

**REGISTERED COMPANY NUMBER: 09405449 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1162494**

**ALQIITY TRANSFORMING LIVES FOUNDATION  
REPORT OF THE TRUSTEES AND  
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED  
30 JUNE 2018**

Mercer Lewin Ltd  
Chartered Accounts and Registered Auditors  
41 Cornmarket St  
OXFORD  
OX1 3HA

**ALQIITY TRANSFORMING LIVES FOUNDATION**

**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018**

	Page
Report of the Trustees	1 to 3
Report of the Independent Auditors	4 to 5
Statement of Financial Activities	6
Balance Sheet	7 to 8
Notes to the Financial Statements	9 to 11
Detailed Statement of Financial Activities	12

## **ALQUITY TRANSFORMING LIVES FOUNDATION**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 JUNE 2018**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 June 2018. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The Charity receives a regular donation from Alquity Investment Management Limited, based on its revenues, and this is the primary source of funding for the charity.

In the current period and looking forwards the Trustees are focusing on projects that promote the creation of sustainable livelihoods (SDG 8) and employment readiness programs (SDG 4).

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

The foundation continued to support the following charitable organisations:

Afrikids - FLiPs and Transforming Futures  
Amantani - employment readiness programs  
Shivia - Poultry kits and poultry farming  
Hand in Hand - microfinance

However, the Charity has decided to now deliver its giving via an Award program. The Transforming Lives Awards program will seek out the best NGO's and Social Enterprises with a focus on addressing issues related to SDG 8 (sustainable livelihoods) and the upper part of SDG 4 (employment readiness education). The awards are a partnership with Philanthropy University as the delivery partner and a number of high profile organisations such as The World Bank (Solutions for Youth Employment), Acumen, Ashoka, the UBS Optima Foundation and many more. The awards program will take approximately a year to go from initial request for applications to the stage of giving rewards in September 2019. The total awards will be c. \$600k and there will be approximately \$200k of costs associated with running the program. As such the Charity expects to build up significant cash ahead of these dispersals, and then the Awards program will run on a 12-18 months cycle. This remains consistent with us distributing all available funds, subject to a prudent reserve policy.

#### **FINANCIAL REVIEW**

##### **Financial position**

In the year the Foundation received £404,577 in donations from Alquity Investment Management and others. It has dispersed £85,311 to our charity partners.

At all times, the Foundation will seek to ensure it has a minimum of £50,000 of cash (or cash-like instruments) reserves. In addition, it is the intent that any future committed grants would be covered by the reserves and a maximum of 50% of the annualised, current 3-month donation accrual rate. If 50% of the current rate is insufficient then the donations stream will be used to accumulate a cash balance until such time as this metric is met.

#### **FUTURE PLANS**

Due to the successful growth of Alquity Investment Management the Foundations flow of donations continues to grow. The Trustees are therefore focused on identifying new partners who can deliver a pipeline of quality projects for us to support. This is expressed through the new Transforming Lives Awards program.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Company number**

09405449 (England and Wales)

## **ALQUITY TRANSFORMING LIVES FOUNDATION**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 JUNE 2018**

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Charity number**  
1162494

#### **Registered office**

9 Kingsway  
London  
WC2B 6XF

#### **Trustees**

D M Brocklebank	- appointed 14/8/2017
V A P Giridhar Gopal	- appointed 1/8/2017
P H Robinson	
Dr N Schoon	- appointed 31/8/2017
R Shah	- appointed 1/8/2017
K J Cavelle	- resigned 1/8/2017
C S Wehbe	- resigned 7/11/2018

#### **Company Secretary**

#### **Auditors**

Mercer Lewin Ltd  
Chartered Accounts and Registered Auditors  
41 Cornmarket St  
OXFORD  
OX1 3HA

#### **STATEMENT OF TRUSTEES RESPONSIBILITIES**

The trustees (who are also the directors of Alquity Transforming Lives Foundation for the purposes of company law) 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).

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 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 charitable company 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 charitable company and to 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

#### **AUDITORS**

The auditors, Mercer Lewin Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ALQUNITY TRANSFORMING LIVES FOUNDATION**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 30 JUNE 2018**

Approved by order of the board of trustees on 28 March 2019 and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'P H Robinson', written over a horizontal line.

P H Robinson - Trustee

## **REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF ALQUITY TRANSFORMING LIVES FOUNDATION**

### **Opinion**

We have audited the financial statements of Alquity Transforming Lives Foundation (the 'charitable company') for the year ended 30 June 2018 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2018 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 Auditors 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' 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, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and 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, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements ; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees Responsibilities, the trustees (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.

## REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF ALQUITY TRANSFORMING LIVES FOUNDATION

### Responsibilities of trustees

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.

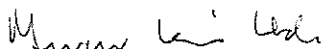
### Our responsibilities for the audit of the financial statements

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 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.

