

AKO Foundation

Report and Financial Statements

31 December 2016

AKO Foundation

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COMPANIES HOUSE



Courtauld Graduates

Trustees

The trustees, who were also directors under company law, who served during the year and up to the date of this report were as follows:

Nicolai Tangen
David Woodburn
Henrik Syse
Martin Byman

Auditors

Sayer Vincent LLP
Chartered accountants and statutory auditors

Invicta House
108-114 Golden Lane
London
EC1Y 0TL
United Kingdom

Bankers

Svenska Handelsbanken AB
35 Hay's Mews
London
W1J 5PY
United Kingdom

Registered Office

61 Conduit Street
London
W1S 2GB
United Kingdom

AKO Foundation

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Registered Company No: 8385711
Registered Charity No: 1151815

About the AKO Foundation

Introduction

The AKO Foundation (the “Foundation”) was founded by Nicolai Tangen, the CEO and founder of the AKO Capital LLP investment partnership, and registered as a charity in April 2013. Its primary focus is the making of grants to projects which improve education or promote the arts. The Foundation does not seek applications for grants and will generally not make grants in response to unsolicited applications received. Since its inception, and including grants made to date in 2017, the Foundation has been funded with a total income of over £62 million.

A summary of entities supported by the Foundation since its inception in 2013 to the date of this report is set out below. Mirroring the long term thinking and investment strategy of AKO Capital, the Foundation values long term and continuing relationships and will often provide support to these entities over a number of years.

Education

Teach First

Teach First is a UK charity whose mission is to end educational inequality. Teach First believe that changing the life of a child often starts with the dedication and leadership of a great teacher who inspires a child to work towards the future they want. Accordingly, a fundamental part of their work is the recruitment, training and support of new teachers to work in schools serving low-income communities across England and Wales. And their success in inspiring the country’s best graduates to choose to work in these schools has been remarkable; Teach First is now the largest graduate recruiter in the United Kingdom and hired approximately 2,000 graduates in 2016.

The Foundation has made a five year grant to Teach First commencing in 2014 and this funding will allow Teach First to expand significantly their work in the primary school sector as it will support over 60 additional primary/early years

teachers a year. Those teachers will reach thousands of children over the five years of the Foundation’s grant and that will increase by many thousands as these teachers continue with their careers.

In 2015 the Foundation made an additional grant, over four years, to support Teach First’s Higher Education Access programme which helps young people from low-income backgrounds to access and complete university.

The Foundation has also indicated a willingness to fund an academic research project by Teach First into the importance of the presence of role models to the academic attainment of pupils at schools within low-income communities.

We are also pleased to report that a number of the partners and employees of AKO Capital have signed up to act as mentors and coaches to participants on the Teach First training programme.

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Ark

Ark, a UK charity, also seeks to transform children's lives by providing a great education. While Teach First focus on the teacher, Ark's focus is on the school and they run 35 schools in the UK and one school in India. Their schools are in areas of economic deprivation and a history of educational underachievement which they seek to change by setting high academic and behavioural expectations, providing more time for learning and improving the quality of teaching. In addition to their direct contact with the children at their own schools, Ark want to benefit children across the school system by sharing effective education models and working to strengthen and improve education systems.

Ark's schools achieve great results and the Foundation's grant to Ark, funded in 2015 and 2016, unlocked additional matched funding of twice the Foundation's grant amount. In addition several of the partners in AKO Capital LLP act as governors at Ark schools.

Stromme Foundation

Stromme Foundation ("Stromme") is an international NGO with the vision of a world free from poverty. The Foundation has supported Stromme since 2014 and in 2016 added Stromme's "Dream Myanmar" initiative to the programmes that it funded.

Dream Myanmar

Stromme's Dream Myanmar project works with 3,000 of the poorest families in the Ayeyarwaddy district in Myanmar including the tribal Karen community. Its aim is to:

- provide children with increased access to pre-primary and primary education and to develop the skill set of adolescents.

- increase the families' participation in the wider society by establishing appropriate self-help groups.
- ensure the families have access to basic health education, nutrition, water and sanitation.

