



SOFRONIE FOUNDATION
(Registered Charity No. 1118621 and Company No. 06074877)

ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

SOFRONIE FOUNDATION
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FOR THE YEAR ENDED 31 DECEMBER 2019
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SOFRONIE FOUNDATION
ANNUAL REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2019

The Trustees present their report and the independently audited financial statements for the year to 31 December 2019. These have been prepared in accordance with the accounting policies set out on pages 15 to 17 and comply with applicable charity law.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as updated by Update Bulletin 1 (published 2 February 2016).

1. REFERENCE AND ADMINISTRATIVE DETAILS

Sofronie Foundation ("the Foundation" or "the charitable company"), registered charity number 1118621 and company number 06074877, is based and administered in the United Kingdom. The registered address is Eighth Floor, 6 New Street Square, New Fetter Lane, London EC4A 3AQ.

Directors and Trustees:

The names of the Directors, who are also the Trustees, who served throughout the year are:

- Hendricus (Harold) Coenradus Albertus Goddijn
- Corinne Daniele Goddijn-Vigreux
- Robert Wilne
- Ajay Soni
- Boris Walbaum

Bankers:

Goldman Sachs, Christchurch Court, 10-15 Newgate Street, London EC1A 7HD

Barclays Bank Plc, Hatton Garden Branch, 99 Hatton Garden, London EC1N 8DN

Independent Auditor:

Rawlinson & Hunter Audit LLP, Statutory Auditor, Eighth Floor, 6 New Street Square, New Fetter Lane, London EC4A 3AQ

Solicitors:

Withers LLP, 16 Old Bailey, London EC4M 7EG

Website: www.sofronie.org

SOFRONIE FOUNDATION**ANNUAL REPORT OF THE TRUSTEES (continued)****FOR THE YEAR ENDED 31 DECEMBER 2019****2. STRUCTURE, GOVERNANCE AND MANAGEMENT**

Sofronie Foundation is a company limited by guarantee, governed by its Memorandum and Articles of Association dated 30 January 2007, as revised on 4 September 2017, and is registered as a charity with the Charity Commission.

The Trustees meet at least four times each year to discuss and develop the Foundation's goals and strategy and to review grant proposals and general grant requests.

The number of Trustees shall be a minimum of three at any one time and new Trustees shall be appointed by ordinary resolution by the Founding Trustees. The maximum number of Trustees may be fixed but if not fixed, will be seven. The range of skills represented on the Trustee Board will be kept under review as the Foundation develops over time.

Induction and Training

As part of their training, Trustees were given an information pack which includes the Foundation's Memorandum and Articles of Association, Charity Commission guidance on Trustees' Responsibilities, past Trustee annual reports and relevant minutes of Trustee meetings. The Foundation will provide induction training for all new Trustees. All Trustees are reminded of their duties and obligations under the law in addition to their proper conduct. Induction training is frequently reviewed.

Related parties

None of the Trustees receive remuneration or other benefit from their work with the Foundation. Any transactions between the Foundation and the related parties must be approved by the Trustees.

Transactions with related parties are disclosed in Note 11 to the financial statements.

Pay policy for senior staff

The directors, who are the Foundation's Trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Foundation on a day to day basis.

All directors give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in Note 11 to the accounts. The pay of the senior staff reflects the level of responsibilities and skills set required. The pay is reviewed annually.

Trustees' Responsibilities Statement

The Trustees (who are also directors of Sofronie Foundation for the purposes of company law) are responsible for preparing the Annual Report of the Trustees (including the Strategic 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, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the Trustees are required to:

SOFRONIE FOUNDATION**ANNUAL REPORT OF THE TRUSTEES (continued)****FOR THE YEAR ENDED 31 DECEMBER 2019****2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)****Trustees' Responsibilities Statement (continued)**

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 FRS 102;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 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.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Internal Controls

The Trustees have overall responsibility for ensuring that the charity has appropriate systems of internal controls. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Foundation and enable them to ensure that the financial statements follow best practice. They are also responsible for the Foundation safeguarding its assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The system of internal controls is designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

Risk Management

A risk assessment has been undertaken which comprises:

- an annual review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

SOFRONIE FOUNDATION**ANNUAL REPORT OF THE TRUSTEES (continued)****FOR THE YEAR ENDED 31 DECEMBER 2019****2. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)****Risk Management (continued)**

This work has identified that financial sustainability is the major financial risk for the Foundation. A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due and active management of trade debtors and creditors balances to ensure sufficient working capital by the Foundation.

