

Registered number: 12935802
Charity number: 1196714

THE WATCHES OF SWITZERLAND GROUP FOUNDATION
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022

THE WATCHES OF SWITZERLAND GROUP FOUNDATION
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the charity, its Trustees and advisers	1
Trustees' report	2 - 10
Independent auditor's report on the financial statements	11 - 14
Statement of financial activities	15
Balance sheet	16
Statement of cash flows	17
Notes to the financial statements	18 - 24

THE WATCHES OF SWITZERLAND GROUP FOUNDATION
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 APRIL 2022

Trustees	Brian Duffy Ruth Benford (appointed 14 October 2021) David Gandy (appointed 14 October 2021) John Hannah (appointed 14 October 2021) Terence Parris (appointed 14 October 2021) Mary Portas (appointed 2 March 2022) Johnathan Joseph (appointed 11 April 2022) Paul Eardley (resigned 14 October 2021)
Company registered number	12935802
Charity registered number	1196714
Registered office	Aurum House 2 Elland Road Braunstone Leicester LE3 1TT
Company secretary	Patricia Kendall
Independent auditor	Crowe U.K. LLP Black Country House Rounds Green Road Oldbury West Midlands B69 2DG
Bankers	Barclays Bank UK plc 1 Churchill Place London E14 5HP
Solicitors	Slaughter & May One Bunhill Row London EC1Y 8YY

THE WATCHES OF SWITZERLAND GROUP FOUNDATION
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 30 APRIL 2022

Introduction

FY 2022 was an exciting year for The Watches of Switzerland Group Foundation (the 'Foundation') following its formal registration as a charity. A high-profile Trustee Board has been appointed and as at the date of this Report over £1.3 million of the funds donated to the Foundation have been distributed.

The Watches of Switzerland Group PLC ('WOSG PLC' or the 'Group') has always placed great importance on giving back to the communities within which its colleagues live and work. Supporting these communities is an important part of the Group's culture, one of the Company's core values is 'We Do The Right Thing', alongside focusing on charities where long-standing personal relationships and partnerships are developed so collaborations can be achieved to create change.

In order to give consideration to the future and in order to continue the strong philanthropic legacy of the luxury watch industry the Chief Executive and the Board of WOSG PLC established the Foundation.

Whilst the Foundation operates independently from the Group it relies upon the Group for the outsourcing of various functions to enable it to manage its activities including reliance on financial controls to ensure the proper use of the Foundation's assets.

Purposes

As set out in the Foundation's articles of association, the Foundation's objects are to advance, promote or carry out such Charitable Purposes (being those purposes which are charitable under the law of England and Wales from time to time) as the Trustees in their absolute discretion think fit. For the avoidance of doubt, the Foundation will not advance, promote or carry out any purpose that is not such a Charitable Purpose. The Foundation has developed Charitable Purposes which aim to further enhance the Group's previous charitable initiatives. We consider some of our partnership with charities to be strategic partnerships which are defined as; continual projects; and / or will receive an investment of over £200,000; and are likely to be partners for a minimum three-year period. It is intended that the beneficiaries of the Foundation will be members of the local communities served by the Group and that the Foundation will pursue the following Charitable Purposes:

- the prevention or relief of poverty;
- the advancement of education; and
- the relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage.

The Charitable Purposes have been identified because they can be closely linked to the charities which have been supported by the Group before the registration of the Foundation as a charity and continue to be of interest to the Group.

The Foundation is a grant making charity and supports purposes which are within those listed in the Charities Act 2011. The Foundation does not currently respond to requests from other charities but instead selects strategic partners or projects that will directly impact the communities within which the Group's stakeholders live and serve.

Strategic partnerships are being developed with:

1. Food Banks;
2. The Fuel Bank Foundation;
3. The Prince's Trust;

THE WATCHES OF SWITZERLAND GROUP FOUNDATION
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2022

- 4. Crisis; and
- 5. Glasgow Hospice

The Foundation operates as an independent organisation and our Trustees are original thinkers, who approach all proposals with intrigue, open minds and are not beholden to anyone. The Foundation held one of the Trustee quarterly meetings at the offices of the Prince's Trust, London and the Trustees also visited the Euston Food Bank, London. Other location visits are planned during the next financial year

Main Activities

1. Food Banks

In response to the growing food poverty crisis caused by the impact of the pandemic, the Group launched a Food Bank programme in June 2020. The Foundation has now undertaken to continue the work and to evolve the programme.

