

Report of the Trustees and
Financial Statements for the Period 16 July 2021 to 31 December 2022
for
AZAYLIA FOUNDATION

ACN Accountants
Chartered Certified Accountants &
Statutory Auditors
ACN Accountants
41 Orsett Road
Grays
Essex
RM17 5DS

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for the Period 16 July 2021 to 31 December 2022

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CEO's Report
for the Period 16 July 2021 to 31 December 2022

The first eighteen months of The Azaylia Foundation, from its inception in July 2021 to December 31, 2022, have been characterised by the need to rapidly set up an infrastructure capable of thoughtfully, strategically and responsibly respond to the shocking and unacceptable reality of childhood cancer:

Childhood Cancer is the number one killer of children under fifteen years of age in the UK, and yet it receives less than 3% of cancer research funding from our institutions.

This is a systemic issue that has stifled the availability of new talent, research and training dedicated to childhood cancer. It has led to survival rates that haven't improved since the 1970s (one in five children diagnosed with cancer will die), to the constantly late diagnosis of children, to a lack of gentle treatments developed specifically for them, and to the devastating physical, mental and emotional damage resulting from having to take harsh treatments that were developed for adults, or when not available via the NHS, forcing families to raise ridiculously high figures to seek treatment abroad.

The Azaylia Foundation was created by Ashley Cain and Safiyya Vorajee after the tragic loss of their beautiful 8-month old daughter Azaylia Diamond Cain to Acute Myeloid Leukaemia (AML). In her name, the foundation is dedicated to changing a system that has been underfunding childhood cancer for too long. By working with a passionate community of supporters and a large public audience, we:

- Raise funds which can be used to support new talent and new research across prevention, early diagnosis and the availability of new treatments for childhood cancer
- Build a movement that demands change from our institutions through awareness raising and calls to action
- Support families whose children have been accepted into treatment not freely available from the NHS with donations of up to £10,000.

We are so proud of our early achievements. As of December 31 2022, The Azaylia Foundation has committed over £700,000 in donations towards new talent, research and equipment for childhood cancer, and has also supported over 10 families to access critical treatment not funded by the NHS.

Our two flagship programs - the Azaylia Childhood Cancer PhD Program, designed to fund the next generation of medical talent and their research in partnership with leading hospitals and universities in the UK, and Wear Orange for Azaylia, our initiative to promote kindness, mutual support and inclusivity amongst students, while at the same time raising awareness amongst parents and teachers on the systemic flaws and underfunding in childhood cancer - are already achieving strong public and institutional support.

It hasn't always been smooth sailing. The foundation was registered a few months after the loss of Azaylia, by her two grieving parents who were keen to put the funds raised to save Azaylia's life to good use as quickly as possible. To do so, they hired an established marketing agency to outsource the foundation's brand, PR, online and social media presence, but that quickly proved to be a costly and ineffective approach for a charity, so a rapid course correction was required through the hiring of a CEO and by bringing those key skills and capabilities internally, at a fraction of the cost.

The Azaylia Foundation is now a nimble organisation with the ability to raise and donate funds responsibly and transparently, with the institutional relationships required to access expertise and enable change at the root of the problem, with the support of a passionate community who followed Azaylia's journey from the beginning, and with the ability to access a large audience due to the public profile of its founders. These characteristics are not only unique for a small charity, but also fundamental to any organisation taking on a systemic challenge.

Our ability to help change this broken system also requires laser focus and a strong spirit of collaboration. This has meant deprioritizing other relevant and very important issues surrounding childhood cancer - such as symptom awareness raising, improving hospital facilities and support services for hospitalised children and their parents, palliative care services or support for grieving families and communities. There are several established and emerging charities who are addressing these issues and we always welcome the opportunity to raise the visibility of their incredible work.

AZAYLIA FOUNDATION

CEO's Report
for the Period 16 July 2021 to 31 December 2022

We look forward to a 2023 that will see our change-enabling PhD program grow, our Wear Orange for Azaylia program in schools scale, and our exploring new ways to engage the public, our supporter community and other charities in challenging our institutions to fix one of the biggest injustices in our public health system.

Cristian Parrino
Chief Executive Officer
The Azaylia Foundation

Report of the Trustees
for the Period 16 July 2021 to 31 December 2022

The trustees present their report with the financial statements of the charity for the period 16 July 2021 to 31 December 2022. The trustees have adopted the provisions of 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).

