



SOFRONIE FOUNDATION

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

ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

SOFRONIE FOUNDATION
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FOR THE YEAR ENDED 31 DECEMBER 2017
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SOFRONIE FOUNDATION
ANNUAL REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2017

The Trustees present their report and the independently audited financial statements for the year to 31 December 2017. 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
- Nicholas Mark Kaufmann (resigned 31 December 2017)
- Zaneta Felicja Laurence (resigned 1 May 2017)
- Robert Wilne
- Ajay Soni
- Boris Walbaum (appointed 25 October 2017)

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 2017****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 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 (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 2017****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 2017****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, particularly selecting digital programmes to enhance skills for 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 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 2017

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

Grant Making Policies (continued)

During the year the Foundation funded twenty five charities (year to 31 December 2016: eighteen) of which four are educational institutions (year to 31 December 2016: two). Ten of these payments related to commitments made in the previous year (year to 31 December 2016: seven). Six of these charities were UK registered (year to 31 December 2016: nine), all six (year to 31 December 2016: eight) of the UK registered charities having their charitable activities in the UK and none (year to 31 December 2016: one) 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 2017 amounted to £855,907 (year to 31 December 2016: £929,650). This includes £362,861 paid in respect of previous years' commitments (year to 31 December 2016: £479,980). During the year, new grants totalling £493,046 were approved and paid (year to 31 December 2016: £449,670). A further £286,449 of future commitments were provided for to be paid in future years (year to 31 December 2016 £476,823). In addition, there was a currency revaluation loss of £5,862 on overseas grants in the year to 31 December 2017 (year to 31 December 2016 loss of £2,608).

United Kingdom

Child.org

The Trustees agreed and paid the final instalment of GBP64,000 of a three year grant (GBP369,000) to support the creation of a digital fundraising platform "Charity Apprentice". The platform offers online training and mentoring in the charity sector in parallel with raising funds for Child.org.

IntoUniversity

The Trustees continue to support the work of IntoUniversity and agreed a one year restricted grant of GBP25,000, in support of the new hub opening in Clacton on Sea.

Portsmouth Sailing Training Trust

A grant of GBP30,000 was agreed by the Trustees and paid to fund a salaried fundraising position for the Trust to strengthen their financial sustainability and structures for future growth.

Social Mobility Foundation

The Trustees continue to support the Social Mobility Foundation and agreed and paid the sum of GBP50,000 to contribute to the operational costs of the Manchester office in England. The office provides multifaceted academic support to high achieving students from low income backgrounds in the Manchester region to access work experience and entry to university.

The Smallpiece Trust

The second and final instalment of GBP22,000 was paid with regard to a restricted grant (GBP45,049) to provide ten schools with a high allocation of FSM students an opportunity to participate in "Dare to Engineer" workshops in the Sheffield, Birmingham and Coventry areas of the United Kingdom. From these workshops, several of these students joined the residential week "Girls into Engineering" at Warwick University and "Dare to Engineer" at Sheffield University.

SOFRONIE FOUNDATION

ANNUAL REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2017

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

France

Académie Musicale Philippe Jaroussky (AMPJ)

The Trustees agreed and paid a grant of EUR20,000 to provide disadvantaged young people with the experience of learning to play an instrument and or classical singing. The Academy offers support to 7 to 14 years (Young Apprentice) and 18 to 25 years (Young Talents) an opportunity to hone talents and develop a musical interest or career.

Cuisine Mode d'Emploi(s)

Grigny experiences a high level of unemployment. The Trustees agreed and paid a one off restricted grant of EUR40,000 to provide refurbishment for a "training kitchen" and funding to train the first 40 unemployed candidates on the scheme.

Ecole de production ICAM - Toulouse

The Trustees, agreed and paid the second and final instalment EUR50,000, of a two year grant (EUR100,000) to fund the teaching requirement at a School of Production in Toulouse, France. The funding will support the increase in the student number and provide more training in engineering skills.

Ecole de Production Boisard - Lyon

The first instalment of EUR45,000 was paid of an agreed three year grant (EUR80,000) to fund the upgrade of the equipment for the purpose of boiler manufacture and costs associated with the skills training of 10 students from Vaulx-en-Velin in specialist engineering skills.

