

Registered Charity No: 264728

**ANNUAL REPORT AND STATEMENT OF ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

**FOR
THE REED FOUNDATION**

The Reed Foundation

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**REPORT OF THE TRUSTEES
for the year ended 31 December 2020**

The trustees present their report with the financial statements of the charity for the year ended 31 December 2020. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity'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) (second edition published October 2019), effective 1 January 2019.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives of the Charity are for such charitable purposes as the settlor may in writing from time to time in his absolute discretion direct and after the settlor's death as the Trustees may in their absolute discretion decide.

The Foundation's principal aim is to fund other established charities. In recent years donations have mostly been to support charities in the fields of arts & culture in the UK, environmental and animal welfare, international development / humanitarian aid and improving the lives of people in the UK.

Since the Big Give was set up in 2007, the Trustees believe that the most effective use of the Foundation's resources is to act as a Champion in the Big Give's match funding campaigns, in particular its main campaign every year, the Christmas Challenge. This means that most of the grants that the Foundation makes every year will be doubled.

The Big Give has a number of criteria to measure the success of its campaigns, relating to improving the resilience, skills and profile of the participating charities. More details can be found in the Big Give section below.

The Covid-19 pandemic has reduced the Foundation's regular sources of income - dividends/donations from the Reed group and rental income - but the Foundation's cautious approach to reserves meant that it was able to increase its grants by 7%. Despite fears that the pandemic might lead to lower levels of donations, the 2020 Christmas Challenge raised more than in 2019.

The Foundation's objectives and aims are unchanged for 2021 and the foreseeable future. The Foundation expects a resumption of support from Reed Global and also sold an investment property in 2021, so will have sufficient funds to support the Christmas Challenge and other campaigns in 2021 and 2022.

Public Benefit

The Charity makes grants to registered charities in the UK for the benefit of the public that these charities serve. The Charity has maintained its funding of these organisations, as well as developing innovative ways to inspire more public philanthropy. The trustees are therefore confident that The Reed Foundation meets the public benefit requirements and they confirm that they have taken into account the guidance contained in the Charity Commission's general guidance on public benefit where applicable.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Income and capital are distributed to charitable causes at the Trustees' discretion. The Foundation's income fell by £2,008,525 from that received in 2019, mostly because there were no dividends or donations from Reed Global in the year. Donations rose by £88,404 to £1,292,172 (2019 - £1,203,768). The Foundation's contribution to the Christmas Challenge increased by £198,573 to £1,012,633. The charities supported are included in Appendix 1.

The Big Give

The Reed Foundation donated £50,000 in 2007 to set up the Big Give, an online charity comparison site for high-level donors. A further £119,610 was donated in 2014 to continue the development and promotion of the Big Give but in 2015 the Reed Group took over the provision of ongoing support to the Big Give. This arrangement has since finished, with the last payment made at the end of 2019.

During 2020, the BigGive.org.uk attracted 588,605 visitors to its website across 915,561 sessions (2019: 447,000 visitors across 668,000 sessions).

REPORT OF THE TRUSTEES
for the year ended 31 December 2020

The total number of online donations processed through the Big Give match funding platform was 90,049 (2019: 50,269), totalling £12,967,237 (2019: £8,617,534). These donations resulted in an overall income for charities of £26,196,419 including match funds and Gift Aid on online donations (2019: £17,696,908)

Christmas Challenge 2020

The Big Give Christmas Challenge is the UK's biggest online match funding campaign which helps UK-registered charities raise funds for their cause. Since its inception in 2008, it has evolved to improve the experience for charities and donors alike.

The Big Give has built upon its successful model of match funding and has continued its annual growth, with once again in 2020 a record number of donations being received.

As in previous years, external sponsors or 'Champions' were invited to take part, offering £3,710,018 and using £3,362,247 in match funds (2019: £3,168,287 offered and £2,888,550 including the Reed Foundation's contribution of £1,148,480 (of which £965,474 was used). These Champions each chose a group of charities they wished to support with their funds.

The Challenge raised over £20.1 million from the match funds offered by the Champions. Alongside the Reed Foundation, Champions included The Childhood Trust, The Waterloo Foundation, The Julia and Hans Rausing Trust and Candis Magazine amongst others. By using the Big Give model of matched funding the Champions were able to leverage their contributions by an average of 5.8 (2019: 5.4) times for the benefit of their charities.

764 (2019: 588) charities took part and the benefits to those participating included: donors giving more, attracting new donors, re-engaging with lapsed donors and being able to try out new methods of fundraising.

