



SOFRONIE FOUNDATION

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

ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

SOFRONIE FOUNDATION
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FOR THE YEAR ENDED 31 DECEMBER 2016
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SOFRONIE FOUNDATION
ANNUAL REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2016

The Trustees present their report and the independently audited financial statements for the year to 31 December 2016. These have been prepared in accordance with the accounting policies set out on pages 14 to 16 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).

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
- Nicholas Mark Kaufmann
- Zaneta Felicja Laurence (resigned 1 May 2017)
- Robert Wilne
- Ajay Soni (appointed on 1 May 2016)

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 2016****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 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 existing 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 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 2016****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 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 2016****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 tackling those 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 and/or work. 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 funds programmes that improve social mobility by enhancing opportunities that improve educational attainment or specific skills to secure future employment with particular focus on projects and programmes in the United Kingdom, 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; or
- who have difficult and challenging family lives.

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.

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.

SOFRONIE FOUNDATION

ANNUAL REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2016

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

Grant Making Policies (continued)

During the year the Foundation funded eighteen charities (year to 31 December 2015: eleven) of which two are educational institutions (year to 31 December 2015: one). Seven of these payments related to commitments made in the previous year (year to 31 December 2015: three). Nine of these charities were UK registered (year to 31 December 2015: seven). Eight (year to 31 December 2015: five) of the UK registered charities further their charitable activities in the UK and one (year to 31 December 2015: two) 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 2016 amounted to £929,650 (year to 31 December 2015: £792,081). This includes £479,980 paid in respect of previous years' commitments (year to 31 December 2015: £242,190). During the year, new grants totalling £449,670 were approved and paid (year to 31 December 2015: £549,891). A further £476,823 of future commitments were provided for to be paid in future years (year to 31 December 2015 £620,659). In addition, there is a currency revaluation loss of £2,608 on overseas grants in the year to 31 December 2016 (year to 31 December 2015 gain of £594).

Apps for Good

The Trustees agreed a restricted grant of £50,000 to fund two projects. Adopt a School programme supports nine selected schools in the Midlands, England. These schools have an above average percentage of Free School Meals allocation and the programme teaches young people to engage creatively with technology. A separate project will provide an online community which will continue to support and connect students from the programme to promote mentoring, educational and employment opportunities.

Child.org

The Trustees agreed and paid the second instalment payment of £105,500 of a three-year grant (£369,500 committed in the previous year) to support the creation of a digital fundraising platform "Charity Apprentice". This second year included the preparation for selection and recruitment of apprentices in the UK the largest cohort to date.

ESSEC Foundation

Fourteen disadvantaged students were offered support funding of €54,873 (£43,119) towards scholarships at the ESSEC Business School in Paris, France.

Female Cancer Foundation

The Trustees paid the first instalment €40,000 (£29,480) of a three-year grant (€120,000 committed in the previous year) to fund the training of a selected group of Nepalese midwives to administer preventative treatment against cervical cancer. This programme will embed the practice locally and create a sustainable "see and treat" programme to improve the lifespan of Nepalese women.

SOFRONIE FOUNDATION

ANNUAL REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2016

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

Fondation d'Auteuil

The aim of the funding will provide a learning resource of technologies for teachers and students of Fondation d'Auteuil. The Trustees paid the first instalment €25,234 (£22,466) of a three-year grant (€101,412 committed during the year) for young disadvantaged students from five schools in the Aquitaine and Midi-Pyrénées of France, to take part in the design and construction of a drone.

Icam Ecole de Production

The Trustees agreed and paid the first instalment of €50,000 (£44,515) of a two-year grant (€100,000 committed in previous years) to fund the teaching requirement at a School of Production in Toulouse, France. The funding will increase the intake of students providing more training in engineering skills which will increase opportunities for future employment or further education for more students.

Impulsion

Funding over two years (€70,945) has been agreed and the first instalment of €19,756 (£17,717) was paid to provide disengaged young people with motivational programmes to further their education or employment. The team at Impulsion will provide a new base of sport, theatrical and life skill programmes in Lyon, France.

IntoUniversity

The Trustees paid the second and last instalment of £50,000, for a previously agreed two-year grant (£100,000). The funding over two years will provide continued support for the Student Mentoring Programme across the network of learning centres in the UK.

JINC NL

The Trustees agreed and paid the first instalment of €73,302 (£55,849) of a three year grant (€138,302). The funding provides 8 to 16 year-olds an opportunity to participate in an educational, workplace orientation programme. The programme "Flash Internship" takes place in businesses located in the Netherlands.

Royal National Children's Foundation

A restricted grant of £160,000 was paid for bursary support for vulnerable young people by providing a boarding school educational environment in the United Kingdom to improve stability and focus on their education. Further the Trustees agreed a payment of £35,000 to provide a holiday for selected Sofronie beneficiaries.