In addition to the Dream Myanmar project the Foundation supports the following programmes:

Educational work in West Africa

Stromme is widely recognised for its educational work in third world countries. Its approach is a holistic one; working with children, adolescents and their mothers within the same communities. This strengthens sustainability and maximises impact.

The Foundation is working with Stromme in Burkina Faso and Niger, two of the world's poorest and least developed nations. School attendance and literacy rates in these countries are low and female literacy rates are less than 20%. Without even a primary education, children lack the skills and knowledge required to improve their situation and they are likely to remain impoverished for the rest of their lives.

The programmes implemented by Stromme with funding from the Foundation provide out of school children, half of whom are girls, with accelerated learning courses designed to get them to the educational level necessary to enrol in formal school. It also includes "A Saving for Change" programme that targets the mothers of these children and provides an opportunity for them to save and obtain loans that may be used for educational expenses, for income generation, for health care and to enhance food security.

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Stromme Foundation

In 2015 Stromme signed an agreement with Educate A Child ("EAC") for matching funds towards its educational work in West Africa. Under this agreement, which is intended to provide approximately 200,000 children with access to accelerated learning over the next five years, the relevant donations made by the Foundation are matched with an amount of equal funding from EAC.

In 2016 the Burkina Faso programme had been operating for two years while that in Niger had one year's history. Both were achieving creditable results with the recent test results of the children in Niger being particularly impressive.

SAMVAD programme in Nepal

SAMVAD means a 'dialogue' and is a non-formal community based participatory education system designed especially for adolescent girls.

The programme was first introduced by Stromme in 2011 to empower disadvantaged and marginalised young people like 'Dalits', an untouchable caste. The programme has a special focus on girls aged 13-19 who are at risk of dropping out of school and being trafficked.

At SAMVAD centres the adolescent girls go through a course that includes life skills, functional literacy, self-confidence building and vocational skills. The funding provided by the Foundation will allow Stromme to include an additional 5,250 participants in their SAMVAD programme.

Although the Foundation is not a disaster relief charity, in 2015 the Foundation made an additional donation for the purpose of mitigating the impact of the 25 April 2015 Nepal earthquake on the SAMVAD centres it is supporting.

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The Jamie Oliver Food Foundation

The Jamie Oliver Food Foundation's ("JOFF") mission is to shape the health and wellbeing of current and future generations and contribute to a happier, healthier world by providing better access to food education.

In 2016 JOFF achieved a notable success when, after a long campaign led by Jamie, the United Kingdom Government announced that a sugar drinks tax would be introduced in 2018. The tax is expected to generate half a billion pounds that will go to schools to support sports and breakfast clubs. At the Foundation we believe that Jamie's standing and known long-term commitment mean he is uniquely placed to influence children's health and nutrition through his work with opinion leaders.

In 2015 the Foundation made a three-year grant to support JOFF's work in the following areas:

The Kitchen Garden Project

The Kitchen Garden Project is designed to start food education at primary school level, engaging children in where food comes from, how to cook it and how it affects their bodies. Participating schools receive recipes, lesson plans and toolkits which teachers can implement both in and outside the classroom environment. In 2016 JOFF partnered Food For Life (a leading food education organisation) which works with a network of schools across the United Kingdom. This partnership means Kitchen Garden Project resources will now be available to any schools working with Food For Life, allowing the project to reach approximately a further 1,500 schools.

Food Revolution Day

The Food Revolution Day, Jamie Oliver's global day of action, was established in 2012. The Food Revolution is at the core of JOFF and raises awareness of, and unites people on, global nutrition issues. Through its participants the revolution lobbies government and business to solve the big issues in food. The Food Revolution culminates in an annual event, the Food Revolution Day. In 2016 the Food Revolution Day took place on 20th May and JOFF partnered with Facebook and utilised Facebook Live to take the Food Revolution to an unprecedented global audience. Key outputs included:

- A reach on Facebook of over 115 million.
- 1.4 billion Twitter impressions on the #FoodRevolution hashtag.
- Coverage from leading media, including Sky, BBC, The Independent and the Huffington Post.
- 730,000 new "revolutionaries" signed up.
- Total followers on social media channels of 2,100,000.