The impact of the campaign is measured on increasing the resilience, skills and profile of the participating charities. The following impact was created:

- Resilience: 77% of charities reported securing more or significantly more donations and 64% of charities reported securing bigger or significantly bigger donations (than any comparable fundraising).
- Skills: 89% of charities reporting increased confidence (a lot or a little) in online fundraising thanks to the campaign

"The impact and benefit goes far beyond the financial. The Big Give Christmas Challenge offers us an opportunity to engage with supporters, both old and new, to share our story, our mission and our vision; to leverage in support from pledge givers; it offers an easy-to-use platform that fosters a sense of excitement and generosity among donors; it allows us to challenge ourselves in designing new social media campaigns; and it encourages all elements of the organisation (staff, volunteers, supporters, trustees) to come together to help us reach our fundraising target. Our supporters relish this challenge every year, and we hope to be able to continue to take part for many years to come!"

Charity participating in Christmas Challenge 2020

Other Matched Funds

2020 brought many challenges because of the COVID-19 pandemic. In response the Big Give launched two separate emergency match funding campaigns. The first, a UK-focused campaign, raised £1,361,584 for National Emergencies Trust. The other campaign, an international focused campaign, raised £474,000 for five charities responding to the pandemic in the most vulnerable countries across the globe.

The Big Give also continued to partner with The Childhood Trust to run its sixth Summer Give campaign but with a focus on the impact on children of the COVID-19 pandemic, rebranded as "Champions for Children". 95 charities were supported (2019: 48), raising a total of £3,655,349 (2019: £852,244).

Finally, the Big Give supported eleven different charities to run their own match funding campaigns on the Big Give platform which raised a total of £914,294 (including match funds and Gift Aid). This continues the intention begun in 2018 to make this a more frequently used offering by more charities, allowing charities to benefit from the power of match funding outside of the larger campaigns curated by the Big Give.

**REPORT OF THE TRUSTEES
for the year ended 31 December 2020**

FINANCIAL REVIEW

Financial position

Total funds rose by £138,610 during the year. The Foundation received a donation of investment property valued at £825,000; there were also £533,872 fair value gains in the Foundation's investment property assets. Investment income fell 62%; this was mostly due to lower rental income, as the Foundation gave the Reed Business School a rent holiday while the school was unable to open during the Covid-19 pandemic, and lower returns from Matthew Bourne's ballet company, as the production of the Red Shoes closed early, again due to the pandemic.

Principal funding sources

The principal funding sources for the charity are donations received from Sir Alec Reed and his family and investment income from assets held by the trust.

Investment policy and objectives

The Foundation's investment in a production of the Red Shoes by Matthew Bourne's ballet company (New Adventures) achieved a 28% return before it was forced to close because of the pandemic. There were also final returns from the Foundation's previous investment in Swan Lake. The Foundation made an investment in New Adventures' Christmas production of the Nutcracker, but the pandemic forced its cancellation and the investment was returned in the year. Having considered the limited options available during the pandemic, the Trustees decided to invest the available funds in bank deposit accounts. The Trustees consider the overall return on these deposits to be disappointing, but are more concerned with the safety of the Foundation's funds than taking any risks in the current climate.

The investments are under constant review.

**REPORT OF THE TRUSTEES
for the year ended 31 December 2020**

Reserves policy

At the end of the reporting period the Charity held £19,686,993 in total funds. All funds were unrestricted. Not included in this total was £1,004,887 committed by the end of the year and already provided for, mostly for donations to the Big Give Christmas Challenge held in December 2020. No commitments had been made at the end of the year which were not provided for as liabilities. Therefore the amount of reserves the Charity held at the end of the period after allowing for commitments was £19,686,993.

The Charity held one tangible fixed asset at the beginning of the year, a racing wheelchair bought for a para-athlete that the Foundation sponsored which has now been donated to him, but no programme related investments.

The Charity held £18,565,498 in fixed asset investments and investment property at the end of the period. As these represent a significant source of the Charity's income, the Charity's policy is to have sufficient net current assets to enable it to maintain its support of the Christmas Challenge and other emergency appeals in the next year without either having to sell its investments or rely on donations and dividends. At the end of the year net current assets totalled £1,121,494 which is sufficient to replicate 2020's level of donations to the Christmas Challenge in 2021. The Trustees therefore are satisfied with the level of reserves.

FUTURE PLANS

The Charity plans to continue the activities outlined above in the forthcoming year, subject to satisfactory funding arrangements.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Charity was set up on 20 September 1972 and is governed by a Trust Deed and constitutes an unincorporated charity.

Recruitment and appointment of new trustees

The Trustees are members of the Management Committee. Sir Alec Reed and James Reed have a very successful business record and all the Trustees have considerable experience with the Foundation and other charities set up by the Reed family. Because of their prior expertise, additional training is not considered necessary.