Social Mobility Foundation

The Trustees paid the sum of £50,000 (committed last year) to the operational costs of the Manchester office in England. The office provides multifaceted support to high achieving students from low income backgrounds in the Manchester region.

Stichting LeerKracht

The Trustees agreed and paid the first instalment of €100,000 (£89,140) of a two-year restricted grant (€150,000). The funding will provide training in five teacher training colleges in the Netherlands through peer and continuous learning in order to improve the quality of teaching and effective teaching methods. The aim of the programme is to spread this teaching throughout schools.

SOFRONIE FOUNDATION

ANNUAL REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2016

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

Stichting Move Foundation

A new one-year grant was agreed and paid of €35,000 (£29,761) to continue to fund the expansion of neighbourhood activities in several cities of the Netherlands for disadvantaged children. These activities are supported by students from the local university.

The Sutton Trust

The Trustees paid the second and final instalment of £50,000 of a two-year grant (£100,000). The two-year programme is aimed at high achieving students between the ages of 11 to 16 years of age from non-selective schools in the United Kingdom. These students are offered activities and interventions which improve their skills and understanding of further education. The programme is hosted at University College London, Cambridge University and Warwick University. A further grant of £30,000 was also paid to support the general work of the Sutton Trust.

The Smallpeice Trust

The first instalment of £23,049 was paid with regard to a restricted grant (£45,049) to provide ten schools with a high allocation of Free School Meals, a workshop "STEM Challenge Days," and four workshops "Dare to Engineer" in the Midlands area of the United Kingdom. From these workshops, several of these students are selected to join the residential week "Girls into Engineering" at Warwick University and "Dare to Engineer" at Sheffield University.

Young Enterprise

The Trustees agreed a one-year restricted grant of £44,000 to the Personal Finance Education Group, a subsidiary of Young Enterprise, to deliver a Centre of Excellence financial programme to a new group of disenfranchised young people in Alternative Provision and/or Youth Offending Institutes to teach financial planning and money management to support their transition back to the community.

5. FINANCIAL REVIEW

Incoming Resources

Incoming resources totalled £2,115,241 for the year to 31 December 2016 (year to 31 December 2015: £1,810,135).

Charitable activities

Charitable activities include direct charitable expenditure during the year of £788,422 (year to 31 December 2015: £1,169,956). Future commitments of £476,823 (year to 31 December 2015: £620,659) 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 2016 is shown on pages 17, 19 and 20.

Reserves Policy

During this period donations received by the Foundation exceeded those paid out or accrued by the Trustees. This reserve will be allocated in future years. The Trustees' continuing aim is to make arrangements to secure required funding to support the Foundation.

SOFRONIE FOUNDATION
ANNUAL REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

5. FINANCIAL REVIEW (continued)

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 2016 was £3,427,581 (2015 - £2,090,133). 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

The Trustees are pursuing opportunities and collaborations to open a free technical skills training school in Amsterdam.

7. AUDITORS

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 2017.

In preparing this report, the Trustees have taken advantage of the small companies exemption provided by section 415A of the Companies Act 2006.

**Approved by the Trustees on
and signed on their behalf by**

Corrine Goddjin-Vigreux
5th September 2017

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

We have audited the financial statements of Sofronie Foundation (“the charitable company”) for the year ended 31 December 2016 which comprise the Statement of Financial Activities (including the Income and Expenditure account), the Balance Sheet, the Cash Flow Statement and the related notes. 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’.

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.

Respective responsibilities of Trustees and auditor

As explained more fully in the Trustees’ Responsibilities Statement (set out on pages 2 - 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board’s Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company’s circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report of the Trustees and the Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 2016, of the 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.

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

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters where 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 Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the Trustees were not entitled to take advantage of the small companies exemptions in preparing the director's report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Chris Bliss

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: **21st September 2017**

SOFRONIE FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES

(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 DECEMBER 2016

	Page	Unrestricted Funds 2016 £	Unrestricted Funds 2015 £
INCOME FROM:			
Donations and legacies (note 2)	17	2,115,115	1,810,127
Other income		126	8
Total income		<u>2,115,241</u>	<u>1,810,135</u>
EXPENDITURE ON:			
Charitable activities (note 3)	17-18	922,896	1,245,471
Total expenditure		<u>922,896</u>	<u>1,245,471</u>
Net income		1,192,345	564,664
OTHER RECOGNISED GAINS/(LOSSES)			
Realised gain/(loss) on foreign currency transactions		145,103	(140,480)
Net movement in funds	13	<u>1,337,448</u>	<u>424,184</u>
Reconciliation of funds:			
Total funds brought forward		<u>2,090,133</u>	<u>1,665,949</u>
Total funds carried forward		<u><u>£3,427,581</u></u>	<u><u>£2,090,133</u></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 2016