Jamie Oliver Food Foundation Global Ambassador Programme

This programme represents a growing network of volunteers in over 100 countries working on local food education initiatives. In the last year 1,000 new ambassadors have joined the programme, bringing the total to over 3,000, and 19 countries have been added to the list of countries covered.

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Workplace and university cooking programmes

A series of bespoke food education classes, awareness-raising initiatives and hands-on cooking classes, designed to empower current and next generation leaders to live and promote health education and healthier and happier lives. The Foundation provided seed funding to establish the operations team for this initiative. In 2016, the programme won the 'Menu Masters Best Healthful Innovations' award in the US.

Core funding

Core funding for JOFF's US operations to support their US based activities and outreach.

In 2016 the Foundation also made an additional grant to JOFF to fund a benchmark study on the current status of food education at UK schools and a "what works well" survey to see which of the many local, national and international interventions in this area are the most effective in delivering practical food education for all.



Jamie Oliver Kitchen Garden © Anja King

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London School of Economics

In 2016 the Foundation made a grant to fund a two year academic project at the Department of Social Psychology at the London School of Economics to research how the corporate culture of companies affects their success. This project will incorporate a comprehensive review of the relationship between culture and performance and produce a state-of-the-art analysis of methodologies for measuring organisational culture by examining the different methods and their predictive validity. An ultimate objective is to apply this knowledge to develop a comprehensive framework for assessing corporate governance. The results of this research, which we think could substantively advance the understanding of corporate culture, will be published by the London School of Economics.

The Florida International University Foundation: Václav Havel Center for Human Rights and Diplomacy

The importance and difficulties of countries making successful transitions to democracy from authoritarian or totalitarian governments is extremely relevant to the world today. The Václav Havel Center for Human Rights and Diplomacy ("VHC") forms a part of the University of Florida and is dedicated to using Václav Havel's legacy from the "Velvet Revolution" in what was then Czechoslovakia and other cases of successful transitions from authoritarian or totalitarian governments to ensure that the ideals of freedom, respect for human rights and justice for all people prevail in such transitions.

VHC provides students with the opportunity to learn from distinguished scholars and practitioners with expertise

and experience not only in academia, but also in the realms of diplomacy and policy implementation. In addition to formally teaching students at both undergraduate and graduate levels, VHC offers opportunities for dedicated scholarships on the process of non-violent transitions from authoritarian regimes to democratic ones and on the governability of young democracies.

In support of these aims the Foundation is providing matched funding to endow a Chair of Transition Studies at VHC.

The Wharton School of the University of Pennsylvania

The Foundation has continued its relationship with the internationally renowned Wharton School of the University of Pennsylvania and in 2016 endowed a further four scholarships. The purpose is to provide financial support to undergraduate students in the Wharton School who otherwise would be unable to meet the cost of their education and to support the University's educational policy of promoting student body diversity. The Foundation and Nicolai Tangen privately, before the Foundation was established, have now endowed a total of 12 Wharton undergraduate scholarships.

The Foundation also continues its support for a series of reports by the Wharton School examining business ethics. These explore business ethics around the world and the ultimate goal is to act as an advocate for ethical best practices across industries and to generate the tools that make ethical business practice possible. These reports will be distributed by the Wharton School's online business journal, Knowledge@Wharton, and will be freely available to all interested parties.

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The Foundation also made annual grants to the Wharton Fund to help the Wharton School provide opportunities to its faculty, students and alumni.