Organisational Structure

The Charity has no staff. Sir Alec Reed's personal assistant carries out all administrative work. The Board of Trustees are the ultimate decision-makers.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

**REPORT OF THE TRUSTEES
for the year ended 31 December 2020**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity Number 0264728

Principal address c/o Reed Online
Dragon Court
27-29 Macklin Street
London
WC2B 5LX

Trustees: Sir Alec Reed CBE FCMA
J A Reed MA MBA FCIPD
R A Reed LLB MA
A M Chapman MA M.Phil

Auditors: Kingscott Dix Limited
Goodridge Court
Goodridge Avenue
Gloucester
GL2 5EN

Bankers: Coutts & Co
440 Strand
London
WC2R 0QS

Legal Advisers: Freeths LLP
5000 Oxford Business Park South
Oxford
OX4 2BH

REPORT OF THE TRUSTEES
for the year ended 31 December 2020

TRUSTEES RESPONSIBILITY STATEMENT

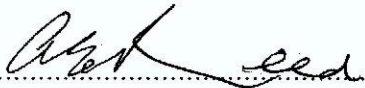
The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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;
- 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 21/10.....2021 and signed on its behalf by:


.....
Sir Alec Reed - Trustee

**Report of the Independent Auditors to the Trustees of
The Reed Foundation**

Opinion

We have audited the financial statements of The Reed Foundation (the 'Charity') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 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 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

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 Charity'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 other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon. The trustees are responsible for the other information.

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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

Report of the Independent Auditors to the Trustees of The Reed 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 respect with the Report of the Trustees; 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 Trustees Responsibility Statement set out on page six, 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 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.

In assigning the audit engagement team we ensured that collectively they had the appropriate competence and capabilities to identify non-compliance with laws and regulations, highlight areas of the financial statements particularly susceptible to fraud and conduct appropriate additional enquiries where suspicions or weaknesses became evident.

At the planning stage, we assessed the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. This involved preliminary planning discussions with management to obtain their assessment of fraud risk, to identify any incidences of fraud during the year and understand the measures and controls they had taken to combat the possibility of fraud.

Our transaction testing and assessment of controls during the audit provided further evidence as to the validity of this initial assessment with regard to material misstatement and fraud.

We identified areas of law and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the Trustees, and inspection of the Charity's regulatory and legal correspondence. The team were briefed with regard to laws and regulations and remained alert to any indication of non-compliance throughout the audit.

The Charity is subject to laws and regulations that directly affect the financial statements including legislation covering financial reporting and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items. In assessing this compliance, we evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates in the measurement and presentation of profit within the financial statements.

**Report of the Independent Auditors to the Trustees of
The Reed Foundation**

The Charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: GDPR and regulations recognising the nature of the Charity's activities. Audit procedures designed to identify non-compliance with these laws and regulations included enquiry of the Trustees and other management and inspection of regulatory and legal correspondence. None of the procedures applied identified actual or suspected non-compliance.

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. Where an irregularity is non-financial or has not reached a stage where its impact is financial, it is less likely to be identified by auditing procedures. In addition, to the extent that an irregularity involves collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls, there remains a high risk of non-detection. We are not responsible for detecting all instances of non-compliance with laws and regulations and cannot be expected to do so.

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. Our audit work has been undertaken so that we might state to the charity 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.

Kingscott Dix Limited
Chartered Accountants
and Statutory Auditor
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
Goodridge Court
Goodridge Avenue
Gloucester
Gloucestershire
GL2 5EN

Date: 21/10/21

STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 December 2020

	Notes	31.12.20 Unrestricted funds £	31.12.19 Unrestricted funds £
Income and Endowments From			
Donations and legacies		827,657	2,675,366
Investment income	2	99,965	260,781
Total		927,622	2,936,147
Expenditure on			
Charitable activities			
Charitable donations		(1,292,172)	(1,203,768)
Management & administration	5	(30,712)	(18,008)
Total		(1,322,884)	(1,221,777)
Net gains/(losses) on investments	8	533,872	62,982
Net Income/(Expenditure)		138,610	1,777,352
Reconciliation of Funds			
Total funds brought forward		19,548,383	17,771,030
Fund balances at end of year		19,686,993	19,548,383

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

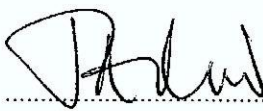
The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION
At 31 December 2020