STRATEGIC REPORT**3. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT**

The Trustees confirm that the Foundation complies with the Code of Fundraising Practice and the Charity Commissions guide to Trustees on fundraising where relevant.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing Sofronie Foundation's aims and objectives and in planning future activities and providing help in the form of gifts or grants or any combination of these.

The Objects of the Foundation are to further such charitable purposes and to benefit such charitable institutions as the Trustees think fit. However, its main interest is to improve social mobility by supporting young people disadvantaged by lack of opportunity. These programmes may include support for academic, vocational or non-formal interventions as well as others that offer preparation for education, training, skills development or work, particularly selecting digital programmes to enhance skills for the technical requirements of future employment.

The Trustees reserve the right to support special projects that may assist young people by other routes and these are determined by the measure of social impact.

Sofronie Foundation currently funds programmes in the UK, France and the Netherlands.

In summary, the Foundation focuses on children and young people:

- who are struggling in school;
- who are at a severe disadvantage;
- who lack opportunity to improve their educational attainment,
- who have difficult and challenging family lives; or
- who are unemployed.

The Trustees have a number of powers which are detailed in the Memorandum of Association and which may be exercised in promoting the objects.

The Trustees must use the income and may use the capital of the Foundation in promoting the objectives.

SOFRONIE FOUNDATION

ANNUAL REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2019

3. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT (continued)

Grant Making Policies

The Trustees approve grants to registered and non-registered charitable organisations. Grants are for a variety of costs, depending on requirements. These include specific projects but also core operating costs. The length of grant can be for one or more years. The Foundation will consider further funding after reviewing the progress report and evaluation.

The Trustees pay due care and attention to ensure that the work considered for funding delivers public benefit as per the Charity Commission's guidance.

During the year the Foundation funded sixteen charities (year to 31 December 2018: sixteen) of which one was an educational institutions (year to 31 December 2018: three). Three of these payments related to commitments made in the previous year (year to 31 December 2018: seven). Four of these charities were UK registered (year to 31 December 2018: five), all four (year to 31 December 2018: five) of the UK registered charities having their charitable activities in the UK and none (year to 31 December 2018: none) overseas.

4. HOW OUR OBJECTIVES AND ACTIVITIES DELIVERED PUBLIC BENEFIT: A REVIEW OF ACHIEVEMENTS AND PERFORMANCE

Total grants paid in the year to 31 December 2019 amounted to £2,439,110 (year to 31 December 2018: £5,879,527). This includes £108,736 paid in respect of previous years' commitments (year to 31 December 2018: £221,810). During the year, new grants totalling £2,330,374 were approved and paid (year to 31 December 2018: £5,657,831). A further £327,242 of future commitments were provided for to be paid in future years (year to 31 December 2018: £131,176). In addition, there was a currency revaluation gain of £4,252 on overseas grants in the year to 31 December 2019 (year to 31 December 2018 gain of £115).

United Kingdom

IntoUniversity

The Trustees approved and paid a grant of GBP50,000 to support the Clacton-on-Sea centre and the new learning centre in Southampton. The programme delivers academic, aspirational and mentoring activities in socially or economically disadvantaged communities. Sofronie continues to support this initiative, which has expanded nationally since its inception and focuses on areas in which university access from the local population is low. The centre at Clacton promotes digital learning and offers access to computers and 3D printers as part of their programme.

Kids Run Free

The final payment of GBP10,000 was paid from a two-year grant (GBP20,000) agreed in 2017. The funding supported the Kids Run Free activity to take place in schools in Clacton to improve the physical fitness and awareness of a healthy lifestyle, with the philosophy that improving fitness will improve attendance and concentration for learning.

Myotubular Trust

The Trustees agreed a one-off donation of GBP10,000 to support research into a rare and extremely life threatening muscle condition. The research will examine and analyse the trials of a drug repurposing clinical study over three years to test the efficacy of Tamoxifen as a relief or reduction of symptoms of Myotubular Myopathy.

