principal objectives of the IGY Foundation ("the Foundation") are to advance any purpose that is exclusively charitable according to the law of England and Wales. Currently, the Trustees are supporting charitable activities for the benefit of children, young people and those with disabilities. The Foundation will offer grants and donations to a variety of organisations and individuals and advance other charitable causes.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Foundation should undertake.

Achievements and performance

The Trustees provided public benefit by donating a total of £2,978,000 (2020: £1,856,000) to a number of charities as detailed in this report. At the time of writing cumulative donations by the Foundation are in excess of £20m.

Investment performance during the year was considered satisfactory given market conditions.

Financial review

The Foundation achieved a surplus during the year of £7,855,092 (2020: £282,650) including foreign exchange gains. The reserves held at the year end amounted to £36,324,173 (2020: £28,469,082) and are adequate to fulfil its obligations.

The Foundation's policy on reserves is to hold unrestricted funds at a level equivalent to a minimum of 12-18 month's planned expenditure. This level of reserves has been maintained throughout the year.

In addition, the Trustees have chosen to hold significant reserves as if endowed funds to invest and provide long term funding for the Foundation, until such time as these funds are required for capital-intensive projects.

The Foundation's investment policy is to make long term investments in a limited number of securities from around the world that are considered to provide reasonable long term prospects compared to their market price.

The Trustees have assessed the major risks to which the Foundation is exposed, and are satisfied that systems and processes are in place to mitigate exposure to such risks.

Structure, governance and management

The Foundation is a Charitable Incorporated Organisation constituted by a memorandum and articles of association adopted by the charity on 30 January 2014.

The Trustees who served during the year and up to the date of signature of the accounts were:

Mr N Sleep

Mrs S Sleep

Mr M Byrne

Mr A Montgomery

The Trustees may appoint any person to be one of their number. The Trustees review the knowledge and experience of the Trustees and identify training needs on appointment. Suitable training will be provided if required.

THE IGY FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year that give a true and fair view of the state of affairs of the Foundation and of the incoming resources and application of resources of the Foundation for that year.

In preparing these accounts, 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Foundation and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees' report was approved by the Board of Trustees.

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Mr N Sleep
Trustee

Dated:

THE IGY FOUNDATION

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE IGY FOUNDATION

Opinion

We have audited the financial statements of The IGY Foundation (the 'Foundation') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 charity's affairs as at 31 March 2021 and of its incoming resources and application of resources, 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 Charities Act 2011.

Basis for opinion

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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Foundation's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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 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.

THE IGY FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE IGY FOUNDATION

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees 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 Foundation'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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

Other matters which we are required to address

Your attention is drawn to the fact that the charity has prepared financial statements 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 and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

THE IGY FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE IGY FOUNDATION

Mr Justin Moore (Senior Statutory Auditor)
for and on behalf of Arnold Hill & Co LLP

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Chartered Accountants
Statutory Auditor

Craven House
16 Northumberland Avenue
London
United Kingdom
WC2N 5AP

Arnold Hill & Co LLP is eligible for appointment as auditor of the Foundation by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

THE IGY FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
<u>Income from:</u>			
Investments	3	259,436	62,318
		<hr/>	<hr/>
<u>Expenditure on:</u>			
Charitable activities	4	(2,988,980)	(1,870,774)
		<hr/>	<hr/>
Net gains/(losses) on investments	7	10,666,724	2,164,883
		<hr/>	<hr/>
Net incoming resources		7,937,180	356,427
Other recognised gains and losses			
Other gains or losses	8	(82,088)	(73,777)
		<hr/>	<hr/>
Net movement in funds		7,855,092	282,650
Fund balances at 1 April		28,469,081	28,186,432
		<hr/>	<hr/>
Fund balances at 31 March		36,324,173	28,469,082
		<hr/> <hr/>	<hr/> <hr/>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

THE IGY FOUNDATION

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Investments	9	35,366,982		25,694,110	
Current assets					
Debtors	10	266,218		2,144,008	
Cash at bank and in hand		693,403		632,764	
		<u>959,621</u>		<u>2,776,772</u>	
Creditors: amounts falling due within one year	11	<u>(2,430)</u>		<u>(1,800)</u>	
Net current assets			957,191		2,774,972
Total assets less current liabilities			<u>36,324,173</u>		<u>28,469,082</u>
Income funds					
Unrestricted funds			36,324,173		28,469,082
			<u>36,324,173</u>		<u>28,469,082</u>

The accounts were approved by the Trustees on

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Mr N Sleep
Trustee

.....
Mr M Byrne
Trustee

THE IGY FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash absorbed by operations	14	(2,988,350)		(1,870,174)	
Investing activities					
Proceeds on disposal of investments		993,852		3,201,459	
Investment income received		259,436		62,318	
Net cash generated from investing activities			1,253,288		3,263,777
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(1,735,062)		1,393,603
Cash and cash equivalents at beginning of year			2,776,771		1,456,945
Effect of foreign exchange rates			(82,088)		(73,777)
Cash and cash equivalents at end of year			959,621		2,776,771
Relating to:					
Cash at bank and in hand			693,403		632,764
Short term deposits included in current asset investments			266,218		2,144,007

THE IGY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

2 Accounting policies

Company information

The IGY Foundation is a Charitable Incorporated Organisation, constituted by a memorandum and articles of association adopted by the charity on 30 January 2014.