The development of strategic partnerships with five Food banks, located in areas which are key to the operations of the Group, have led to the support of the establishment of a mobile pantry project in Newcastle, the creation of a Regional Distribution Centre in Leicester and the relocation of the Euston Food Bank to premises that are much more fit for purpose. The Foundation also supports six city centre hubs.

2. Fuel Bank Foundation

Since its registration, the Foundation has embarked upon a strategic partnership with the Fuel Bank Foundation. This partnership came about as a direct result of the Group supporting a network of food bank partners who share ideas and thoughts and where fuel poverty was prioritised. Following the Foundation's registration as a charity it has continued with supporting this network.

The Fuel Bank Foundation will work with the Foundation's food banks to provide relief from crisis fuel poverty for those in need.

3. The Prince's Trust

During FY 2022 the Foundation has donated monies towards core education programmes which will support young people in developing resilience and key skills. Additionally, the Foundation has allocated donations to the Trust's new Education Hub and new employability pilot in the Leicester area in support of the Group's colleagues who are based in their Support Centre.

4. Crisis

In December 2021 the Foundation began its partnership with Crisis by supporting the Crisis at Christmas campaign and helping Crisis provide 511 guests with somewhere safe to stay over Christmas. Afterwards the Foundation continues to support Crisis with its wider wellbeing offering of supporting people on their journey out of homelessness.

THE WATCHES OF SWITZERLAND GROUP FOUNDATION
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2022

Public Benefit

As a charity, the Trustees recognise their legal duty to report on the Foundation's public benefit in their Annual Report and to clearly demonstrate that the Objects of the Foundation are for the public benefit, in recognition that being a registered charity is a privilege, not a right. The Trustees assert that the charity is compliant with the requirements of the Charities Act 2011, having due regard for the public guidance published by the Charity Commission.

The Trustees acknowledge and accept that there exists a kind of covenant between charities and society: charities bring public benefit and, in their turn, are accorded high levels of trust and confidence, as well as the benefits of charitable status.

Volunteers

The Trustees operate on a voluntary basis within the Foundation. Group colleagues support the Foundation and do not receive any separate payment.

Achievements

Since receiving its charitable status the Foundation is proud of the following achievements:

- Formation of an independent, experienced and knowledgeable Board of Trustees
- Appointment of four Ambassadors;
- Continued development of strategic partnerships with a number of Food Banks, Crisis, the Prince's Trust and the Fuel Bank;
- Donation to the Prince & Princess of Wales Hospice in Glasgow; and
- Formation and registration as a non-profit making organisation the US Foundation, as a route to establishing partnerships with charities who have a similar objective to those partnerships established in the UK.

Future Plans

- The Foundation plans to continue to support communities
- Document and formalise the direction of the Foundation
- In conjunction with the Group play a role in encouraging other like minded businesses to participate in charitable activities
- To encourage participation in the facilitation of volunteering opportunities for colleagues of the Watches of Switzerland Group
- Support opportunities that arise during the course of the year that support the Charitable Purposes and objectives of the Foundation

THE WATCHES OF SWITZERLAND GROUP FOUNDATION
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2022

Thanks

We are grateful to the Trustees of the Foundation for agreeing to be part of this journey and for wanting to make a difference, their support, their time, expertise and continued enthusiasm over the period. We also wish to thank the Board of Watches of Switzerland Group PLC for their generous donation to support the Foundation.

THE WATCHES OF SWITZERLAND GROUP FOUNDATION
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trustees of the Watches of Switzerland Group Foundation present their Annual Report & Accounts for the year ended 30 April 2022.

The Accounts have been prepared in accordance with the accounting policies set out in Note 1 of the Accounts and comply with the Charity's governing document, applicable law, the Companies Act 2006 and the Statement of Recommended Practice, 'Accounting and Reporting by Charities', 2015.

The Trustees' Annual Report has been prepared in accordance with the guidelines set out by the Charity Commission in the Charities Statement of Recommended Practice (SORP).

Trustees are committed to the standards outlined in the Charity Commission's Charity Governance Code. A review of the Code and how the Foundation functions is currently underway.

Structure of Company and Governing Document

The Watches of Switzerland Group Foundation is a company limited by guarantee, without share capital and governed by its Memorandum and Articles of Association dated 7 October 2020, as amended by a Board Resolution 27 October 2021. The Company was registered as a charity on 22 November 2021. The Objects of the Foundation are set out in this report. Throughout this Annual Report the Company is referred to as 'the Foundation'.

Organisation

The Trustees are ultimately responsible for the policies, activities and assets of the Foundation. The Trustees approve all grants to be made by the Foundation before such grants are made.