	Notes	31.12.20 Unrestricted funds £	31.12.19 Unrestricted funds £
Tangible Fixed Assets	6	-	1,863
Investments			
Investments	7	10,128,087	10,128,087
Investment property	8	8,437,411	7,078,539
		18,565,498	17,206,626
Total Fixed Assets		18,565,498	17,208,489
Current Assets			
Short Term Investment	9	-	35,000
Debtors	10	-	57,481
Cash in hand		2,126,381	3,171,434
		2,126,381	3,263,915
Creditors			
Amount falling due within one year	11	(1,004,887)	(924,022)
Net Current Assets/(Liabilities)		1,121,494	2,339,893
Total Assets Less Current Liabilities		19,686,993	19,548,383
Net Assets		19,686,993	19,548,383
Funds	12	19,686,993	19,548,383
Unrestricted funds		19,686,993	19,548,383
Total Funds		19,686,993	19,548,383

The financial statements were approved by the Board of Trustees on 21/10/21 and were signed on its behalf by:


.....
Sir Alec Reed, Trustee


.....
James Reed, Trustee

The notes form part of these financial statements

STATEMENT OF CASH FLOWS
For the Year Ended 31 December 2020

	Notes	31.12.20 £	31.12.19 £
Cash flows from operating activities:			
Cash generated from operations	1	<u>(1,180,018)</u>	<u>704,982</u>
Net cash provided by (used in) operating activities		<u>(1,180,018)</u>	<u>704,982</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		99,965	260,781
Loans repaid		-	50,000
Purchase of property, plant & equipment		-	-
Purchase of short term investment		(30,000)	(35,000)
Redemption of short term investment		65,000	50,000
Purchase of shares		-	(3,000)
Net cash provided by (used in) investing activities		<u>134,965</u>	<u>322,781</u>
Change in cash and cash equivalents in the reporting period		<u>(1,045,053)</u>	<u>1,027,763</u>
Cash and cash equivalents at the beginning of the reporting period		<u>3,171,434</u>	<u>2,143,671</u>
Cash and cash equivalents at the end of the reporting period		<u><u>2,126,381</u></u>	<u><u>3,171,434</u></u>

The notes form part of these financial statements

Notes to the Statement of Cash Flows
For the Year Ended 31 December 2020

1 Reconciliation of Net Income (Expenditure) to Net Cash Flow from Operating Activities

	31.12.20 £	31.12.19 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	138,610	1,777,352
Adjustments for:		
Depreciation charges	621	621
(Gains)/losses on investments and property revaluations	(533,872)	(62,982)
Dividends, interest and rents from investments	(99,965)	(260,781)
Loan converted to donation	-	50,000
(Increase)/decrease in debtors	57,481	(100,000)
(Decrease)/increase in creditors	80,865	-
Asset donated	1,242	-
Property donation received	(825,000)	(855,000)
Net cash provided by (used in) operating activities	(1,180,018)	549,210

2 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 January 2020	Cashflow	At 31 December 2020
Net cash			
Cash at bank	3,171,434	(1,045,053)	2,126,381

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2020

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 Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) revised March 2018 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (second edition published October 2019), effective 1 January 2019 and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The financial statements have been prepared under the historical cost convention with the exception of investments which are included at fair value.

The accounts are prepared on a going concern basis as there are no material uncertainties about the charity's ability to continue for the foreseeable future.

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.

The Following specific policies are applied to particular categories of income:

Donations are recognised when the charity has been notified in writing of both the amount and the settlement date.

Investment income is included when receivable.

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 payable are payments made to third parties in the furtherance of the charitable objects of the Charity. In the case of an unconditional grant offer, this is accrued once the grant award has been notified.

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.

Depreciation on fixed assets is calculated on a straight-line basis over the estimated economic life of the asset, being five years.

Investment property

Investment properties are properties, that are held either to earn rental income or for capital appreciation, or both. Investment properties are measured initially at cost including related transaction costs, and subsequently at fair value. Fair value is based on market value, as determined by the trustees at each reporting date. The difference between the fair value of an investment property at the reporting date and its carrying amount prior to re-measurement is included in the income statement as a valuation surplus or deficit. Investment properties are presented on the balance sheet within non-current assets.

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.

Donated assets and services

Gifts in kind, donated services and facilities are included in donations at their open market value.

Investments

Unquoted shares are stated at cost.

Unquoted debentures are stated at their redeemable value being the trustees' best estimate of fair value.

Financial Instruments

The trust 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.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2020

2. Investment Income

	31.12.20 £	31.12.19 £
Dividend and Investment Income	96,101	256,471
Deposit account interest	3,864	4,310
	<u>99,965</u>	<u>260,781</u>

3. Grants Payable

	31.12.19 £	31.12.19 £
Charitable donations	<u>1,292,172</u>	<u>1,203,768</u>

4. Trustees' Remuneration and Benefits

None of the trustees have been paid any remuneration or received any other benefit from an employment with the Foundation for the year ended 31 December 2020 nor for the year ended 31 December 2019.

Trustees' expenses

None of the trustees was paid any expenses during the year ended 31 December 2020 nor for the year ended 31 December 2019.