National Society for Prevention of Cruelty to Children ("NSPCC")

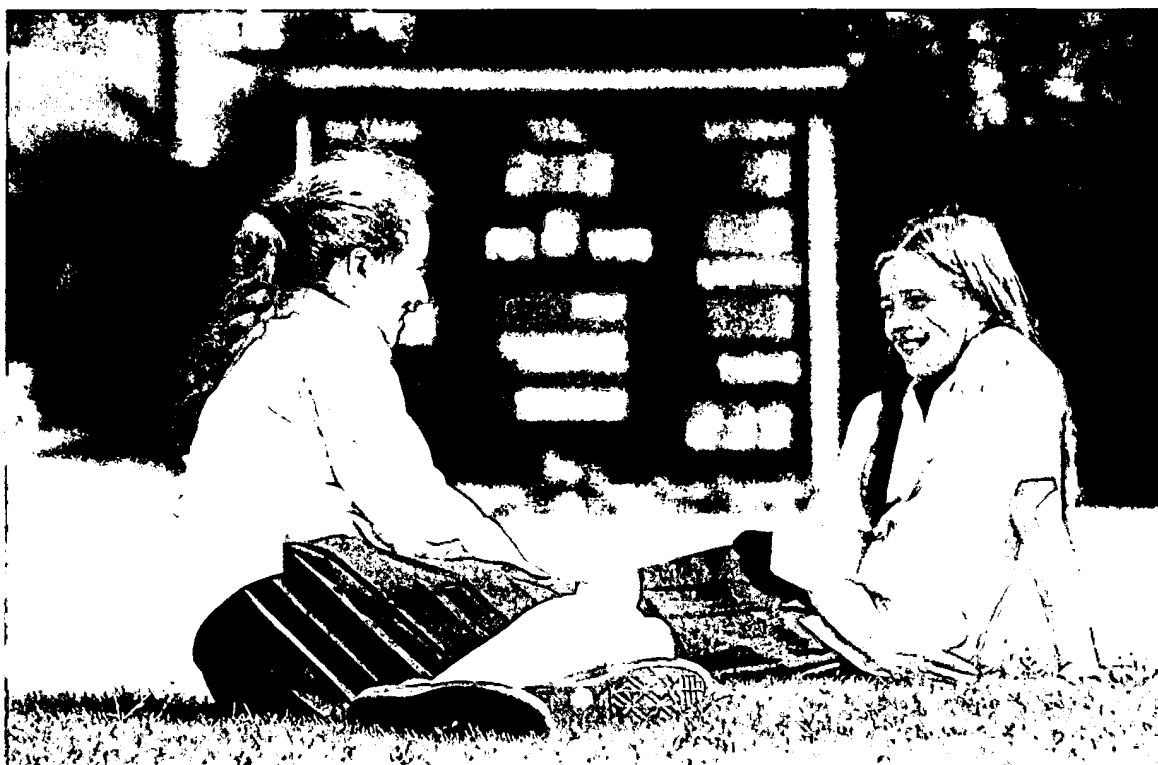
The NSPCC Schools Service uses specially trained staff and volunteers to talk to primary school children about abuse and neglect. They use an assembly followed by individual class workshops to help under 11s understand abuse and neglect and recognise these if they occur. The sessions are tailored to the age range of the children with topics covered in an easy to understand way.

In the follow up performed by the NSPCC to assess effectiveness, 99% of teachers said they would recommend the NSPCC's Schools Service to another school.

The NSPCC is at a critical point with its Schools Service and is aiming to double the number of children seen. In 2015 the AKO Foundation made a grant to the NSPCC to help it achieve this objective.

The Girls Day School Trust

In 2013 the Foundation made a large grant to The Girls Day School Trust, the UK's leading network of independent girls' schools, to assist with the cost of building works at one of the Girls Day School Trust's schools.



Girls Day School Trust

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Arts

AKO Kunststiftelse

The Foundation has commenced a major initiative of support for AKO Kunststiftelse, a Norwegian non-profit foundation with an objective of advancing the public's access to Nordic visual arts from the post 1900 period. To achieve this objective AKO Kunststiftelse is establishing a collection of such art for public exhibition in Kristiansand, Norway. This project is being undertaken in cooperation with the Kristiansand municipal authorities and is currently in its early stages. To date the focus has been on the building of the collection and the identification and design of a suitable building to house and exhibit the collection. The ultimate vision is to create a public art collection of international importance housed in an art museum of outstanding architectural quality.



Courtauld Institute

Courtauld

The Courtauld is an international centre for the study of the history of art and conservation and is also home to one of the finest small art museums in the world.