Essec Foundation

The Trustees agreed and paid further bursary support of EUR37,000 for 14 students from low income families to pursue a Business Programme (BBA) at Essec Business School.

Fondation d'Auteuil

The second instalment of EUR35,102 from a previously agreed three year restricted grant (EUR101,412) was paid in support of the Drone design and construction programme aimed at young disadvantaged students from five schools in the Aquitaine and Midi-Pyrénées of France.

Frateli/Article 1

Frateli has recently merged with Passport Avenir, a charity with similar focus, to pool resources to create a new charity Article 1. Through this partnership the programme of student mentoring and support has reached Lyon. This expansion will increase their student number to 750 students in 2018. The Trustees have agreed a one year restricted grant of EUR50,000 to fund the setting up of the local mentoring branch.

Impulsion 75/69

The Trustees paid the second and final instalment of EUR51,189 of a previously agreed grant (EUR 70,945) to fund the programme expansion in Lyon located at the Lycee du Parc. The programme provides unemployed young people with sport activities, improv theatre together with mentoring within a prestigious school in Lyon and includes life skills, work skills and support to enter further education or employment.

Rev'Elles

The trustees agreed and paid the first instalment of EUR50,000 of a three year grant (EUR150,000) to provide aspirational mentoring to 32 girls from disadvantaged neighbourhoods in Paris. Further funding will support a new base in Lyon for 50 new female applicants.

SOFRONIE FOUNDATION

ANNUAL REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 DECEMBER 2017

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

ZupdeCo

The Trustees agreed a one year restricted grant of EUR32,000 to fund a project based in Vaulx-en-Velin, to initially support 40 pupils located in disadvantaged areas and increase to 60 pupils in 2018. The programme offers academic support to assist in the preparation of the Brevet des Collèges exam (year 10).

Sport Dans La Ville/Apprenti'Bus

A restricted grant of Eur45,000 was agreed to provide a second bus to expand the reading programme to 240 pupils. The reading programme is delivered by bus to 13 neighbourhoods in the Lyon area of France, during October to June for year 5 and year 6 pupils.

The Netherlands

Female Cancer Foundation

The Trustees agreed the payment of the second instalment EUR40,000 of a three year grant (EUR120,000 committed in the previous year) to fund 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.

Jinc

The Trustees agreed and paid the second instalment of EUR40,000 of a three year grant (EUR138,302). The funding contributes to an educational, workplace orientation programme for 8 to 16 year olds' "Flash Internship" which takes place in businesses located in Amsterdam. This year the programme reached 2757 pupils with the support of 275 participating businesses.

Stichting LeerKracht

The programme "LeerKracht" is a performance improvement technique designed to improve teaching methods through mentoring and collaboration of knowledge. The Trustees paid the second and final instalment of EUR50,000 to support the costs of Expert Coaches, Cluster Leaders and Event Manager to deliver and manage the programme through five selected PABO (teacher training) colleges in the Netherlands to grow the concept throughout the education sector.

Stichting Move

A new one year grant was agreed and paid of EUR20,000 to continue to support the expansion of neighbourhood activities in several cities of the Netherlands for disadvantaged children. These activities are supported by students from the local university.

Inspiring Fifty/Project Prep

"Project Prep" is a new novel aimed at girls to inspire them to consider the technology industry for future careers. The Trustees agreed and paid GBP10,000 for the printing in English of 500 books which will be distributed as gifts to the girls who attended our technical and computer coding activities this year.

Codam (previously named IO.org)

The Trustees agreed to support a new concept of computer programming learning and have been in consultation with Ecole 42 in Paris to deliver the curriculum through the creation of Codam, a college based in Amsterdam. Learning develops through a curriculum based on projects and challenges that encourages peer-to-peer collaboration and evaluation as there are no teachers. This model of learning is progressive and creative and encourages the skills that business requires today and for future jobs. The Trustees agreed an initial payment of EUR100,000 for initial legal and construction expenses and will fully support the project for the foreseeable future.