SOFRONIE FOUNDATION

ANNUAL REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2019

4. HOW OUR OBJECTIVES AND ACTIVITIES DELIVERED PUBLIC BENEFIT: A REVIEW OF ACHIEVEMENTS AND PERFORMANCE (continued)

Social Mobility Foundation ("SMF")

Sofronie Foundation continues to support the work by the Manchester office with a support fund of GBP50,000 towards the operational costs of the office. The work of SMF assists high achieving students from low-income backgrounds to access work internships and entry to university through their Aspiring Professional Programmes. Access to Law and Medical professions can be difficult without networks and the Social Mobility Foundation offers short-term training positions to enhance course prospects for those without networks or connections to the professions. Further support is offered during their first years of university.

France

Académie Musicale Philippe Jaroussky (AMPJ)

The Trustees agreed and paid a one-off grant of EUR60,000 to support the classical music programmes Mozart, Vivaldi and Ravel, in the Hauts de Seine region of France. The programme reaches 75 young beginners (7-14yrs) and 25 talented young adults (18-24Yrs) particularly those from disadvantaged backgrounds. The Academy is located in the Seine Musicale (Île Seguin) and offers weekly tuition in violin, cello, piano and singing, and will open a new academy in Pantin, north of Paris in 2021

Article 1 (Formerly Fratelli)

A one off restricted grant of EUR70,000 was agreed to fund two programmes, Tour de L'inspiration and Study Mentoring based in Lyon and the AURA regions of France. The expansion of the programme has reached 4000 pupils in 22 high schools in the region, and the 150 mentees who received support and encouragement to reach their potential despite their hardships.

Ecole de Production Boisard Vaulx-en-Velin – Lyon

As part of a three-year grant (EUR80,000), the Trustees agreed to pay the third and final instalment of EUR25,000 towards the expansion of the apprentice programme to teach young students boiler making, machining and specialist engineering skills. However, given the tragedy of the fire that destroyed part of the school and workshops in January 2019, the managing team of the Ecole de Production have requested to hold the payment until 2020 when further evaluation of the programme and funding can be made. The Sofronie trustee board have agreed to follow-up in 2020.

Essec Foundation

A contribution was made of EUR40,000 towards the annual funding scholarship fees of 6 exceptional students, who otherwise would not have been able to continue their study due to financial hardship. As part of the eligibility criteria, the group were chosen based on their background and study selection with a focus on encouraging more females onto the global BBA programme.

Lycée du Parc

A small one-off donation of EUR1,000 was paid towards funding for 16 disadvantaged students to join a cultural programme to Corsica.

Rev'Elles

The Trustees agreed and paid the third and last instalment of EUR50,000, of a three year grant (EUR150,000) to reinforce their programme for young girls in Paris and Lyon France. This project was first duplicated in Paris and gave 250 young girls access to a one-week programme with workshops and activities to encourage, inspire and motivate to support and improve their chances in education and work. The coaching takes place throughout the year. This year with Sofronie support they set up a local team in Lyon, and developed the local network to welcome the first for April 2020. The project has attracted support from regional government and local companies.

SOFRONIE FOUNDATION**ANNUAL REPORT OF THE TRUSTEES (continued)****FOR THE YEAR ENDED 31 DECEMBER 2019****4. HOW OUR OBJECTIVES AND ACTIVITIES DELIVERED PUBLIC BENEFIT: A REVIEW OF ACHIEVEMENTS AND PERFORMANCE (continued)****Sport Dans La Ville/Apprenti'Bus**

The trustees continue to support the Apprenti'Bus scheme, which offers mobile educational activities to school children in years 5 and 6 in thirteen neighbourhoods in the Lyon area of France. The bus visits designated sites throughout the week for activities after school and Saturday mornings. The programme runs from October to June and the funding from Sofronie of EUR45,000 will contribute to maintaining and managing the purchase of a second bus that will enable the programme to reach 240 children each year.

ZupdeCo

A one year restricted grant of EUR80,000 was awarded by the Trustees to fund the educational "Devoir Faits" tutoring and mentoring programme in disadvantaged areas of Vaulx-en-Velin and Lyon France for 1220 students, 132 volunteers and 25 civil servants in 14 high schools of Greater Lyon France.