Employees

The Foundation had no employees in either 2020 or 2019.

5. Allocation of Support and Governance Costs

	Unrestricted funds 31.12.20 £	Unrestricted funds 31.12.19 £
Support costs		
Office costs	24,939	13,115
Bank charges	<u>1,272</u>	<u>1,194</u>
	26,212	14,308
Governance costs		
Audit	<u>4,500</u>	<u>3,700</u>
Total Support and governance costs	<u>30,712</u>	<u>18,008</u>

6. Tangible Fixed Assets

	£
Cost	
At 1 January 2020	3,105
Disposal by donation	<u>(3,105)</u>
At 31 December 2020	-
Depreciation	
At 1 January 2020	1,242
Charge for the year	621
Disposal by donation	<u>(1,863)</u>
At 31 December 2020	-
Net Book Value	
At 31 December 2020	<u>-</u>
At 31 December 2019	<u>1,863</u>

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2020

7. Fixed Asset Investments

	31.12.20 £	31.12.19 £
Shares	8,574,960	8,574,960
Other	1,553,127	1,553,127
	<u>10,128,087</u>	<u>10,128,087</u>

Additional information as follows:

	Unlisted investments £
Cost	
At 1 January 2020	8,574,960
Additions	-
At 31 December 2020	<u>8,574,960</u>
Net Book Value	
At 31 December 2020	<u>8,574,960</u>
At 31 December 2019	<u>8,574,960</u>

Investment assets held within the U.K. at the year end were valued at £10,128,087 (2019: £10,128,087), being £1,553,127 (2019: £1,553,127) variable rate unsecured loan notes in Juxon Limited and 35,919,020 (2019: 35,919,020) Ordinary 'A' Shares valued at £8,574,960 (2019: £8,574,960), in Reed Global Limited. The redemption date of the loan notes was extended from 2020 to 2025 during the year.

Investments (neither listed nor unlisted) were as follows:

	31.12.20 £	31.12.19 £
Debentures	1,553,127	1,553,127
Redemption of debentures	-	-
	<u>1,553,127</u>	<u>1,553,127</u>

8. Investment Property

	£
Market Value	
At 1 January 2020	7,078,539
Addition	825,000
Revaluation	533,872
At 31 December 2020	<u>8,437,411</u>
Net Book Value	
At 31 December 2020	<u>8,437,411</u>
At 31 December 2019	<u>7,078,539</u>

During the year the Foundation's existing property was revalued. This resulted in a fair gain value of £533,872.

9. Short Term Investments

In 2019 the Foundation invested £35,000 in Matthew Bourne's production of the Red Shoes. The investment was returned during the year and has achieved a total return of £9,848 in distributions to date.

In 2020 the Foundation invested £30,000 in Matthew Bourne's production of the Nutcracker but the production was cancelled due to the Covid-19 pandemic and the investment was returned.

During 2020 the Foundation also received a further £16,744 from its investment in Matthew Bourne's production of Swan Lake. The initial investment was returned in 2019.

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2020

10. Debtors: Amounts falling due within one year

	31.12.20 £	31.12.19 £
Accrued income	-	30,462
Other debtors	-	27,019
	<u>-</u>	<u>57,481</u>

All the other debtors at the end of 2019 relate to rental income. Accrued income relates to the Foundation's investments in Matthew Bourne's productions.

11. Creditors: Amounts falling due within one year

	31.12.20 £	31.12.19 £
Accruals	4,438	5,084
Deferred income	650	-
Other payables	<u>999,799</u>	<u>918,937</u>
Other creditors	<u>1,004,887</u>	<u>924,022</u>

The majority of payables at the end of 2020 and 2019 were due to The Big Give Matching Challenge that takes place in December each year.

12. Movement in Funds

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	19,548,383	138,610	19,686,993
Total Funds	<u>19,548,383</u>	<u>138,610</u>	<u>19,686,993</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,461,494	(1,322,884)	138,610
Total Funds	<u>1,461,494</u>	<u>(1,322,884)</u>	<u>138,610</u>

13. Related party transactions

Donations received include £2,500 (2019: £2,500) in waived accountancy fees from Reed Specialist Recruitment Limited; a property valued at £825,000 from Lady Reed, a connected party; and £157 for the water supply to an investment property from Sir Alec Reed.

Cash donations include £1,209,268 (2019: £332,769) to The Big Give Trust (previously the Charitable Will Trust), which is controlled by the Trustees. This included £196,635 for two Coronavirus appeals, £950,490 paid on to charities participating in the Christmas Challenge and the rest to enable it to operate the online fundraising Christmas Challenge.