ACHIEVEMENT AND PERFORMANCE
Our Impact at a Glance

Total Donations (Paid £429,991 and Committed £282,282)
£712,273

Institutional Donations (Research, Talent & Equipment)
£584,178

Individual Treatment Donations
£128,095

Individual Treatment Families Supported
13

Fundraising

For the period of this report, The Azaylia Foundation raised £1,811,079 in donations which includes the starting capital transferred to the foundation from the sum originally raised on GoFundMe to save the life of Azaylia Diamond Cain.

Excluding the starting capital which was raised via a single crowdfunding campaign, approximately 34% of funds donated to the foundation since its inception were from individual giving, 32% from community fundraisers, 30% from corporate and brand giving, and 4% from school fundraisers.

All funds raised were unrestricted donations which can be used by The Azaylia Foundation to cover operating expenses and to further its mission and charitable purposes.

Donations

The Azaylia Foundation considers both institutional and individual treatment donations.

Institutional donations are how we generate the highest impact in terms of advancing research across prevention, early diagnosis and the availability of new treatments, as well as increasing the number of specialised doctors in the UK - and ultimately is our opportunity to save as many children's lives as possible. For the period of this report, The Azaylia Foundation committed £584,178 in institutional donations, of which £301,896 were paid out in this period, with the remaining amount ring-fenced for future payments in scheduled tranches. This is because for our Azaylia Childhood Cancer PhD Fund, our donations are usually paid out as follows: tranche 1 at PhD candidate appointment; tranche 2 at PhD candidate 1st year report; tranche 3 at PhD candidate final report. Institutional donations during the period of this report were considered from unsolicited proposals from hospitals and universities in the UK, based on the following considerations:

- 1) merit and innovation of research proposed and its potential outcomes;
- 2) existing peer review of proposed research approach;
- 3) risk of research not getting funded.

In 2023, we expect the majority of our institutional donations to be aligned with the objectives of the Azaylia Childhood Cancer PhD program.

Individual treatment donations are a core part of our approach to give hope to families who have exhausted their options via the NHS and whose children have been accepted for treatment not funded by the NHS. During the period of this report, The Azaylia Foundation supported 13 families with donations of up to £10,000 each, for a total of £128,095. In order to minimise risk of fraud, to ensure funds donated are used for the intended treatment the families are raising funds for, and at the same time to keep the process and response time simple and fast for families, we have adopted the following criteria for individual treatment funding requests:

Report of the Trustees
for the Period 16 July 2021 to 31 December 2022

- 1) We operate exclusively on a referral basis. We accept referrals from UK hospitals, GoFundMe UK and The Tree of Hope Children Charity. These organisations perform a first level of due diligence around validating a diagnosis, checking the identity and bank details of the ultimate beneficiary, and a first review on meeting our criteria below. We do not and cannot accept direct requests for funding from families or their friends.
- 2) The child is a UK resident under the age of 16
- 3) The child requires treatment not freely available from the NHS.
- 4) A copy of the acceptance letter from the clinic that will provide the required treatment can be provided to us. Note: clinics always issue a treatment plan acceptance letter before funds are raised, precisely because they know that such a letter will help raise funds.

Operating Expenses

For the period of this report, our expenditures for initial setup and other operating expenses were £450,118. The bulk of that figure was a one-off cost linked to the marketing agency initially hired to set up and manage the foundation's brand, PR and social media operation and whose contract was consensually terminated halfway through its period, allowing for a considerable cost saving. These operating expenses also cover the costs of the CEO, the Community and Social Media Manager, the PR Manager, the IT infrastructure as well as one off costs related to recruitment and legal advisory.

Activities associated with the foundation, including but not limited to our founders' challenges, school visits and other activities which raise funds and awareness for the foundation, have never borne any cost to the foundation as those were taken on directly by our founders and the sponsors they work with in their personal capacity.

None of our trustees, including our founders Safiyya Vorajee and Ashley Cain, receive a salary, any form of income or financial benefit from the foundation.

Our Work

The Azaylia Childhood Cancer PhD Fund. Launched in September 2022, the Azaylia PhD has the ambition to create the next generation of leaders in childhood cancer by offering fully funded PhDs in paediatric oncology, in partnership with leading UK universities and hospitals. This program is our biggest opportunity to have a game-changing impact on childhood cancer as it attacks two problems:

- 1) The lack of research in prevention, early diagnosis, and new treatments for childhood cancer, and;
- 2) The lack of new talent specialised in childhood cancer.