The Netherlands**Codam**

The Trustees of Sofronie provided a grant of EUR2.5m to establish the first and only franchise of Ecole 42 in the Netherlands. From Amsterdam, Stichting Codam delivers free computer programming challenges through an innovative method of a digital gamified curriculum and peer-to-peer collaboration. Currently supporting 222 students into a learning period of 3-5 years, some students will be ready to embark on their first work internship. Strategies are in place to encourage and support more females into the industry and currently the percentage of females is 26%. More work continues in this area of gender balance but also in diversity of student population in general. Sofronie supports the costs associated with managing Stichting Codam, delivering the digital programme and supporting some living costs to severely disadvantaged students.

Stichting Move

The board agreed to fund (EUR11,000) a digital technology programme for 50 school children in Eindhoven and Amsterdam areas to enhance understanding and inspire interest in coding. As part of the programme the children will visit Codam college to participate in a day of digital games and challenges and learn more about the opportunities of technology in 2020.

Vereniging Jinc

Sofronie continues to support the "Flash Internship" and job interview training for pupils aged between 8 and 16 years old. The programme offers a short "taster" work visit and introduction in a variety of occupations and provided with role play for job interview training and job application skills to better equip them for the world of work. The funding of EUR70,000 per year over three years subject to certain conditions being met will enable Jinc to expand into a further seven Dutch cities.

Many of the children are not aware of the variety and scope of work opportunities and this programme provides them with an example of a wide range of work and provides them with insight into the soft skills and behaviours required for employment.

SOFRONIE FOUNDATION
ANNUAL REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2019

5. FINANCIAL REVIEW

Incoming Resources

Incoming resources totalled £2,205,719 for the year to 31 December 2019 (year to 31 December 2018: £2,203,267).

Charitable activities

Charitable activities include direct charitable expenditure during the year of £2,630,924 (year to 31 December 2018: £5,724,254). Commitments for future periods of £327,242 (year to 31 December 2018: £131,176) have been provided for within the financial statements. All grants made are in line with the Trustees' grant-making policy as prescribed under Section 3 of this report. A full list of the grants made during the year ended 31 December 2019 is shown on pages 18 and 19.

Reserves Policy

During this period donations paid out by the Foundation exceeded those received by the Trustees. The reserves accumulated in previous years were used to cover the net deficit for the year. The Trustees' continuing aim is to make arrangements to secure required funding to support the Foundation.

The Trustees have no outstanding commitments or cash demands which are not adequately covered by existing resources. The balance held as unrestricted funds as at 31 December 2019 was £481,384 (2018: £1,149,931). All the Foundation's reserves are regarded as free reserves. The Trustees consider that this level of free reserves is sufficient to continue its current activities until further donations can be secured.

6. PLANS FOR THE FUTURE

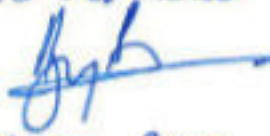
As this report is prepared in retrospect, our very successful year of 2019 has been overshadowed by the serious impact of the Coronavirus pandemic in 2020. The world has been affected by this virus and the subsequent safety measures have brought many of our programmes of support to an abrupt halt. Where possible this support has moved online and is being delivered remotely. The Trustees have discussed support strategies and will honour all commitments and look to support current programmes where required and particularly where there is imminent detriment to our current beneficiaries. As the restrictions are eased the board will continue to assess the situation and act accordingly.

7. AUDITOR

A resolution was passed at the Trustees' meeting, that Rawlinson & Hunter Audit LLP be re-appointed as auditor to the Foundation for the year to 31 December 2019.

In approving the Annual Report of the Trustees, the Trustees also approve the Strategic Report included therein, in their capacity as company directors.

Approved by the Trustees on
and signed on their behalf by

13 Oct 2020

 AJAY SONI

REPORT OF THE INDEPENDENT AUDITOR
TO THE MEMBERS OF
THE SOFRONIE FOUNDATION

Opinion

We have audited the financial statements of The Sofronie Foundation ('the charitable company') for the year ended 31 December 2019 which comprise Statement of Financial Activities, Balance Sheet, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2019, 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 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' (who are also the directors of the Charitable Company for the purpose of Company law) 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 charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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.