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](http://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 charitable company's trustees, as a body, in accordance with Section 145 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Mercer Lewin Ltd  
Chartered Accounts and Registered Auditors  
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006  
41 Cornmarket St  
OXFORD  
OX1 3HA

28 March 2019

ALQUITY TRANSFORMING LIVES FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 30 JUNE 2018

	Notes	Unrestricted fund £	Restricted fund £	2018 Total funds £	2017 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies		404,577	-	404,577	233,368
<b>Total</b>		<u>404,577</u>	<u>-</u>	<u>404,577</u>	<u>233,368</u>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>					
Sustainable development		102,152	-	102,152	95,040
Support costs		2,400	-	2,400	3,154
<b>Total</b>		<u>104,552</u>	<u>-</u>	<u>104,552</u>	<u>98,194</u>
<b>NET INCOME</b>		<u>300,025</u>	<u>-</u>	<u>300,025</u>	<u>135,174</u>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		141,089	-	141,089	5,915
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>441,114</u></u>	<u><u>-</u></u>	<u><u>441,114</u></u>	<u><u>141,089</u></u>

The notes form part of these financial statements



ALQUITY TRANSFORMING LIVES FOUNDATION

BALANCE SHEET  
AT 30 JUNE 2018

	Notes	Unrestricted fund £	Restricted fund £	2018 Total funds £	2017 Total funds £
<b>CURRENT ASSETS</b>					
Debtors	5	-	-	-	45,858
Investments	6	200,000	-	200,000	-
Cash at bank		243,514	-	243,514	97,031
		<u>443,514</u>	<u>-</u>	<u>443,514</u>	<u>142,889</u>
<b>CREDITORS</b>					
Amounts falling due within one year	7	(2,400)	-	(2,400)	(1,800)
		<u>441,114</u>	<u>-</u>	<u>441,114</u>	<u>141,089</u>
<b>NET CURRENT ASSETS</b>					
		<u>441,114</u>	<u>-</u>	<u>441,114</u>	<u>141,089</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		<u>441,114</u>	<u>-</u>	<u>441,114</u>	<u>141,089</u>
<b>NET ASSETS</b>					
		<u>441,114</u>	<u>-</u>	<u>441,114</u>	<u>141,089</u>
<b>FUNDS</b>					
	8			441,114	141,089
Unrestricted funds				441,114	141,089
Restricted funds				-	-
<b>TOTAL FUNDS</b>					
				<u>441,114</u>	<u>141,089</u>

The notes form part of these financial statements

**ALQUITY TRANSFORMING LIVES FOUNDATION**

**BALANCE SHEET - CONTINUED  
AT 30 JUNE 2018**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 June 2018.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on 28 March 2019 and were signed on its behalf by:



P H Robinson -Trustee

## ALQUITY TRANSFORMING LIVES FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

#### 1. ACCOUNTING POLICIES

##### **BASIS OF PREPARING THE FINANCIAL STATEMENTS**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

##### **INCOME**

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

##### **EXPENDITURE**

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

##### **TAXATION**

The charity is exempt from corporation tax on its charitable activities.

##### **FUND ACCOUNTING**

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

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

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

#### 2. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2018	2017
	£	£
Auditors' remuneration	<u>2,400</u>	<u>1,800</u>

#### 3. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 June 2018 nor for the year ended 30 June 2017.

##### **TRUSTEES' EXPENSES**

There were no trustees' expenses paid for the year ended 30 June 2018 nor for the year ended 30 June 2017.

ALQUITY TRANSFORMING LIVES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 30 JUNE 2018

4. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	233,368	-	233,368
<b>Total</b>	<u>233,368</u>	<u>-</u>	<u>233,368</u>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Sustainable development	90,040	5,000	95,040
Support costs	3,154	-	3,154
<b>Total</b>	<u>93,194</u>	<u>5,000</u>	<u>98,194</u>
<b>NET INCOME</b>	<u>140,174</u>	<u>(5,000)</u>	<u>135,174</u>
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	915	5,000	5,915
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>141,089</u></u>	<u><u>-</u></u>	<u><u>141,089</u></u>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Other debtors	-	45,858
	<u>-</u>	<u>45,858</u>

6. CURRENT ASSET INVESTMENTS

	2018 £	2017 £
Other	200,000	-
	<u>200,000</u>	<u>-</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Accruals and deferred income	2,400	1,800
	<u>2,400</u>	<u>1,800</u>

ALQUITY TRANSFORMING LIVES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 30 JUNE 2018

8. MOVEMENT IN FUNDS

	At 1/7/17 £	Net movement in funds £	At 30/6/18 £
<b>Unrestricted funds</b>			
General fund	141,089	300,025	441,114
	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUNDS</b>	<u>141,089</u>	<u>300,025</u>	<u>441,114</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	404,577	(104,552)	300,025
	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUNDS</b>	<u>404,577</u>	<u>(104,552)</u>	<u>300,025</u>

Comparatives for movement in funds

	At 1/7/16 £	Net movement in funds £	At 30/6/17 £
<b>Unrestricted Funds</b>			
General fund	915	140,174	141,089
<b>Restricted Funds</b>			
Good Food Project	5,000	(5,000)	-
	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUNDS</b>	<u>5,915</u>	<u>135,174</u>	<u>141,089</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	233,368	(93,194)	140,174
<b>Restricted funds</b>			
Good Food Project	-	(5,000)	(5,000)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUNDS</b>	<u>233,368</u>	<u>(98,194)</u>	<u>135,174</u>

9. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 30 June 2018.