In this period, we funded the first two PhDs candidates through a partnership with the University of Birmingham and Birmingham Children's Hospital. We committed £282,305 which was match-funded by them in order to double our impact. Over the next five years, we aim to fund 20 PhDs through our program, involving universities and hospitals across the nation - achieving this would be a game-changer at the UK level.

Wear Orange for Azaylia. Our non-uniform days in schools are designed to promote kindness, mutual support and inclusivity amongst students, while at the same time raising awareness amongst parents and teachers on the systemic flaws and underfunding in childhood cancer. The Azaylia Foundation provides schools with the materials and information required to run a successful WOFA day, and our founder Safiyya Vorajee aims to visit as many participating schools as possible. WOFA was first launched in March 2022 well into the 2021-22 academic year, but still saw nearly 100 schools participate across the nation with approximately £5000 raised in donations.

Report of the Trustees
for the Period 16 July 2021 to 31 December 2022

Ashley Cain's Challenges. Our founder Ashley is an ultra-athlete who regularly takes on physically and mentally draining challenges as a way to cope with the grief from losing his baby daughter, while turning that grief into positive action in raising awareness and funds for childhood cancer. These challenges regularly receive mainstream media attention and are a wonderful opportunity to educate the public on the systemic flaws and underfunding in childhood cancer. During the period of this report, challenges included Cycling Land's End to John O'Groats, a 100 mile Ultra Marathon from Nuneaton to London, 5 marathons in 5 days across 5 capital cities in the UK and Ireland, 1700 miles cycled across Europe from London to Paris to Geneva to Rome, the Azaylia for Alexander Christmas Marathon, and the Azaylia for Elaiya and Philo 300 mile Christmas Cycle.

Brand Collaborations. In 2022, we launched four brand collaborations with In The Style, Abbott Lyon, Glitterbells and Coco Cosmetics, raising approximately £60,000.

Childhood Cancer Outcomes Debate in Parliament. In April 2022, thanks to the hard work of Charlotte Fairall of Sophie's Legacy (Childhood Cancer Charity) and Dame Caroline Dineage MP, Parliament heard new evidence that childhood cancer is not rare, alongside a call for creating a new childhood cancer mission to complement the Government's existing 10 year cancer plan, which currently does not adequately address childhood cancer. The Azaylia Foundation supported this effort by helping to create awareness around the debate, which our CEO attended in person. We worked with our community to send their MPs the template emails we provided, in the first instance to encourage MPs to attend the debate, and in a second instance to highlight the shortfalls of the Government's response during the debate and to demand change. Over 3000 emails were sent to MPs as a result of this campaign, many replied to their constituents stating they had written to the Secretary of State for Health and Social Care requesting clarification and further action.

Sit Down With Safiyya. In 2022, we re-launched Sit Down With Safiyya as an Instagram live series which navigates through grief, mutual support and challenges while fighting childhood cancer. Through a live conversation format, Safiyya meets with other parents, childhood cancer charities and medical experts. Episodes can be found on the @azayliafoundation Instagram profile.

The Azaylia Network. A collaboration of leading hospitals, charities and cancer research institutions. Founding members: Birmingham Children's Hospital, The University of Birmingham, Oxford University Paediatrics, Great Ormond Street Hospital Charity, University College London. The Azaylia Network will enhance collaboration amongst member institutions on what's next for childhood cancer, public visibility for member institutions' childhood cancer research, as well as longevity and continuity for the childhood cancer research programmes we launch and the donations we make.

Risks

The high public interest in individual treatment campaigns combined with the amount of misleading information surrounding these could lead to a decrease in funding.