REPORT OF THE INDEPENDENT AUDITOR
TO THE MEMBERS OF
THE SOFRONIE FOUNDATION (continued)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Annual Report of the Trustees (incorporating the Strategic Report and Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of 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 Strategic Report and the Directors' Report.

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

- adequate accounting records have not been kept, 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 directors' remuneration specified by law are not made; 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' responsibilities statement set out on page 2 and 3, 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.

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.

**REPORT OF THE INDEPENDENT AUDITOR
TO THE MEMBERS OF
THE SOFRONIE 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Christopher Bliss (Senior Statutory Auditor)
For and on behalf of

Rawlinson & Hunter Audit LLP
Statutory Auditor and Chartered Accountants
Eighth Floor
6 New Street Square
New Fetter Lane
London
EC4A 3AQ

Date:

SOFRONIE FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2019

| | Page | Unrestricted Funds 2019 £ | Unrestricted Funds 2018 £ |
|--|-------|------------------------------------|------------------------------------|
| INCOME FROM: | | | |
| Donations and legacies (note 2) | 18 | 2,204,850 | 2,202,600 |
| Investment income | | 869 | 667 |
| Total income | | <u>2,205,719</u> | <u>2,203,267</u> |
| EXPENDITURE ON: | | | |
| Charitable activities (note 3) | 18-19 | 2,865,407 | 5,926,162 |
| Total expenditure | | <u>2,865,407</u> | <u>5,926,162</u> |
| Net expenditure | | (659,688) | (3,722,895) |
| OTHER RECOGNISED (LOSSES) | | | |
| Realised (loss) on foreign currency transactions | | (8,859) | (2,389) |
| Net movement in funds | 14 | (668,547) | (3,725,284) |
| Reconciliation of funds: | | | |
| Total funds brought forward | | <u>1,149,931</u> | <u>4,875,215</u> |
| Total funds carried forward | | <u>£ 481,384</u> | <u>£ 1,149,931</u> |

The Statement of Financial Activities includes all gains and losses recognised in the year.

All of the above results are derived from continuing activities.

**SOFRONIE FOUNDATION
(COMPANY NO. 06074877)**

BALANCE SHEET

AT 31 DECEMBER 2019

| | Page | Unrestricted Funds 2019 £ | Unrestricted Funds 2018 £ |
|---|-------|------------------------------------|------------------------------------|
| FIXED ASSETS: | | | |
| Tangible assets (Note 4) | 19 | - | - |
| CURRENT ASSETS: | | | |
| Debtors (note 5) | 20 | 14,161 | 10,159 |
| Cash at bank (note 6) | 14/20 | 965,294 | 1,442,085 |
| Total current assets | | <u>979,455</u> | <u>1,452,244</u> |
| LIABILITIES: | | | |
| Creditors: Amounts falling due in one year (note 7) | 20 | (498,071) | (302,313) |
| Net assets less current liabilities | | <u>481,384</u> | <u>1,149,931</u> |
| Total net assets | | <u>£ 481,384</u> | <u>£1,149,931</u> |
| The funds of the charity: | | | |
| Unrestricted funds | | <u>£ 481,384</u> | <u>£1,149,931</u> |

The financial statements were approved and authorised for issue by the Board and were signed on its behalf by:



Date: 13 Oct 2020

SOFRONIE FOUNDATION
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2019

| | Page | 2019 £ | 2018 £ |
|---|------|-------------------|---------------------|
| Cash flows from operating activities: | | | |
| Net movement in funds for the year | 12 | (668,547) | (3,725,284) |
| Adjustment for: | | | |
| (Increase)/decrease in debtors | | (4,002) | 9,311 |
| Increase/(decrease) in creditors | | 195,758 | (139,052) |
| Loss on foreign exchange | | 8,859 | 2,389 |
| Net cash outflows from operating activities | | <u>(467,932)</u> | <u>(3,852,636)</u> |
| (Decrease) in cash for the year | | <u>£(467,932)</u> | <u>£(3,852,636)</u> |
| Reconciliation of net cash flow to movement in net funds | | | |
| Net cash resources at 1 January 2019 | | 1,442,085 | 5,297,110 |
| (Decrease) in cash | | (467,932) | (3,852,636) |
| Foreign exchange movements | | (8,859) | (2,389) |
| Cash at 31 December 2019 | 13 | <u>£ 965,294</u> | <u>£1,442,085</u> |
| Cash consists of: | | | |
| Cash at bank | 20 | <u>£ 965,294</u> | <u>£1,442,085</u> |