Its Institute of Art, a college of the University of London, is the pre-eminent centre for the study of the history of art in Europe. In 2016 the Foundation completed its endowment of an academic post which had the primary purpose of the study of European art of the 20th century and particularly German Expressionism. The gift was made by the Foundation in honour of Dr Shulamith Behr, Honorary Research Fellow at The Courtauld, who taught Nicolai Tangen during his MA studies there. Dr. Robin Schuldenfrei, a distinguished art history scholar specialising in the history and theory of European and American modern architecture and design, is the first appointment to this endowed post. She has already made several important contributions to teaching and research at the Courtauld including launching a new and innovative MA degree, Experiencing Modernism: German Architecture, Art and Design, 1900-1930.

Courtauld Connects is a major capital project to redevelop the The Courtauld Institute of Art. Its objectives are to increase access to The Courtauld and improve the users' experience, to create the best teaching and research environment, and to preserve and reveal The Courtauld's heritage building and collections. In 2015 the Foundation agreed to make a grant towards this project.

The Foundation was also one of the supporters of The Courtauld's 2014 exhibition "Egon Schiele: The Radical Nude".

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Zeitz MOCAA Curatorial Training Programme

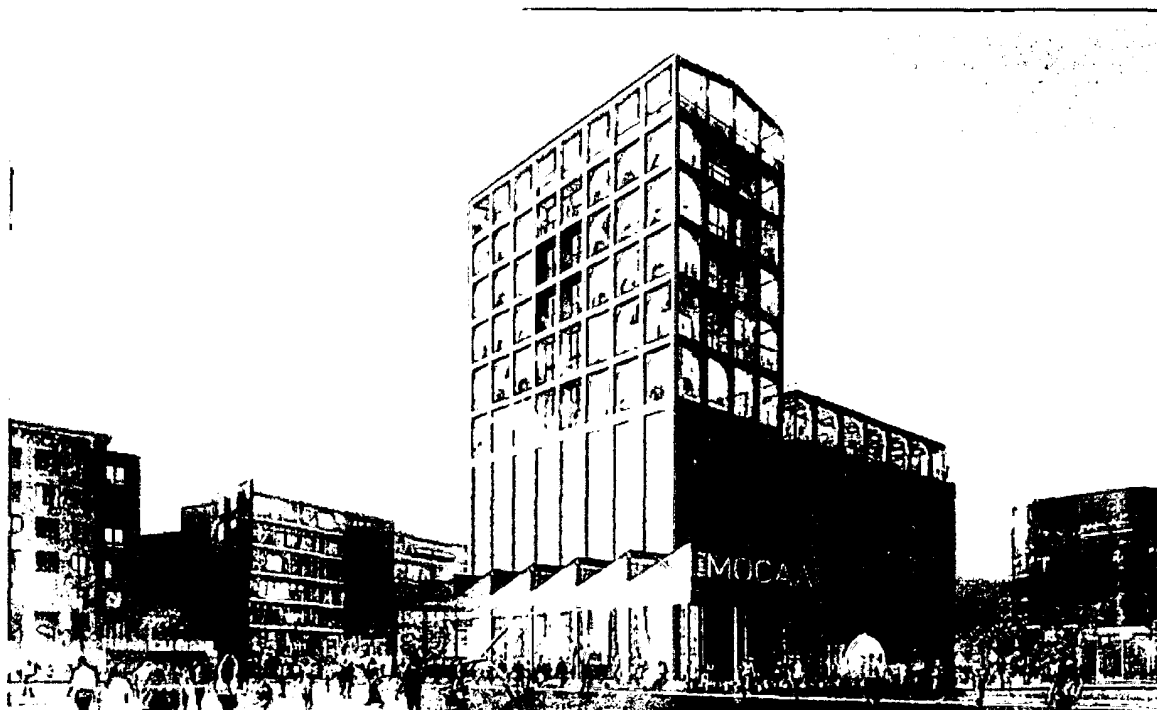
Zeitz Museum of Contemporary Art Africa ("Zeitz MOCAA") is a public not-for-profit cultural institution in Cape Town, South Africa, that focuses on collecting, researching, and exhibiting cutting edge contemporary art from Africa and its Diaspora, and on the enrichment and inspiration of the public through outreach programmes, academic support, and supplementary tuition.