Supporting individual treatment requests is a key way for The Azaylia Foundation to give families hope when trying to save the life of a child that in most cases, has been placed on palliative care by the NHS. It's how the public originally supported our founders when trying to save their daughter's life, raising an incredible £1.6 million for the clinical trial in Singapore she was accepted into. The massive visibility and success of Azaylia's campaign has opened the floodgates on childhood cancer-related crowdfunding campaigns and we have received over 100 funding requests during the period of this report. The vast majority of funding requests we have received were not for treatment - our clear criteria - and when they were, the majority of those were submitted before the child was accepted for treatment, in many cases before the family had even contacted potential clinics. More often than not, these campaigns do not specify how the funds would be used if treatment isn't secured. These requests are regularly accompanied by social media pressure on the foundation and its founders by members of the public who are misled by these crowdfunding campaigns and who therefore assume that if the funds are raised, the child will receive treatment. The reality is that it doesn't work that way. Clinics will accept a child for treatment or into their clinical trial based on the child's diagnosis and the clinic's capacity - then begin the treatment once funds have been raised. As a registered charity, we need to ensure that funds donated by us are ultimately used for the purpose intended - to fund treatment not freely available by the NHS. While we have always been clear and transparent about this both across our communications and our policies, this often creates frustration and disillusionment with members of the public who have a strong interest in childhood cancer crowdfunding campaigns, but have a very low understanding of the complex and misleading landscape behind it. Given the significant financial support we receive from the public, this is an area of risk and one we mitigate through clear public communication, and also by educating the crowdfunding partners we work with on this complexity so they can ensure campaigns are set up accurately, transparently and without misleading information.

The cost of living crisis hitting the majority of households in the UK and around the world will inevitably impact our individual giving funding source.

During the period of this report, 90% of donation subscription cancellations have been directly linked to lower income changes and cost of living rising. We expect this trend will continue to grow in 2023 and are mitigating this risk by diversifying our funding sources to include program sponsorship, corporate charity partnerships, brand collaborations, as well as events.

The bipartisan support for accelerating NHS privatisation and its eventual impact on duty of care, service quality, infrastructure quality, specialised talent and research.

We are monitoring legislation that favours outsourcing to private organisations that prioritise profit over duty of care and whether this leads to lower service quality and to an eventual increase in health services requiring payment from the public.

We are monitoring the downward pressure on the salaries of NHS doctors, nurses and staff, and how this, combined with increased workloads, is potentially leading to a large exodus of key talent abroad.

We are monitoring the steady lowering of NHS yearly budget increases and how this impacts funds available for research, infrastructure and specialised talent. We are also monitoring how this steady lowering of yearly budget increases will facilitate the sell-off of public assets that prioritise duty of care, to private organisations that prioritise profit.

Slander and defamation

Our founders are highly visible public figures, which is a double edged sword. They are regularly targeted by a small group of anonymous individuals who coordinate amongst themselves on an online gossip forum to disseminate false information about them and The Azaylia Foundation. They regularly target the foundation's social media, the organisations and individuals we work with and those who support us, with slanderous and defaming efforts. To date, these reiterated attempts have been unsuccessful in their effort to damage the reputation of the foundation and its founders. As we now have knowledge of the true identities of several of the core instigators, we will continue to monitor this situation and reserve the right to take legal action against them in the unlikely event of material and reputational damages.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity is controlled by its governing document, a deed of trust and constitutes a Charitable incorporated organisation.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1195195

Principal address

61 Bridge Street
Kington
HR5 3DJ

Trustees

DR A ROY (appointed 16.5.22)
DR F MUSSAI (appointed 7.2.22)
S VORAJEE (appointed 16.7.21)
A T CAIN (appointed 16.7.21)

Auditors

ACN Accountants
Chartered Certified Accountants &
Statutory Auditors
ACN Accountants
41 Orsett Road
Grays
Essex
RM17 5DS

Chief Executive Officer

Cristian Parrino

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Report of the Trustees
for the Period 16 July 2021 to 31 December 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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 which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 9 October 2023 and signed on its behalf by:

S VORAJEE - Trustee

Opinion

We have audited the financial statements of AZAYLIA FOUNDATION (the 'charity') for the period ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (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 December 2022 and of its incoming resources and application of resources, for the period 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 Auditors' 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 charity'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 Report of the Independent Auditors 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.

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 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.

Matters on which we are required to report by exception

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

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; 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 which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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.