SOFRONIE FOUNDATION**ANNUAL REPORT OF THE TRUSTEES (continued)****FOR THE YEAR ENDED 31 DECEMBER 2017****5. FINANCIAL REVIEW****Incoming Resources**

Incoming resources totalled £2,234,284 for the year to 31 December 2017 (year to 31 December 2016: £2,115,241).

Charitable activities

Charitable activities include direct charitable expenditure during the year of £671,395 (year to 31 December 2016: £788,422). Commitments for future periods of £286,448 (year to 31 December 2016: £476,823) 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 2017 is shown on pages 18 and 19, 20 and 21.

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.

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 2017 was £4,875,215 (2016 - £3,427,581). 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

After ten years of supporting projects globally, to raise opportunities for young people, the Foundation will now continue to focus on their key aims of improving social mobility by targeting areas of low socio-economic status and/or providing opportunities for employment through education or skills training and particularly in digital technology to offer more young people the chance to find employment. It is recognised that this is an industry that needs talent for business today and jobs for the future. Sofronie has committed major funding support for a new coding learning facility in the heart of Amsterdam, the largest project to date, which will deliver an innovative learning programme, free of charge to a maximum of 600 young people each year and will open in 2019. Projected costs in the first year of 6 million euros will include construction, fit out, equipment, programme licensing, facilities, staffing and running costs.

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 2018.

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**

Ajay Soni – 24 September 2018

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

We have audited the financial statements of The Sofronie Foundation (the 'charitable company') for the year ended 31 December 2017 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 2017, 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 TRUSTEES 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 TRUSTEES 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.

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: **26 September 2018**

SOFRONIE FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES

(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 DECEMBER 2017

	Page	Unrestricted Funds 2017 £	Unrestricted Funds 2016 £
INCOME FROM:			
Donations and legacies (note 2)	18	2,234,250	2,115,115
Investment income		34	126
Total income		<u>2,234,284</u>	<u>2,115,241</u>
EXPENDITURE ON:			
Charitable activities (note 3)	18-19	880,774	922,896
Total expenditure		<u>880,774</u>	<u>922,896</u>
Net income		1,353,510	1,192,345
OTHER RECOGNISED GAINS			
Realised gain on foreign currency transactions		94,124	145,103
Net movement in funds	14	1,447,634	1,337,448
Reconciliation of funds:			
Total funds brought forward		<u>3,427,581</u>	<u>2,090,133</u>
Total funds carried forward		<u><u>£4,875,215</u></u>	<u><u>£3,427,581</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 2017

	Page	Unrestricted Funds 2017 £	Unrestricted Funds 2016 £
FIXED ASSET:			
Tangible asset (note 4)	19	-	7
CURRENT ASSETS:			
Debtors (note 5)	20	19,470	14,908
Cash at bank (note 6)	14/20	5,297,110	4,030,284
Total current assets		<u>5,316,580</u>	<u>4,045,192</u>
LIABILITIES:			
Creditors: Amounts falling due in one year (note 7)	20	(376,727)	(529,709)
Net assets less current liabilities		4,939,853	3,515,483
Creditor: Amounts falling due after more than one year (note 8)	20	(64,638)	(87,909)
Total net assets		<u>£4,875,215</u>	<u>£3,427,581</u>
The funds of the charity:			
Unrestricted funds		<u>£4,875,215</u>	<u>£3,427,581</u>

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

Ajay Soni

Date: **24 September 2018**

SOFRONIE FOUNDATION

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2017

	Page	2017 £	2016 £
Cash flows from operating activities:			
Net movement in funds for the year	12	1,447,634	1,337,448
Adjustment for:			
Depreciation charges		7	116
(Increase) in debtors		(4,562)	(4,158)
(Decrease) in creditors		(176,253)	(111,727)
(Gains on foreign exchange)		(94,124)	(145,103)
Net cash flows from operating activities		<u>1,172,702</u>	<u>1,076,576</u>
Increase in cash for the year		<u>£1,172,702</u>	<u>£1,076,576</u>
Reconciliation of net cash flow to movement in net funds			
Net cash resources at 1 January		4,030,284	2,808,605
Increase in cash		1,172,702	1,076,576
Foreign exchange movements		94,124	145,103
Cash at 31 December	13	<u>£5,297,110</u>	<u>£4,030,284</u>
Cash consists of:			
Cash at bank	20	<u>£5,297,110</u>	<u>£4,030,284</u>

SOFRONIE FOUNDATION**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31 DECEMBER 2017****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.