Established in 2001 by Mark Coetzee, Executive Director and Chief Curator of Zeitz MOCAA, the Curatorial Training Programme offers practicing professionals and recent graduates the benefit of gaining practical curatorial experience and skills at a functioning contemporary art museum.

The programme also provides individual research and dialogue with colleagues, artists, collectors and art professionals. In accordance with Zeitz MOCAA's objective of providing access for all, candidates are financially supported through a monthly honorarium, which covers the programme costs, accommodation, local transport and food. The Foundation is making a grant to support four participants per annum through this programme.

Wigmore Hall Trust

Wigmore Hall is a leading platform, located in London, for chamber and instrumental music, early music and song. The Foundation contributed to the Wigmore Hall Endowment Fund whose purpose is to ensure that Wigmore Hall has additional resources to invest in the development of inspirational projects, residencies and unique programmes with the world's finest performers and ensembles.



Zeitz MOCAA

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Local Projects

The Foundation is a London based charity and the founder and the majority of the trustees live in North London. Its founder, Nicolai Tangen, was born and brought up in Kristiansand, Norway. The Foundation values these connections and has, in 2016, supported the following projects in North London and Norway.

In London

Hampstead Theatre

Hampstead Theatre is a North London based theatre which has as its mission the creation of original theatre without creative restriction. In cooperation with the Foundation it has launched its "The Next Decade" initiative for the commissioning of new plays from leading playwrights. The Next Decade has as its target the investment of a million pounds to fund the writing of the coming decade's best plays. The Foundation is matching the funding raised by Hampstead Theatre with a donation of up to £500,000.

Up to the end of 2016 this initiative had, including the matched funding from the Foundation, raised over half a million pounds and the first work commissioned under the initiative is slated for production in 2017. We look forward to many more exciting productions.

Maytree

Maytree is a registered charity supporting people in suicidal crisis in a non-medical setting. The Maytree Suicide Respite Centre, located in North London, is the only place of its kind in the United Kingdom and fills a gap in services between the medical support of the National Health Service and the helplines and drop-in centres of the voluntary sector. Specifically it provides such individuals with a free five day stay and the opportunity to be befriended and speak in complete confidence. The Foundation has made a three year grant to Maytree which will cover approximately 10 percent of their running costs for this period.



Maytree

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In Norway

SKMU Sørlandets Kunstmuseum

The SKMU Sørlandets Kunstmuseum is located in the city centre of Kristiansand and is a regional art institution which has collected high quality arts and crafts objects from its local area since its foundation in 1995. The museum has developed a wide range of educational activities including establishing a museum for children, The Children's Art Museum, within its premises. The Foundation has made a number of grants to the museum to be used for the purchase of Norwegian glass, ceramics and similar art works from the period 1930 onwards for public display.