The Trustees have delegated the following responsibilities to employees of the WOSG PLC, for which no charge has been incurred by the Foundation in connection with services provided:

- research and investigate charitable causes and organisations, with the goal of identifying opportunities that align with the Foundation's mission/vision
- liaising with grant applicants and monitor the performance of grants to ensure that the Foundation's funding is being directed towards areas with demonstrated gaps and opportunities
- maintaining the Foundation's records and information systems;
- acting as the main point of contact for the Foundation for all stakeholders; and
- managing the financial affairs of the Foundation.

THE WATCHES OF SWITZERLAND GROUP FOUNDATION
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2022

Recruitment and Appointment of Trustees

The appointment of trustees is governed by the Articles of Association and the Memorandum of Understanding between the Foundation, the Watches of Switzerland Company Limited and the Watches of Switzerland Group PLC. There must at all times be a minimum of three trustees, the majority of who must be independent. None of the trustees are remunerated in respect of their services as a trustee.

All trustees are appointed based on their experience, skills and empathy with the Foundation's vision.

Trustee Induction and Training

The Trustees of the Foundation are provided with guidance and training as required and are regularly reminded of their responsibilities as Trustees. From the founding of the Foundation to the date of this Report all trustees have received a training session.

The Trustee Board works to ensure compliance with its legal duties to:

- (i) Act in the interests of the Foundation and its beneficiaries.
- (ii) Protect and safeguard the assets of the Foundation.
- (iii) Act with reasonable care and skill.
- (iv) Ensure the Foundation is accountable.

In addition, the Trustee Board:

- (i) Where appropriate, manages any conflicts of interest
- (ii) Reviews the financial position of the Foundation at each meeting
- (iii) Takes appropriate advice from third parties when it needs to.

Risk Management

The Foundation is primarily a grant-maker. The Foundation has developed grant procedures to ensure grants are monitored appropriately.

The Trustees believe that the key risk facing the Foundation is that the Group ceases to donate any further funds to the Foundation.

Fundraising Statement

During the year the Foundation did not undertake any public fundraising activity, nor does it employ commercial third parties to undertake fundraising on their behalf.

THE WATCHES OF SWITZERLAND GROUP FOUNDATION
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2022

Grant making

The Trustees will normally award grants to registered charities. Exceptions to this policy will be reviewed on a case-by-case basis in light of the status of the applicant, its organisational structure (for example, was it established for philanthropic and benevolent purposes), and the requested purpose of the grant. During the year no grants were made to charities that were not registered.

Funding priorities

The Foundation's grant making is focused on supporting communities and colleagues in locations within which the Group operates.

In considering requests for support, the Foundation considers projects that:

- are managed competently, with clear accountability, cost effectiveness, strong leadership and creativity;
- provide a significant and measurable impact;
- are located in a community where Group colleagues live and work; and
- have the potential to offer volunteering opportunities for the Group colleagues.

The Foundation aims to make grants to recipients where long-term strategic partnerships can be developed and grants can be focused on specific projects which the Trustees believe will ensure sustainability of activities. Grant partners provide regular feedback and updates to the Trustees.

Once grants have been made, Group colleagues are encouraged to participate in volunteer opportunities with the charities where possible. The Group supports this volunteering through a range of programmes and policies which are designed to leverage the impact of grants made by the Foundation.

Trustees will not consider grants to projects that discriminate on the basis of race, gender, religion, disability or sexual orientation.

The Foundation operates independently from the Group. To ensure that they act lawfully at all times, the Trustees are encouraged to take advice from the Secretary of the Foundation, when appropriate. As the Foundation has no employee's, work is carried out by Group colleagues, referred to as Foundation Volunteers. This staff time is donated by the Group and has been recognised as a donation in kind in the Financial Statements.

The Foundation complies with all relevant laws regarding charitable donations and charity beneficiaries in all countries where it is active. Currently the Foundation donates money to the US Foundation – this occurred after the end of the financial period but before the date of this Report, for onward distribution to chosen US charities. There is a Memorandum of Understanding between the Foundation and the US Foundation which defined the contractual relationship and ongoing commitments.

THE WATCHES OF SWITZERLAND GROUP FOUNDATION
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2022

Financial Review

A summary of the period's results can be found on page 13 of the Financial Statements.

During the year ended 30 April 2022, total income amounted to £4,519,875. The Trustees committed to grants of £1,375,000 to various charities during the period. The Foundation incurred costs of £32,913. This resulted in a net expenditure and movement in funds for the year of £3,111,962. The balance sheet shows total funds of £3,111,962 of which £Nil are restricted funds with £3,111,962 unrestricted.