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 2017****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 charity'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 charity.
- 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.

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.

SOFRONIE FOUNDATION**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31 DECEMBER 2017****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 2017 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 2017

	Page	2017 £	2016 £
2. DONATIONS AND LEGACIES			
Donations receivable from Netherlands		2,220,250	2,100,250
Gift Aid relief		14,000	14,865
	12	<u>£ 2,234,250</u>	<u>£ 2,115,115</u>
3. CHARITABLE ACTIVITIES	Registered Charity No.		
Grants payable:			
Stichting Codam		87,630	-
Fratelli		44,465	-
University College London		43,811	-
Rev'Elles		42,675	-
Sports Dan La Ville		39,888	-
Ecole de Production Boisard Lyon		38,408	-
Cuisine Mode d'Emploi		34,360	-
ESSEC Foundation		33,814	43,119
Portsmouth Sail Training Trust	1153870	30,000	-
ZupideCo		28,253	-
Into University	1118525	25,000	-
Stichting Move Foundation		17,562	29,761
Acadamie Musical		17,180	-
Inspiring Fifty		10,000	-
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
The Sutton Trust	1146244	-	30,000
The Smallpeice Trust	313719	-	23,049
Fondation d'Auteuil		-	22,466
Impulsion		-	17,717
The Big House	1151106	-	54
Total donations paid relating to 2017		<u>493,046</u>	<u>449,670</u>
Add/(Less):			
Donations paid relating to previous year commitments		362,861	479,980
Provision for commitments brought forward		(476,823)	(620,659)
Currency revaluation on overseas grants		5,863	2,608
Provision for future commitments due less than one year	21	221,810	388,914
Provision for commitments due in more than one year	21	64,638	87,909
Total grants payable		<u>671,395</u>	<u>788,422</u>
Support Costs:			
Staff salary		79,325	53,288
Consultancy		36,642	28,702
Legal Fees		20,249	5,035
Carried forward		<u>807,611</u>	<u>875,447</u>

SOFRONIE FOUNDATION

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2017

3. CHARITABLE ACTIVITIES (continued)	Page	2017 £	2016 £
Brought forward		807,611	875,447
Employer's national insurance		15,685	6,704
Travel and subsistence expenses		14,176	7,263
Bank charges and custody fees		14,025	5,292
Employee benefits		6,837	5,835
Accountancy fees (governance costs)		5,868	8,904
Staff bonus		5,000	3,400
Audit fees (governance costs)		3,900	4,800
Staff pensions		3,690	2,787
Payroll expenses		1,337	-
Entertaining		1,256	540
Conference and training		585	280
Insurance (governance costs)		635	786
Printing and stationery		146	508
Postage & courier		16	22
Depreciation (note 4)		7	116
Marketing costs		-	110
Office supplies		-	102
Total charitable activities	12	<u>880,774</u>	<u>£ 922,896</u>

Total average number of employees, excluding Trustees, was 1 (2016: 1). The Trustees were not paid any salaries during the year.

1 employee earned between £60,000 and £70,000 during the year (2016: nil).

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

4. TANGIBLE FIXED ASSET	Page	2017 £	2016 £
Fixtures, fittings and equipment at cost			
Balance at 1 January and at 31 December		576	576
Accumulated depreciation			
Balance at 1 January		569	453
Charge for the year	19	7	116
Balance at 31 December		576	569
Net Book Value at 31 December 2017	13	<u>£ -</u>	<u>£ 7</u>
Net Book Value at 31 December 2016	13	<u>£ 7</u>	<u>£ 123</u>

Tangible fixed assets are depreciated over a five year period using the straight line method.