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

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

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

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

A further description of our responsibilities 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 Report of the Independent Auditors.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

ACN Accountants
Chartered Certified Accountants &
Statutory Auditors
ACN Accountants
41 Orsett Road
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9 October 2023

AZAYLIA FOUNDATION

Statement of Financial Activities
for the Period 16 July 2021 to 31 December 2022

	Notes	Unrestricted fund £
INCOME AND ENDOWMENTS FROM		
Donations and legacies	2	<u>1,811,079</u>
EXPENDITURE ON		
Initial setup and other operating expenses		
Other trading activities	3	<u>450,118</u>
		450,118
Charitable activities	4	
Individual Treatment		128,095
Institutional grants		301,896
Other Gifts		3,355
Other		<u>24,336</u>
Total		<u>907,800</u>
NET INCOME		903,279
TOTAL FUNDS CARRIED FORWARD		<u><u>903,279</u></u>

AZAYLIA FOUNDATION

Balance Sheet
31 December 2022

	Notes	Unrestricted fund £
CURRENT ASSETS		
Cash at bank		925,368
CREDITORS		
Amounts falling due within one year	8	(22,089)
NET CURRENT ASSETS		<u>903,279</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>903,279</u>
NET ASSETS		<u><u>903,279</u></u>
FUNDS	9	
Unrestricted funds		<u>903,279</u>
TOTAL FUNDS		<u><u>903,279</u></u>

The financial statements were approved by the Board of Trustees and authorised for issue on 9 October 2023 and were signed on its behalf by:

Trustee

AZAYLIA FOUNDATION

Cash Flow Statement
for the Period 16 July 2021 to 31 December 2022

	Notes	£
Cash flows from operating activities		
Cash generated from operations	1	925,368
Net cash provided by operating activities		925,368
Change in cash and cash equivalents in the reporting period		925,368
Cash and cash equivalents at the beginning of the reporting period		-
Cash and cash equivalents at the end of the reporting period		925,368

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Period 16 July 2021 to 31 December 2022

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	£
Net income for the reporting period (as per the Statement of Financial Activities)	903,279
Adjustments for:	
Increase in creditors	22,089
Net cash provided by operations	<u>925,368</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 16.7.21 £	Cash flow £	At 31.12.22 £
Net cash			
Cash at bank	-	925,368	925,368
	<u>-</u>	<u>925,368</u>	<u>925,368</u>
	-	925,368	925,368
	<u>-</u>	<u>925,368</u>	<u>925,368</u>
Total	<u>-</u>	<u>925,368</u>	<u>925,368</u>

Notes to the Financial Statements
for the Period 16 July 2021 to 31 December 2022

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. DONATIONS AND LEGACIES

	£
Donations	1,811,079

3. OTHER TRADING ACTIVITIES

	£
Initial Setup Costs	258,433
Consultancy fees	191,685
	450,118

Notes to the Financial Statements - continued
for the Period 16 July 2021 to 31 December 2022

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 5) £	Totals £
Individual Treatment	-	128,095	128,095
Institutional grants	-	301,896	301,896
Other Gifts	3,355	-	3,355
	<u>3,355</u>	<u>429,991</u>	<u>433,346</u>

5. GRANTS PAYABLE

	£
Individual Treatment	128,095
Institutional grants	301,896
	<u>429,991</u>

6. SUPPORT COSTS

	Management £	Information technology £	Governance costs £	Totals £
Other resources expended	<u>131</u>	<u>3,063</u>	<u>21,142</u>	<u>24,336</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the period ended 31 December 2022.

Trustees' expenses

There were no trustees' expenses paid for the period ended 31 December 2022.

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	£
Other creditors	<u>22,089</u>

9. MOVEMENT IN FUNDS

	Net movement in funds £	At 31.12.22 £
Unrestricted funds		
General fund	903,279	903,279
TOTAL FUNDS	<u>903,279</u>	<u>903,279</u>

Notes to the Financial Statements - continued
for the Period 16 July 2021 to 31 December 2022

9. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,811,079	(907,800)	903,279
TOTAL FUNDS	<u>1,811,079</u>	<u>(907,800)</u>	<u>903,279</u>

10. RELATED PARTY DISCLOSURES

There were no related party transactions for the period ended 31 December 2022.

AZAYLIA FOUNDATION

Detailed Statement of Financial Activities
for the Period 16 July 2021 to 31 December 2022

£

INCOME AND ENDOWMENTS

Donations and legacies

Donations 1,811,079

Total incoming resources 1,811,079

EXPENDITURE

Other trading activities

Initial Setup Costs 258,433

Consultancy fees 191,685

450,118

Charitable activities

Other gifts 3,355

Grants to institutions 301,896

Grants for individual treatment 128,095

433,346

Support costs

Management

Travel expenses 131

Information technology

IT expenses 3,063

Governance costs

Auditors' remuneration 4,800

Accountancy and legal fees 1,942

Recruitment expenses 14,400

21,142

Total resources expended 907,800

Net income 903,279