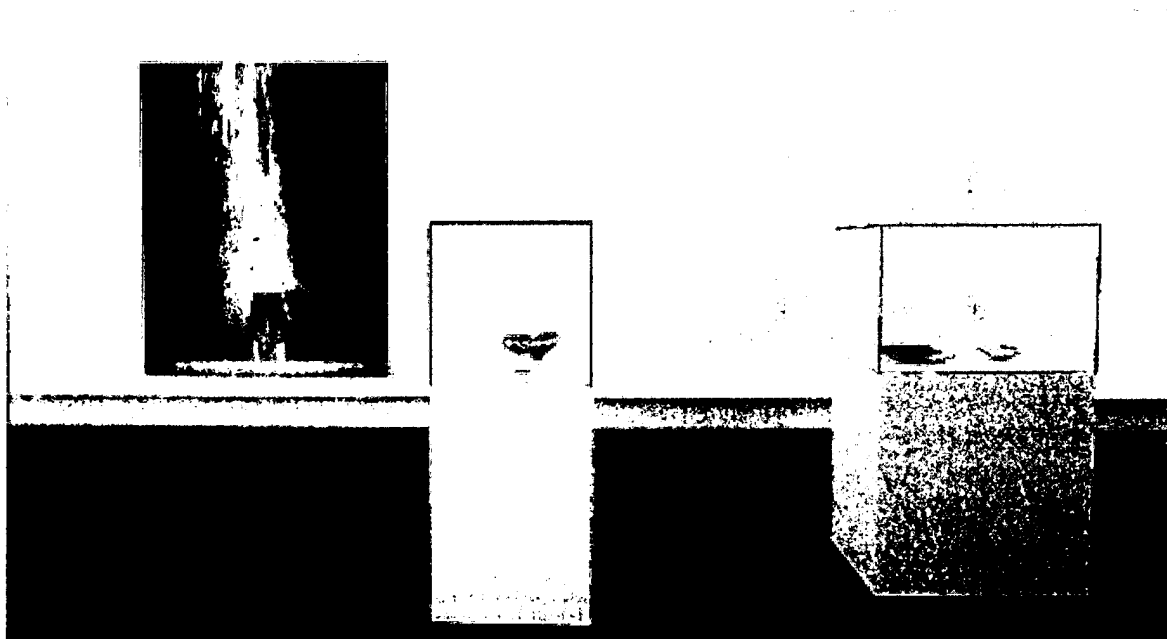
NMS - Havglimt summer camp

The Havglimt summer camp is a camp located outside Kristiansand and run by the Norwegian Missionary Society (NMS) which provides summer camps for children, young people and their families. As well as providing great summer experiences for the participants, the camp

raises money for the NMS's projects to help children and adults in Africa, Asia and South America. The Foundation made a grant towards the refurbishment of the camp.

Business for Peace Foundation

The Business for Peace Foundation, a Norwegian Foundation, believes that business can create positive change in society by applying business energy ethically and responsibly with the objective of creating value for society as well as economic value. In support of this the Business for Peace Foundation names Honourees who have demonstrated that it is possible to combine solid business performance with these higher purposes. The Foundation made a donation towards the 2016 Business for Peace Summit which was held in in May 2016 and which had a particular focus on the recently signed UN Global Goals for Sustainable Development, and has also indicated a willingness to support the 2017 summit.



SKMU Sørlandets Kunstmuseum

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The AKO Give Back Initiative

The Foundation is funded by donations from Nicolai Tangen, the CEO of AKO Capital LLP, and the AKO Give Back Initiative provides all AKO Capital staff with the opportunity to nominate a charity for a grant from the Foundation. As well as nominating the charities the staff decide the grant recipients as a committee of staff members selects a short list of five charitable projects and all staff then vote on the allocation of a pool of approximately £100,000 funds across these shortlisted charities. The objective of the AKO Give Back Initiative is to encourage the philanthropic involvement by all staff at AKO Capital as well as developing leadership skills within the organisation.

In total, grants of £329,000 have been made by the Foundation under this initiative. In 2016 grants were made to the following recipients:

- Bowel Disease UK, a charity that funds direct research into Inflammatory Bowel Disease and Bowel Cancer at St George's University Hospital, London.
- The Freddie Farmer Foundation which provides intensive physiotherapy programmes for disabled children aged 3-16.
- The Special Yoga Foundation which was created to assist children with special needs through the medium of yoga. Such children can greatly benefit from the therapeutic service offered which can have a profound effect on their lives.
- A charity dedicated to using Anne Frank's life and diary to empower young people with the knowledge, skills and confidence to challenge all forms of prejudice and discrimination.

Expected level of future donations

As stated in the Trustees' report the Foundation's reserves policy is to ensure it maintains adequate funds to meet its commitments and to hold reserves while it identifies appropriate projects to fund.

The general approach to determining the level of donations was discussed at a recent trustee meeting when it was agreed that the Foundation should not seek to exist in perpetuity and the intention would be to make donations such that the Foundation had spent all its resources within a limited number of years of the death of its founder Nicolai Tangen. The Foundation seeks to fund the best educational initiatives and this intention reflects a belief that the return for society generated by such projects is higher than that which can be earned on financial investments.