The Reed Business School, a company with common Trustees, rented investment properties from the Foundation at a charge of £26,077 (2019: £100,153). Due to the pandemic the Business School began running courses purely online from April 2020 and the Foundation has given the School a rent holiday until it is able to accept students in person again.

The notes form part of these financial statements

The Reed Foundation

Detailed Statement of Financial Activities
for the year ended 31 December 2020

	31.12.20 £	31.12.19 £
<u>Income and Endowments</u>		
Donations and legacies		
Donations	827,657	2,675,366
Investment Income		
Dividend and Investment Income	96,101	256,471
Deposit account interest	3,864	4,310
	<hr/>	<hr/>
	99,965	260,781
Total incoming resources	<hr/>	<hr/>
	927,622	2,936,147
<u>Expenditure</u>		
Charitable activities		
Miscellaneous Expenses	15,867	8,305
Depreciation	621	621
Supplier write-off	(1,250)	-
Accountancy	2,500	2,500
Audit fees	4,500	3,700
Professional fees	8,474	2,882
Grants to institutions	1,292,172	1,203,768
	<hr/>	<hr/>
	1,322,884	1,221,777
Total resources expended	<hr/>	<hr/>
	1,322,884	1,221,777
Net income (expenditure)	<hr/>	<hr/>
	(395,262)	1,714,370

This page does not form part of the statutory financial statements

APPENDIX 1 - CHARITIES SUPPORTED

Charity	Christmas Challenge Total	Paid by Reed Foundation	Other donations
174 Trust/The Duncairn	£52,608	£8,000	
A Rocha International	£34,040	£5,000	
Aberdeen Cyrenians	£17,235	£1,000	
Academy of St Martin in the Fields	£30,650	£5,000	
Action For A-T	£25,184	£3,750	
Action Medical Research	£67,706	£10,000	
Actors Of Dionysus	£6,903	£1,000	
Advocate	£15,230	£1,000	
African French Speaking Community Support	£5,325	£1,000	
Age NI	£15,725	£1,500	
Alex, The Leukodystrophy Charity	£6,214	£1,000	
Alexander Whitley Dance Company	£5,000	£1,000	
AMAT	£4,023	£820	
Antibiotic Research UK	£19,803	£3,000	
Ape Action Africa	£8,477	£1,250	
Appeal	£14,053	£1,250	
Ark Cancer Centre Charity	£4,449	£1,000	
Arts At The Old Fire Station	£13,499	£2,000	
Ataxia UK	£76,635	£10,000	
AzuKo	£5,643	£1,300	
Bampton Classical Opera	£16,210	£2,000	
Barnardo's	£23,301	£5,200	
Barnet Mencap	£4,459	£1,000	
Basingstoke and North Hampshire Medical Trust Fund	£17,154	£1,000	
Be Child Cancer Aware	£27,304	£1,805	
Bell House Dulwich	£9,353	£1,500	
Birmingham Hippodrome Theatre Trust Limited	£27,089	£2,500	
Birmingham Royal Ballet	£95,451	£12,500	
Bournemouth Symphony Orchestra	£36,607	£5,500	
Breast Cancer Haven	£62,937	£4,582	
British Liver Trust	£35,991	£5,070	
British Youth Opera	£8,513	£1,250	
Build IT International	£43,395	£5,000	
Bury Metropolitan Arts Association	£6,126	£1,000	
Butterfly Conservation	£34,240	£5,000	
Calibre Audio Library	£7,968	£648	
Cam Sight	£13,079	£2,000	
CARAS (Community Action For Refugees And Asylum Seekers)	£11,955	£1,250	
CARE International UK	£71,584	£10,000	
Caritas Diocese Of Salford	£4,393	£1,000	
Carm	£3,796	£705	
Caspari Foundation	£7,206	£813	
Central School of Ballet	£17,411	£2,500	
Centre For Women's Justice	£11,043	£1,250	
Cerebra - For Brain Injured Children And Young People	£4,755	£500	
Chelmsford Mencap	£5,635	£1,000	
Cheltenham Festivals	£34,995	£5,000	
Chineke Foundation	£43,826	£10,000	
City Music Foundation	£23,061	£3,000	
Civil Liberties Trust	£48,301	£5,000	
Classics For All	£120,380	£12,500	
Coach Core Foundation	£106,621	£12,500	
Comwall Air Ambulance Trust	£82,626	£12,500	
Creative Kernow Limited	£6,394	£1,000	
Cribs International	£5,842	£635	
Cure EB	£50,283	£7,500	
Dash Arts	£5,756	£1,000	
DEBRA	£25,753	£4,000	
Developments in Literacy (DIL) Trust UK	£29,218	£2,500	
Doctors Of The World	£17,595	£2,500	
Dogs Trust	£46,245	£6,000	
Donate4Refugees	£32,728	£3,750	
Dorset Community Foundation	£41,473	£6,250	
Dreamflight	£40,695	£5,200	