The financial activities of the Foundation for the year under review and the financial position at the Balance Sheet date are set out in the Financial Statements. The Statement of Financial Activities (SOFA) is set out at page 13 and includes both unrestricted and restricted funds. The Trustee Board is satisfied with the financial position of the Foundation.

Reserves Policy

The Trustees have decided that holding reserves is unnecessary due to the Foundation having no day-to-day administration expenses or long-term commitments. As such no Reserves Policy is thought to be appropriate.

As at the year end the Foundation was holding reserves of approximately £3 million. It is the intention of the Trustees that this balance will be used during the next financial period to continue to support the charities which it has already made donations to. The Trustees will also consider other charities whom it may wish to enter into a strategic partnership with and any other charities from time to time, that are in accordance with its Charitable Purposes.

Going Concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements. As the Foundation has net assets and expects this to continue for a minimum of 12 months from the date of signing the accounts the Trustees of the Foundation have concluded there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Foundation to continue as a going concern.

The Trustees (who are also Directors of the company The Watches of Switzerland Group Foundation for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they 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 judgments and accounting estimates that are reasonable and prudent;

THE WATCHES OF SWITZERLAND GROUP FOUNDATION
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2022

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

Disclosure of Information to Auditor

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Brian Duffy
Chair of Trustees

Date: 15/12/2022

THE WATCHES OF SWITZERLAND GROUP FOUNDATION
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WATCHES OF SWITZERLAND GROUP FOUNDATION

Opinion

We have audited the financial statements of The Watches of Switzerland Group Foundation (the 'charity') for the year ended 30 April 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the related notes, 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 30 April 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 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

THE WATCHES OF SWITZERLAND GROUP FOUNDATION
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WATCHES OF SWITZERLAND GROUP FOUNDATION (CONTINUED)

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 contained within the annual report. 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.

Opinion 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' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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' report.

We have nothing to report in respect of the following matters in relation to which 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 take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

THE WATCHES OF SWITZERLAND GROUP FOUNDATION
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WATCHES OF SWITZERLAND GROUP
FOUNDATION (CONTINUED)**

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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:

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and Charities SORP.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be income recognition and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, designing audit procedures over income and reviewing accounting estimates for biases.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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.

THE WATCHES OF SWITZERLAND GROUP FOUNDATION
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE WATCHES OF SWITZERLAND GROUP
FOUNDATION (CONTINUED)**

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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Kerry Brown

Kerry Brown (senior statutory auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

Black Country House

Rounds Green Road

Oldbury

West Midlands

B69 2DG

Date: 21 December 2022

THE WATCHES OF SWITZERLAND GROUP FOUNDATION
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 APRIL 2022**

	Note	Unrestricted funds 2022 £	Total funds 2022 £
Income from:			
Donations	3	4,519,875	4,519,875
Total income		<u>4,519,875</u>	<u>4,519,875</u>
Expenditure on:			
Charitable activities	5	1,407,913	1,407,913
Total expenditure		<u>1,407,913</u>	<u>1,407,913</u>
Net movement in funds		<u>3,111,962</u>	<u>3,111,962</u>
Reconciliation of funds:			
Net movement in funds		3,111,962	3,111,962
Total funds carried forward		<u>3,111,962</u>	<u>3,111,962</u>

The Company did not trade in the period to 30 April 2021 and therefore all comparatives are £Nil.

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

The notes on pages 18 to 24 form part of these financial statements.

THE WATCHES OF SWITZERLAND GROUP FOUNDATION
(A company limited by guarantee)
REGISTERED NUMBER: 12935802

BALANCE SHEET
AS AT 30 APRIL 2022

	Note	2022 £
Current assets		
Cash at bank and in hand		3,120,962
		<u>3,120,962</u>
Creditors: amounts falling due within one year	10	<u>(9,000)</u>
Net current assets		3,111,962
Total net assets		<u>3,111,962</u>
Charity funds		
Restricted funds	11	-
Unrestricted funds	11	3,111,962
Total funds		<u>3,111,962</u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The Company did not trade in the period to 30 April 2021 and therefore all comparatives are £Nil.

The financial statements were approved and authorised for issue by the Trustees on 15/12/2022 and signed on their behalf by:



Brian Duffy
Chair of Trustees

The notes on pages 18 to 24 form part of these financial statements.