SOFRONIE FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2019

1. ACCOUNTING POLICIES

General information

The Sofronie Foundation ("the Foundation" or "the charitable company") is a registered charity (charity number 1118621) limited by guarantee incorporated in England and Wales, whose principal object is to support charitable purposes in whatever manner the Trustees, in their absolute discretion, think fit. Its place of business is 16 Great Queen Street, London, WC2B 5DH.

The Trustees' overriding aim is to promote social mobility by improving educational disadvantages and by providing pathways out of poverty.

The policy of the Foundation is to provide sufficient finance to continue to fund its charitable activities.

In the event of the Foundation being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements.

The Foundation constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016 and Update Bulletin 2 published on 5 October 2018), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

Basis of Preparation

The financial statements are presented in GBP which is the functional currency.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value with the following significant accounting policies applied.

These policies have been consistently applied to all years presented unless otherwise stated.

Tangible Fixed Assets

Tangible fixed assets are included at their cost value and depreciated using the straight line method over 5 years.

Income recognition

Voluntary donations and income from interest bearing deposit accounts are included when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

SOFRONIE FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2019

1. ACCOUNTING POLICIES (continued)

Expenditure recognition

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation committing the Trustees to the expenditure. It is categorised under the following headings:

- Support Costs - consists of advertising, marketing and direct mail materials, including publicity costs not associated with educational material designed wholly or mainly to further the charitable company's purposes. Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charitable company.
- Charitable activities comprise grants and donations made during the period and are expended through the Statement of Financial Activities when the offer is conveyed to the recipient.

Status of funds

The entire resources of the fund are unrestricted and the Trustees have complete discretion for their use in pursuance of its objectives.

Foreign currency

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions denominated in foreign currencies are converted at the rate of exchange ruling at the date of the transaction. All translation differences are taken to the Statement of Financial Activities as they arise.

Pensions

The Foundation contributes to a personal pension plan in respect of its employee. The expenditure charged in the financial statements represents contributions payable in respect of this scheme during the period.

Taxation and irrecoverable VAT

The Foundation is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant change in value.

SOFRONIE FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2019

1. ACCOUNTING POLICIES (continued)

Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

The provisions for multi-year grants are recognised at their present value where settlement is due over more than one year from the date of the award.

Employee benefits

When employees have rendered service to the charitable company, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The forecast income and reserves are sufficient to cover all of the budgeted expenditure to be able to continue as a going concern.

The Covid-19 pandemic has created significant operational and financial pressures on the Foundation. Having considered the contingency plans in place, the support to businesses announced by the UK Government and having reviewed updated cashflow forecasts, the trustees consider the adoption of the going concern basis in preparing these financial statements continues to be appropriate.

Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised initially at transaction cost and subsequently at amortised cost.

Judgements and key sources of estimation uncertainty

In preparing the financial statements, the Trustees have to make judgements on how to apply the Foundation's accounting policies and make estimates about the future. The critical judgements that have been made at arriving at the amounts recognised in the financial statements, and key areas of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities in the financial year, are discussed below.

The Trustees have assumed an estimated applicable discount rate of 3% per annum at 31 December 2019 to discount any future grants payable to the present value. A higher discount rate would result in a lower discounted liability value being presented as a liability. A lower discount rate would result in a higher discounted liability value being presented as a liability in these accounts. There were no long term liabilities which needed to be discounted to present value at the year end.

The unwinding of the discount is recognised as a finance cost in the Income Statement in the period it arises.