Earth Trust	£4,588	£1,000	
East Anglia's Children's Hospices (EACH)	£38,047	£5,500	
Education Saves Lives	£7,885	£1,250	
English Touring Opera Limited	£25,063	£3,750	
English Touring Theatre	£11,161	£1,250	
Ensemble Cymru	£28,671	£4,000	
Family Holiday Association	£21,843	£2,500	
Fiori Musicali	£38,380	£5,500	
Firefly International	£33,865	£3,750	
Flute Theatre	£9,661	£1,250	
Forever Hounds Trust	£21,419	£2,500	
Friends Of Ibba Girls School (FIGS), South Sudan	£86,346	£12,500	
Friends of the Earth Charitable Trust	£130,526	£25,000	
Friends of the Royal Marsden			£5,000
Full Fact	£61,062	£9,000	
Gabrieli Consort & Players	£25,914	£3,500	
Geraldine Connor Foundation	£4,280	£1,000	
Global Witness Trust	£10,268	£1,500	
Gloucestershire Wildlife Trust	£62,316	£8,000	
Good Shepherd Services	£9,188	£1,250	
Great Western Air Ambulance Charity	£16,743	£2,500	
Guideposts	£4,788	£1,000	
Haemophilia Scotland	£2,946	£390	
Hammersley Homes Limited	£4,561	£1,000	
Hampshire and Isle of Wight Air Ambulance	£17,154	£1,818	
Headway Thames Valley	£4,434	£1,000	
Health and Hope UK	£9,753	£1,500	
Helping Rhinos	£16,849	£2,500	
Hinksey Sculling School Ltd.	£20,003	£2,500	
Hollie Gazzard Trust	£7,591	£1,396	
Home-Start Cambridgeshire	£7,056	£850	
Hope Into Action UK	£90,335	£12,500	
Indigo Volunteers	£4,616	£500	
International Health Partners	£27,714	£2,875	
International Justice Mission UK	£145,073	£12,500	
International Refugee Trust (IRT)	£7,974	£1,250	
Jacksons Lane	£21,403	£3,000	
JDRF	£133,462	£12,500	
Jessie's Fund	£17,775	£1,250	
Joshua Orphan and Community Care	£8,518	£1,250	
Jubilee Debt Campaign	£68,405	£10,000	
JUMP Childrens Charity	£6,633	£1,000	
Junction Arts Ltd	£3,388	£550	
Katherine House Hospice			£1,000
Kent Multiple Sclerosis Therapy Centre Limited	£5,565	£1,000	
KidsOut	£10,999	£1,250	
Kith & Kids	£16,756	£1,875	
Lake District Foundation	£15,434	£2,500	
League Against Cruel Sports	£15,779	£2,000	
Leicester City Of Sanctuary	£8,551	£750	
Liberdade Community Development Trust	£16,822	£2,500	
Liberty Choir UK	£34,921	£2,500	
Longfield	£9,756	£1,250	
MacIntyre	£5,444	£1,000	
Maggie's Centres	£67,624	£11,028	
MCC Foundation	£55,676	£7,500	
ME Association	£27,645	£3,750	
Michael House	£24,259	£2,500	
Milton Keynes Hospital Charity	£14,944	£922	
Milton's Cottage Trust (CIO)	£20,439	£2,500	
Momentum Children's Charity	£25,219	£2,750	
Mysight York	£4,229	£979	
NEPACS	£5,675	£1,000	
Network for Africa	£23,114	£2,500	
New Adventures Charity			£22,500
NICHHS	£8,758	£1,250	