	Page	Unrestricted Funds 2016 £	Unrestricted Funds 2015 £
FIXED ASSET:			
Tangible asset (note 4)	18	7	123
CURRENT ASSETS:			
Debtor (note 5)	18	14,908	10,750
Cash at bank (note 6)	13/19	4,030,284	2,808,605
Total current assets		<u>4,045,192</u>	<u>2,819,355</u>
LIABILITIES:			
Creditors: Amounts falling due in one year (note 7)	19	529,709	610,776
Net assets less current liabilities		3,515,483	2,208,702
Creditors: Amounts falling due after more than one year (note 8)	19	87,909	118,569
Total net assets		<u>£3,427,581</u>	<u>£2,090,133</u>
The funds of the charity:			
Unrestricted funds		<u>£3,427,581</u>	<u>£2,090,133</u>

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

Corinne Goddjin-Vigreux

Date: 5th September 2017

SOFRONIE FOUNDATION

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2016

	Page	2016 £	2015 £
Cash flows from operating activities:			
Net movement in funds for the year	11	1,337,448	424,184
Adjustment for:			
Depreciation charges		116	116
(Increase)/Decrease in Debtors		(4,158)	(6,095)
Increase/(Decrease) in Creditors		(111,727)	110,068
(Gain)/Loss on foreign exchange		(145,103)	140,480
Net cash flows from operating activities		<u>1,076,576</u>	<u>668,753</u>
Increase in cash for the year		<u>£1,076,576</u>	<u>£ 668,753</u>
Reconciliation of net cash flow to movement in net funds			
Net cash resources at 1 January		2,808,605	2,280,332
Increase in cash		1,076,576	668,753
Foreign exchange movements		145,103	(140,480)
Cash at 31 December	12	<u>£4,030,284</u>	<u>£2,808,605</u>
Cash consists of:			
Cash at bank	19	<u>£4,030,284</u>	<u>£2,808,605</u>

SOFRONIE FOUNDATION**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31 DECEMBER 2016****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), 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 as it applies from 1 January 2015.

Basis of Preparation

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) (effective 1 January 2015) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

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.

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 2016****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:

- The cost of raising funds - consists of advertising, marketing and direct mail materials, including publicity costs not associated with educational material designed wholly or mainly to further the charity's purposes.
- Charitable activities comprise of grants and donations made during the period and are expended through the Statement of Financial Activities when the offer is conveyed to the recipient.

Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity.

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

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.

SOFRONIE FOUNDATION**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31 DECEMBER 2016****1. ACCOUNTING POLICIES (continued)****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.

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 charity, 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.

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 2016 to discount the 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.

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 2016

	Page	2016 £	2015 £
2. DONATIONS AND LEGACIES			
Donations received from Netherlands		2,100,250	1,799,377
Gift Aid relief		14,865	10,750
	11	<u>2,115,115</u>	<u>£1,810,127</u>
3. CHARITABLE ACTIVITIES			
	Registered Charity No.		
Grants payable:			
Stichting Leerkracht		89,140	-
Jinc NL		55,849	-
Apps for Good	1133656	50,000	-
Icam Ecole de Production		44,515	-
Young Enterprise	313697	44,000	-
ESSEC Foundation		43,119	35,039
The Sutton Trust	1146244	30,000	80,000
Stichting Move Foundation		29,761	14,054
The Smallpeice Trust	313719	23,049	-
Fondation d'Auteuil		22,466	-
Impulsion		17,717	-
The Big House	1151106	54	-
Child.org (Kenyan Orphan Project)	1118528	-	200,000
IntoUniversity	1118525	-	50,000
Royal National Children's Foundation	310916	-	35,000
Prince's Trust	1079675	-	100,000
Le Pépinière de Talents		-	21,351
Stichting Grachtenfestival		-	14,796
Campus France (refund)		-	(349)
Total donations paid relating to 2016		<u>449,670</u>	<u>549,891</u>
Add/(Less):			
Donations paid relating to previous year commitments		479,980	242,190
Provision for commitments brought forward		(620,659)	(242,190)
Currency revaluation on overseas grants		2,608	(594)
Provision for future commitments due less than one year	19	388,914	502,090
Provision for commitments due in more than one year	20	87,909	118,569
Total grants payable		<u>788,422</u>	<u>1,169,956</u>
Support Costs:			
Staff salary		53,288	40,600
Consultancy		28,702	1,136
Travel and subsistence expenses		7,263	2,507
Accountancy fees		8,904	7,560
Employer's National Insurance		6,704	4,948
Employee benefits		5,835	4,975
Bank charges and custody fees		5,292	3,690
Carried forward		<u>904,410</u>	<u>1,235,372</u>

SOFRONIE FOUNDATION

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2016

3. CHARITABLE ACTIVITIES (continued)	Page	2016 £	2015 £
Brought forward		904,410	1,235,372
Legal Fees		5,035	-
Audit fees		4,800	3,900
Staff bonus		3,400	3,334
Staff pensions		2,787	1,218
Entertaining		540	462
Printing and stationery		508	105
Conference and training		280	279
Insurance		786	685
Depreciation	18	116	116
Marketing costs		110	-
Office supplies		102	-
Postage & courier		22	-
Total charitable activities	11	<u>£ 922,896</u>	<u>£1,245,471</u>

Total average number of employees, excluding Trustees, was 1 (2015: 1) (The Trustees were not paid any salaries during the year and constitute the key management of the Foundation).