SOFRONIE FOUNDATION

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2019

| | Page | 2019 £ | 2018 £ |
|--|-----------------------------------|--------------------|--------------------|
| 2. DONATIONS AND LEGACIES | | | |
| Donations receivable from Netherlands | | 2,190,750 | 2,192,500 |
| Gift Aid relief | | 14,100 | 10,100 |
| | 12 | <u>£ 2,204,850</u> | <u>£ 2,202,600</u> |
| 3. CHARITABLE ACTIVITIES | | | |
| | Registered Charity No. | | |
| Grants payable: | | | |
| Stichting Codam | | 1,939,120 | 5,294,190 |
| JINC NL | | 62,916 | - |
| ZUPdeCO | | 70,456 | 97,538 |
| Article 1 (formally Fratelli) | | 61,649 | 61,292 |
| Into University | 1118525 | 50,000 | 50,000 |
| Social Mobility Foundation | 1115888 | 50,000 | 50,000 |
| Sports Dan La Ville | | 39,838 | 39,659 |
| ESSEC Foundation | | 35,412 | 35,152 |
| Myotubular Foundation | | 10,000 | - |
| Stichting Move Foundation | | 9,255 | - |
| Lycée du Parc | | 868 | - |
| Vaulx en Velin | | 860 | - |
| Portsmouth Sail Training Trust | 1153870 | - | 20,000 |
| Kids Run Free | 1146636 | - | 10,000 |
| | | <u>2,330,374</u> | <u>5,657,831</u> |
| Total donations paid relating to 2019 | | | |
| Add/(Less): | | | |
| Donations paid relating to previous year commitments | | 108,736 | 221,811 |
| Provision for commitments brought forward | | (131,176) | (286,449) |
| Currency revaluation on overseas grants | | (4,252) | (115) |
| Provision for future commitments due within one year | 20 | 327,242 | 131,176 |
| | | <u>2,630,924</u> | <u>5,724,254</u> |
| Total grants payable | | | |
| Support Costs: | | | |
| Staff salary | | 130,237 | 120,190 |
| Employer's national insurance | | 33,965 | 31,088 |
| Travel and subsistence expenses | | 31,450 | 14,302 |
| Accountancy fees (governance costs) | | 8,772 | 7,620 |
| Bank charges and custody fees | | 8,711 | 9,842 |
| Employee benefits | | 7,264 | 6,090 |
| Staff pensions | | 4,143 | 3,833 |
| Audit fees (governance costs) | | 3,900 | 3,900 |
| Consultancy | | 2,219 | 480 |
| Payroll expenses | | 1,775 | 1,785 |
| Entertaining | | 1,074 | 1,608 |
| | | <u>2,864,434</u> | <u>5,924,992</u> |
| Carried forward | | | |

SOFRONIE FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2019

| 3. CHARITABLE ACTIVITIES (continued) | Page | 2019 £ | 2018 £ |
|---|-------------|--------------------------|--------------------------|
| Brought forward | | 2,864,434 | 5,924,992 |
| Insurance (governance costs) | | 801 | 734 |
| Conference and training | | 159 | - |
| Postage & courier | | 8 | 424 |
| Printing and stationery | | 5 | 12 |
| Total charitable activities | 12 | <u><u>£2,865,407</u></u> | <u><u>£5,926,162</u></u> |

Total average number of employees, excluding Trustees, was 2 (2018: 2). The Trustees were not paid any salaries during the year.

1 employee earned between £50,000 and £60,000 during the year (2018: 1) and 1 earned between £80,000 and £90,000 (2018: 1)

The Trustees and the Head of the Foundation constitute the key management of the Foundation.

| 4. TANGIBLE FIXED ASSET | Page | 2019 £ | 2018 £ |
|---|-------------|-------------------|-------------------|
| Fixtures, fittings and equipment at cost | | | |
| Balance at 1 January and at 31 December | | <u>576</u> | <u>576</u> |
| Accumulated depreciation | | | |
| Balance at 1 January | | 576 | 576 |
| Charge for the year | | - | - |
| Balance at 31 December | | <u>576</u> | <u>576</u> |
| Net Book Value at 31 December 2019 | 13 | <u><u>£ -</u></u> | <u><u>£ -</u></u> |
| Net Book Value at 31 December 2018 | | <u><u>£ -</u></u> | <u><u>£ -</u></u> |

Tangible fixed assets are depreciated over a five year period using the straight line method. The fixed assets are still being used by the Foundation.