SOFRONIE FOUNDATION
NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2017

	Page	2017	2016
5. DEBTORS		£	£
HM Revenue & Customs Gift Aid		14,000	14,865
University of London – Donation refund		5,416	-
Prepaid office expenses		54	43
	13	<u>£ 19,470</u>	<u>£ 14,908</u>
6. CASH AT BANK			
Goldman Sachs Revenue Account		2,966,949	3,989,313
Goldman Sachs Income Account		1,715	1,715
		<u>2,968,664</u>	<u>3,991,028</u>
Barclays Bank Euro Current Account (€2,531,832)		2,247,508	-
Barclays Bank Current Account GBP		80,938	39,256
	13 & 14	<u>£5,297,110</u>	<u>£4,030,284</u>
7. CREDITORS - amounts falling due within one year			
Grants payable (note 9)	20	221,810	388,914
Other creditors - staff costs		81,152	56,350
Staff costs		59,792	55,722
Accountancy fees		8,172	14,334
Audit fees		3,900	7,800
Professional fees		1,668	4,847
Expense control account		233	1,742
	13	<u>£ 376,727</u>	<u>£ 529,709</u>
8. CREDITORS - amounts falling due after more than one year			
Grants payable (note 9)	13 & 21	<u>£ 64,638</u>	<u>£ 87,909</u>
9. CHARITABLE ACTIVITIES - GRANTS PAYABLE			

At 31 December 2017, the following grants were committed to be paid in subsequent years:

Payable within one year (note 7):

Rev'Elles	44,385	-
Acadamie Musical	44,384	-
Child.org	30,000	64,000
Fondation d'Auteuil	36,463	29,963
Female Cancer Foundation	35,508	34,144
Jinc NL	22,193	34,144
Ecole de Production Boisard Lyon	8,877	-
Social Mobility Foundation	-	50,000

SOFRONIE FOUNDATION

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2017

9. CHARITABLE ACTIVITIES - GRANTS PAYABLE (continued)	Page	2017 £	2016 £
Impulsion		-	43,695
Stichting Leerkracht		-	42,680
Icam Ecole de Production		-	42,680
Le Pépinière De Talent		-	25,608
The Smallpiece Trust		-	22,000
Grants payable within one year (notes 3 & 7)	18 & 20	<u>£ 221,810</u>	<u>£ 388,914</u>
Payable after one year (note 8):			
Rev'Elles		43,092	-
Ecole de Production Boisard Lyon		21,546	-
Fondation d'Auteuil		-	34,041
Female Cancer Foundation		-	33,150
Jinc NL		-	20,718
Grants payable after more than one year (notes 3 & 8)	18 & 20	<u>£ 64,638</u>	<u>£ 87,909</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	£ 5,297,110	£ 4,030,284
Financial liabilities measured at amortised cost	<u>£ 154,684</u>	<u>£ 139,053</u>

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 £2,220,250 (year to 31 December 2016: £2,100,250) to the charity in the year.

During the year there were staff and other office costs payable as recharges to Rinkelberg Capital Limited of £110,847 (year to 31 December 2016: £72,612) incurred by the charitable company.

As at the year end the charitable company owed Rinkelberg Capital Limited £140,944 (year to 31 December 2016: £112,072) 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 £87,630 (€100,000) (year to 31 December 2016: nil) was made to Stichting Codam of Netherlands. Corinne Daniele Goddijn-Vigreux is a Trustee of that charity.

SOFRONIE FOUNDATION
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2017

11. RELATED PARTY TRANSACTIONS (continued)

No remuneration was received by the Trustees. Other key management personnel received remuneration of £76,859 during the year.

During the year to 31 December 2017 trustees were reimbursed for expenses incurred in pursuit of the charitable objectives in the amount totalling £3,339 (year to 31 December 2016: £0). The amount can be broken down as:

	2017	2016
	£	£
Travel	2,514	-
Accommodation	483	-
Subsistence	328	-
Other	14	-
	<u>£ 3,339</u>	<u>£ -</u>

Of the above expenses, £760 was reimbursed directly to 2 trustees, £2,213 to third parties and £366 to employees for expenses incurred on behalf of the Trustees for the Foundation's activities.

12. ULTIMATE CONTROLLING PARTY

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