4. TANGIBLE FIXED ASSET

Fixtures, fittings and equipment at cost

Balance at 1 January and at 31 December		576	576
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Accumulated depreciation

Balance at 1 January		453	337
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Charge for the year	18	116	116
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Balance at 31 December		569	453
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Net Book Value at 31 December 2016	12	<u>£ 7</u>	<u>£ 123</u>
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Net Book Value at 31 December 2015	12	<u>£ 123</u>	<u>£ 239</u>
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Tangible assets are depreciated over a five year period using the straight line method

5. DEBTOR

HM Revenue & Customs Gift Aid		14,865	10,750
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Prepaid office expenses		43	-
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	12	<u>£ 14,908</u>	<u>£ 10,750</u>
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SOFRONIE FOUNDATION

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2016

	Page	2016 £	2015 £
6. CASH AT BANK			
Goldman Sachs Euro Revenue Account		3,989,313	2,806,373
Goldman Sachs Income Account		1,715	1,715
		<u>3,991,028</u>	<u>2,808,088</u>
Barclays Bank Current Account		39,256	517
	12 & 13	<u>£4,030,284</u>	<u>£2,808,605</u>
7. CREDITORS - amounts falling due within one year			
Grants payable (note 9)	19	388,914	502,090
Other creditors - staff costs		56,350	50,539
Staff costs		55,722	39,487
Accountancy fees		14,334	11,760
Audit fees		7,800	6,900
Professional fees		4,847	-
Expense control account		1,742	-
	12	<u>£ 529,709</u>	<u>£ 610,776</u>
8. CREDITORS - amounts falling due after more than one year			
Grants payable (note 9)	12 & 20	<u>£ 87,909</u>	<u>£ 118,569</u>
9. CHARITABLE ACTIVITIES - GRANTS PAYABLE			
At 31 December 2016, the following grants were committed to be paid in subsequent years:			
Payable within one year (note 7):			
Child.org (Kenyan Orphan Project)		64,000	105,500
Social Mobility Foundation		50,000	50,000
Impulsion		43,695	-
Stichting Leerkracht		42,680	-
Icam Ecole de Production		42,680	-
Jinc NL		34,144	-
Female Cancer Foundation		34,144	29,480
Fondation d'Auteuil		29,963	-
Le Pépinière De Talent		25,608	22,110
The Smallpeice Trust		22,000	-
Royal National Children's Foundation		-	195,000
IntoUniversity		-	50,000
The Sutton Trust		-	50,000
Grants payable within one year (notes 3 & 7)	17 & 19	<u>£ 388,914</u>	<u>£ 502,090</u>

SOFRONIE FOUNDATION

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2016

9. CHARITABLE ACTIVITIES - GRANTS PAYABLE (continued)	Page	2016	2015
		£	£
Payable after one year (note 8):			
Fondation d'Auteuil		34,041	-
Female Cancer Foundation		33,150	56,425
Jinc NL		20,718	-
Child.org (Kenyan Orphan Project)		-	62,144
Grants payable after more than one year (notes 3 & 8)	17 & 19	<u>£ 87,909</u>	<u>£ 118,569</u>

The long term creditors have been discounted to their present value.

10. Financial instruments

Financial Assets measured at fair value through profit and loss	£ 4,030,284	£ 2,808,605
Financial liabilities measured at amortised cost	£ 139,053	£ 108,686

Financial assets measured at fair value through profit and loss comprise of cash at bank and in hand.

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

11. RELATED PARTY TRANSACTIONS

Corinne Goddijn-Vigreux has donated total funds of £2,100,250 (year to 31 December 2015: £1,799,377) to the charity in the year.

During the year there were staff and other office costs payable as recharges to Rinkelberg Capital Limited of £72,612 (year to 31 December 2015: £55,075) incurred by the charitable company.

As at the year end the charitable company owed Rinkelberg Capital Limited £112,072 (year to 31 December 2015: £90,026) in relation to staff costs.

No compensations were received by any Trustees or other key management for the year who received no expense reimbursement either.

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

12. ULTIMATE CONTROLLING PARTY

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