Noah's Ark Charity	£56,371	£9,000	
Northern Ballet	£25,165	£2,500	
Nottingham And Nottinghamshire Refugee Forum	£13,410	£2,000	
OHOB Ltd	£2,789	£104	
Open Arms Malawi	£21,746	£2,500	
Oracle Cancer Trust	£19,270	£2,500	
Orangutan Foundation	£27,601	£3,750	
Orchestra of St John's	£18,313	£2,500	
Orion Symphony Orchestra	£11,263	£2,500	
Parenting Special Children	£7,008	£813	
Peace Direct	£27,357	£3,695	
Peak District National Park Foundation	£5,471	£1,000	
Performances Birmingham Limited	£8,504	£1,250	
Pestalozzi International Foundation	£8,703	£1,250	
PONT	£12,145	£1,750	
Prisoners of Conscience Appeal Fund	£44,089	£5,000	
Project Harar	£36,404	£5,000	
Punchdrunk	£20,774	£2,500	
Queenscourt Hospice	£17,478	£2,000	
Rays of Sunshine Children's Charity	£10,152	£1,250	
Reach Charity Limited	£5,065	£500	
Rebuild East Midlands	£11,536	£1,250	
Rett UK	£20,326	£2,500	
Royal Brompton & Harefield Hospitals Charity	£40,966	£6,000	
Royal College of Music	£133,231	£25,000	
Royal Holloway University of London	£110,681	£25,000	£15,000
Royal Papworth Hospital Charity	£21,205	£4,000	
RSPB	£82,112	£12,500	
RSPCA Central & North East London Branch	£10,889	£1,500	
Ruddi's Retreat	£10,006	£1,000	
Ruth Hayman Trust	£12,957	£1,000	
Safe Passage International	£49,491	£5,000	
San Beere Hospice			£1,000
Sebastian's Action Trust	£27,138	£3,000	
Shakespeare Schools Foundation	£66,568	£15,100	
Simpsons Special Care Babies	£5,486	£1,000	
Somerset Community Foundation	£34,463	£5,000	
Somerset House	£23,121	£4,000	
Somerset Wildlife Trust	£33,524	£4,500	
Southbank Sinfonia	£33,750	£5,000	
Space For Giants	£29,201	£4,500	
St Joseph's Hospice Association	£16,363	£2,500	
St Mary's Church food bank			£10,000
St Peter & St James Hospice	£23,259	£2,500	
StreetInvest	£13,583	£2,000	
Sumatran Orangutan Society	£50,089	£7,500	
Tall Ships Youth Trust	£23,053	£3,000	
Target Ovarian Cancer	£23,133	£2,500	
Tastelifeuk	£22,145	£2,500	
Temwa UK	£33,426	£5,000	
The 2874 Trust Limited	£5,751	£1,000	
The Archer Academy	£11,300	£1,500	
The Basingstoke and Alton Cardiac Rehabilitation Charity Limited	£16,144	£2,500	
The Big Give Trust - Christmas Challenge Awards		£15,000	
The Big Give Trust - Covid-19 appeals			£196,635
The Big Give Trust - Other (including Guarantor funding)		£111,952	
The Brooke Hospital For Animals	£46,778	£5,000	
The Childhood Trust			£25,000
The Circle	£11,115	£2,200	
The Diss Corn Hall Trust	£11,436	£2,500	
The English Concert	£33,064	£5,000	
The Forever Friends Appeal	£8,425	£1,250	
The Golf Foundation	£4,064	£630	
The Gumboots Foundation (UK)	£9,075	£1,250	
The JMK Trust	£4,459	£1,000	
The Junction 42 Foundation	£21,466	£3,750	

The Labour Behind The Label Trust	£10,419	£1,000	
The Little Angel Theatre	£9,439	£1,250	
The Lullaby Trust	£63,708	£7,500	
The Manta Trust	£4,316	£1,000	
The Measham Family Christian Foundation	£16,338	£2,500	
The Michael Sobell Hospice Charity	£20,044	£2,500	
The Mindfulness Initiative	£8,905	£1,250	
The Mozartists	£24,925	£3,750	
The National Holocaust Centre and Museum	£22,955	£3,500	
The Open University	£49,467	£10,000	
The Passage	£307,411	£25,000	
The Prince's Trust	£158,450	£25,000	
The Royal Ballet School	£53,248	£6,250	
The Royal Central School of Speech and Drama	£54,313	£7,500	
The Royal Naval Benevolent Society for Officers	£16,518	£2,500	
The Shakespeare Hospice	£15,424	£2,500	
The Wiener Holocaust Library	£33,515	£5,000	
Tommy's	£111,214	£25,000	
Transparency International (UK)	£13,851	£1,909	
Twins Trust Ltd	£11,281	£1,250	
Tyneside And Northumberland Mind	£16,301	£2,500	
Virunga Foundation	£79,328	£12,520	
Vision Foundation	£32,231	£5,000	
Watts Gallery Trust	£57,858	£12,500	
Wild Futures	£9,778	£1,000	
Wildlife Vets International	£16,617	£2,500	
Willow Foundation	£19,104	£2,500	
Women Without Roofs - Nepal	£6,760	£1,000	
World Child Cancer UK	£45,829	£7,500	
World Horse Welfare	£20,627	£2,500	
Worldwide Veterinary Service	£7,024	£1,000	
Wycombe Heritage And Arts Trust	£4,625	£1,000	
Young People's Puppet Theatre	£24,075	£2,500	
Totals	£6,421,803	£1,012,633	£276,135
Total paid by Reed Foundation			£1,288,768

Reconciliation to Charitable Donations in Statement of Financial Activities:

Sponsorships

£3,404

Total as per Statement of Financial Activities:

£1,292,172