SOFRONIE FOUNDATION

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2019

| | Page | 2019 £ | 2018 £ |
|--|---------|------------------|------------------|
| 5. DEBTORS | | | |
| HM Revenue & Customs Gift Aid | | 14,100 | 10,100 |
| Prepaid office expenses | | 61 | 59 |
| | 13 | <u>£ 14,161</u> | <u>£ 10,159</u> |
| 6. CASH AT BANK | | | |
| Goldman Sachs Revenue Account | | 706,810 | 892,615 |
| Goldman Sachs Income Account | | 1,715 | 1,715 |
| | | <u>708,525</u> | <u>894,330</u> |
| Barclays Bank Euro Current Account (€300,956) | | 255,832 | 518,704 |
| Barclays Bank Current Account GBP | | 937 | 29,051 |
| | 13 & 14 | <u>965,294</u> | <u>1,442,085</u> |
| 7. CREDITORS - amounts falling due within one year | | | |
| Grants payable (note 8) | 20 | 327,242 | 131,176 |
| Staff costs | | 88,591 | 61,800 |
| Other creditors - staff costs | | 68,127 | 85,279 |
| Accountancy fees | | 7,500 | 15,792 |
| Audit fees | | 3,900 | 7,800 |
| Expense control account | | 2,111 | 426 |
| Professional fees | | 600 | 40 |
| | 13 | <u>£ 498,071</u> | <u>£ 302,313</u> |
| 8. CHARITABLE ACTIVITIES - GRANTS PAYABLE | | | |
| At 31 December 2019, the following grants were committed to be paid in subsequent years: | | | |
| Payable within one year (note 7): | | | |
| Stichting Codam | | 254,994 | - |
| Academie Musical | | 50,999 | 53,856 |
| Ecole de Production Boisard Lyon | | 21,249 | 22,440 |
| Rev'Elles | | - | 44,880 |
| Kids Run Free | | | 10,000 |
| | | <u></u> | <u></u> |
| Grants payable within one year (notes 3 & 7) | 18 & 20 | <u>£ 327,242</u> | <u>£ 131,176</u> |

SOFRONIE FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2019

10. FINANCIAL INSTRUMENTS

| | | |
|--|------------------|--------------------|
| Financial Assets measured at fair value through income and expenditure | <u>£ 965,294</u> | <u>£ 1,442,085</u> |
| Financial liabilities measured at amortised cost | <u>£ 168,718</u> | <u>£ 170,711</u> |

Financial assets measured at fair value through income and expenditure comprise cash at bank.

Financial liabilities measured at amortised cost comprise other creditors and accruals.

11. RELATED PARTY TRANSACTIONS

Corinne Goddijn-Vigreux has donated total funds of £2,190,750 (year to 31 December 2018: £2,192,500) to the charity in the year.

During the year there were staff and other office costs payable as recharges from Rinkelberg Capital Limited of £175,997 (year to 31 December 2018: £161,511) incurred by the charitable company.

As at the year end the charitable company owed Rinkelberg Capital Limited £156,718 (year to 31 December 2018: £147,079) in relation to staff costs.

Two Trustees of the Foundation, Harold Coenradus Albertus Goddijn and Corinne Daniele Goddijn-Vigreux are directors of Rinkelberg Capital Limited.

During the year, a donation of £2,194,114 (€2,500,000) was awarded to Stichting Codam of Netherlands, of which £254,994 (€300,000) remains outstanding (year to 31 December 2018: £5,294,190 (€6,000,000), none outstanding). Corinne Daniele Goddijn-Vigreux is a Trustee of that charity.

No remuneration was received by the Trustees. Other key management personnel received remuneration of £85,830 (year to 31 December 2018: £78,908) during the year.

During the year to 31 December 2018 trustees were reimbursed for expenses incurred in pursuit of the charitable objectives in the amount totalling £544 (year to 31 December 2018: £147). The amount can be broken down as:

| | 2019 £ | 2018 £ |
|-------------|--------------|--------------|
| Travel | 494 | 147 |
| Other | 36 | - |
| Subsistence | 14 | - |
| | <u>£ 544</u> | <u>£ 147</u> |

12. ULTIMATE CONTROLLING PARTY

The Trustees consider that the charity is jointly controlled by the Trustees and that there is no ultimate controlling party.