THE WATCHES OF SWITZERLAND GROUP FOUNDATION
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 APRIL 2022

	2022 £
Cash flows from operating activities	
Net cash used in operating activities	3,120,962
	<hr/>
Change in cash and cash equivalents in the year	3,120,962
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Cash and cash equivalents at the end of the year	3,120,962
	<hr/> <hr/>

The notes on pages 18 to 24 form part of these financial statements

THE WATCHES OF SWITZERLAND GROUP FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022

1. General information

The Watches of Switzerland Group Foundation is a company limited by guarantee (registered number: 12935802) which is registered in England and Wales. It registered as a charity on 22 November 2021 and its charity registration number is 1196714. The registered office is Aurum House, 2 Elland Road, Braunstone, Leicester, LE3 1TT.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Watches of Switzerland Group Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements. As the Foundation has net assets and expects this to continue for a minimum of 12 months from the date of signing the accounts the Trustees of the Foundation have concluded there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Foundation to continue as a going concern.

2.3 Income

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the charity, can be reliably measured.

THE WATCHES OF SWITZERLAND GROUP FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.5 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.6 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

2.7 Financial instruments

The charity only has financial assets and financial 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.

2.8 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

THE WATCHES OF SWITZERLAND GROUP FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022

3. Income from donations

	Unrestricted funds 2022 £	Total funds 2022 £
Donations	4,500,000	4,500,000
Donation in kind	19,875	19,875
	<u>4,519,875</u>	<u>4,519,875</u>

4. Analysis of grants

	Grants to Institutions 2022 £	Total funds 2022 £
Grant making	<u>1,375,000</u>	<u>1,375,000</u>

Grants were made to the following charities:

	2022 £
Food Banks	475,000
Crisis UK	175,000
The Prince's Trust	325,000
The Prince and Princess of Wales Hospice Glasgow	100,000
British Red Cross	100,000
Fuel Bank Foundation	200,000
	<u>1,375,000</u>

THE WATCHES OF SWITZERLAND GROUP FOUNDATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

5. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Total 2022 £
Charitable activities	<u>1,407,913</u>	<u>1,407,913</u>

6. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £
Charitable activities	<u>19,875</u>	<u>1,375,000</u>	<u>13,038</u>	<u>1,407,913</u>

THE WATCHES OF SWITZERLAND GROUP FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022

6. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2022 £	Total funds 2022 £
Insurance	4,038	4,038
Auditor Fees and Accounts Preparation	9,000	9,000
	<u>13,038</u>	<u>13,038</u>

7. Auditor's remuneration

The auditor's remuneration amounts to an auditor fee of £7,500.

8. Staff costs

During the year support was provided by Watches of Switzerland Group plc. The cost of this has been calculated at £14,675 and has been recognised as a donation in kind.

The key management personnel of the charity comprise Trustees and the Senior Management Team. No employee benefits were paid to key management personnel directly through The Watches of Switzerland Group Foundation during the year. However of the support noted above £14,675 related to services provided by key management personnel.

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits.

During the year ended 30 April 2022, no Trustee expenses have been incurred.

10. Creditors: Amounts falling due within one year

	2022 £
Accruals	<u>9,000</u>

THE WATCHES OF SWITZERLAND GROUP FOUNDATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022**

11. Statement of funds

Statement of funds - current year

	Income £	Expenditure £	Balance at 30 April 2022 £
Unrestricted funds			
General	4,519,875	(1,407,913)	3,111,962

12. Summary of funds

Summary of funds - current year

	Income £	Expenditure £	Balance at 30 April 2022 £
General funds	4,519,875	(1,407,913)	3,111,962

13. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Total funds 2022 £
Current assets	3,120,962	3,120,962
Creditors due within one year	(9,000)	(9,000)
Total	3,111,962	3,111,962

THE WATCHES OF SWITZERLAND GROUP FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022

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

	2022 £
Net income for the year (as per Statement of Financial Activities)	3,111,962
Increase in creditors	9,000
Net cash provided by operating activities	3,120,962

15. Analysis of cash and cash equivalents

	2022 £
Cash in hand	3,120,962
Total cash and cash equivalents	3,120,962

16. Analysis of changes in net debt

	Cash flows £	At 30 April 2022 £
Cash at bank and in hand	3,120,962	3,120,962
	3,120,962	3,120,962

17. Related party transactions

During the year, the charity received donations totalling £4,500,000 from Watches of Switzerland Company Limited of which the Trustee Brian Duffy is a director.

The charity benefits from certain staff time and rent donated by Watches of Switzerland Group plc of which the Trustee Brian Duffy is a director. During the year staff time and rent totalling £19,875 was donated to charity.