2.1 Accounting convention

The financial statements have been prepared in accordance with the Foundation's [governing document], the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The Foundation is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The accounts have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

2.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the Foundation's charitable objectives unless the funds have been designated for other purposes.

2.4 Incoming resources

Cash donations are recognised on receipt. Other donations are recognised once the Foundation has been notified of the donation, unless performance conditions require deferral of the amount.

Investment income from the Foundation's listed investments is recognised when it is earned.

2.5 Resources expended

Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

2.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

2.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities.

THE IGY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

2 Accounting policies

(Continued)

2.8 Financial instruments

The Foundation has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Foundation's balance sheet when the Foundation becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

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

Derecognition of financial liabilities

Financial liabilities are derecognised when the Foundation's contractual obligations expire or are discharged or cancelled.

3 Investments

	2021 £	2020 £
Income from listed investments	259,201	60,815
Interest receivable	235	1,503
	<u>259,436</u>	<u>62,318</u>

THE IGY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

4 Charitable activities

	2021 £	2020 £
Grants and Donations:		
Carneys Community (No. 1150650)	45,000	-
Climbing Out (No.1145023)	25,000	-
Harris Federation (No.1120150)	200,000	168,000
City Harvest (No.1163055)	200,000	200,000
Snow-Camp (No.1101030)	50,000	50,000
Go Beyond (No.1080953)	50,000	50,000
Croydon Youth Zone (No.1173107)	400,000	100,000
Carlisle Youth Zone (No.1134974)	25,000	50,000
Myotubular Trust (No.1137177)	25,000	15,000
Reach Foundation (No. 1129683)	370,000	370,000
Royal Foundation (No.1132048)	100,000	100,000
Onside Youth Zones (No.1125893)	-	100,000
Ebony Horse Club (No. 1116027)	50,000	50,000
Queen's Commonwealth Trust (No. 1172107)	100,000	100,000
Mental Health Innovations (No.1175670)	500,000	500,000
Myeloma UK (No. SC026116)	100,000	-
Barking & Dagenham Youth Zone (No. 1172247)	150,000	-
SHiFT (No. 1191125)	250,000	-
Royal Trinity Hospice (No. 1013945)	100,000	-
Glass Door Homeless (No. 1083203)	100,000	-
Envision (No.1095328)	80,000	-
PYCP (No. SC003353)	50,000	-
Homeless Period - Wolverhampton (No. 1183408)	5,000	-
Other Scholarships	3,000	3,000
	2,978,000	1,856,000
Governance costs:		
Audit fees	1,200	1,200
Legal & professional fees	9,346	7,726
Bank charges	434	52
	2,988,980	1,864,978

Grants and Donations payable

Grants and donations have been made to the above institutions and individuals in line with the Foundation's principal objectives to further their work benefitting children, young people, those with disabilities and other charitable causes.

All the charities are based and registered in England and Wales except two, which are based and registered in Scotland.

5 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Foundation during the year.

THE IGY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

6 Employees

There were no employees during the current or prior year.

7 Net gains/(losses) on investments

	2021 £	2020 £
Revaluation of investments	10,666,724	2,164,883

8 Other gains or losses

	2021 £	2020 £
Foreign exchange (loss)/gains	(82,088)	(73,777)

9 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 April 2020	25,694,110
Valuation changes	10,666,724
Disposals	(993,852)
At 31 March 2021	35,366,982
Carrying amount	
At 31 March 2021	35,366,982
At 31 March 2020	25,694,110

10 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Other debtors	266,218	2,144,008

Other debtors consist of cash deposits held in investment management accounts.

THE IGY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

11 Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	2,430	1,800

12 Financial commitments, guarantees and contingent liabilities

The Foundation has agreed to provide a guarantee of up to six months' lease payments on the lease of City Harvest London, a UK registered charity that distributes surplus food from restaurants and supermarkets to charities that cook, for example, soup kitchens. The payment, likely to be around £28,000, would only come due in the event that City Harvest failed to pay their rent, or failed to make good at the end of the lease.

The Foundation aims to provide long term funding to the charities which it identifies as suitable grantees. Although no formal agreements have been reached, and the Foundation has no legally enforceable obligations in this respect, the Foundation has agreed to provide funding of £2,675,000 in aggregate in the 3 years from the balance sheet date. £2,050,000 of this funding is due to be provided in the year ended 31 March 2022.

13 Related party transactions

During the year to 31 March 2021, the Foundation made donations totalling £100,000 (2020: £nil) to Myeloma UK, and £400,000 (2020: £200,000) to Croydon Youth Zone, both charities registered in England and Wales. Also during the year, the Foundation made donations totalling £200,000 (2020: £168,000) to the Harris Federation of South London Schools.

Two of the trustees of the Foundation are also trustees of the Legacy (Croydon Youth Zone), one is a trustee of three Harris Federation Academies and one is a trustee of Myeloma UK. Where a potential conflict is perceived to exist, conflicted trustees recuse themselves from voting.

14 Cash generated from operations

	2021 £	2020 £
Surplus for the year	7,937,180	356,427
Adjustments for:		
Investment income recognised in statement of financial activities	(259,436)	(62,318)
Fair value gains and losses on investments	(10,666,724)	(2,164,883)
Movements in working capital:		
Increase in creditors	630	600
Cash absorbed by operations	(2,988,350)	(1,870,174)

15 Analysis of changes in net funds

The Foundation had no debt during the year.