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Report of the Trustees

The trustees present their report and the audited financial statements for the year ended 31 December 2016.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with the current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities (Charities SORP FRS 102).

Structure, governance, management & remuneration

The organisation is a charitable company limited by guarantee, incorporated on 1 February 2013 and registered as a charity on 29 April 2013.

The company was established under a memorandum of association which established the objects and powers of the charitable organisation and is governed under its articles of association.

Until 2016 the charitable company owned the whole of the issued ordinary share capital of AKO Foundation Subsidiary Limited, a company registered in England. The subsidiary was used for non-primary purpose trading activities. AKO Foundation Subsidiary Limited ceased its activities in 2016 and was dissolved.

The Foundation is managed by the trustees with decisions taken at the regular trustee meetings. Trustees are given training and advice on their responsibilities when they take on the position, they give their time voluntarily and receive no remuneration or benefits from the charity. Any expenses reclaimed from the charity are set out in note 3 to the financial statements.

Any future trustee appointments are made by election of the Members of the Foundation.

Objectives and activities

The objective of the Foundation is to act as a charity for general charitable purposes and with a focus on education and the arts and in particular the provision of grants for charitable purposes (as prescribed by the Charities Act 2011).

The Foundation's charitable objectives are:

- The advancement of education;
- The advancement of the arts, culture, heritage and science; and
- All other charitable purposes for the benefit of the public.

The trustees review the aims, objectives and activities of the Foundation each year. This report looks at what the Foundation has achieved and the outcomes of its work in 2016. Details of the grants made in the year are included in the financial statements.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning its future activities. In planning the Foundation's activities the trustees consider how these will contribute to the aims and objectives that have been set.

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Strategic Report

Achievements and performance in the delivery of public benefit

The Foundation's main activity is to make grants to UK charities and for general charitable purposes elsewhere in the world. The primary focus of its grant making activities is initiatives and projects which improve education or promote the arts.

During the year to 31 December 2016 the Foundation made grants to a variety of entities involved in education and the arts. The major grants are described below:

- AKO Kunststiftelse – a grant for the purpose of the acquisition of Nordic visual works of art with the ultimate purpose of establishing a permanent public exhibition of such art works in Kristiansand, Norway.
- The Wharton School of the University of Pennsylvania – grants to endow a scholarship fund at the Wharton School and to the Wharton Fund to help the school provide opportunities to its faculty, students and alumni.
- The Florida International University Foundation – a grant to provide matched funding towards the endowment of a Chair of Transition Studies at the Václav Havel Center for Human Rights and Diplomacy.
- Stromme Foundation – a grant to support Stromme's works with 3,000 of the poorest families in the Ayeyarwaddy district in Myanmar including the tribal Karen community.
- London School of Economics – a grant to fund a two year academic project at the Department of Social Psychology at the London School of Economics to research how the corporate culture of companies affects their success.
- The Jamie Oliver Food Foundation – funding a benchmark study into the current status of food education in

UK schools and a survey to see what interventions are the most effective at delivering food education.

- SKMU Sørlandets Kunstmuseum – a grant to be used for the purchase of Norwegian glass, ceramics and similar art works from the period 1930 onwards for public display.
- Maytree – a three year grant to help Maytree, a UK charity, support individuals who are in a situation of suicidal crisis.
- Business for Peace Foundation – donation towards the 2016 Business for Peace Summit which was held in May 2016 and which had a focus on the recently signed UN Global Goals for Sustainable Development.
- National Society for Prevention of Cruelty to Children – a further grant to the NSPCC's Schools Service, which uses specially trained staff and volunteers to talk to primary school children about abuse and neglect.
- Zeitz MOCAA Curatorial Training Programme – a grant to support four participants per annum through the Curatorial Training Programme at the Zeitz Museum of Contemporary Art Africa in Cape Town, South Africa.

The Foundation's general grant-making policy is for individual trustees to identify possible grant recipients which are then considered by the trustees acting as a body. The Foundation does not seek applications for grants and will generally not make grants in response to unsolicited applications received.

During the period the Foundation had income of £11,951,992 (2015; £15,144,808), made grants of £8,061,558 (2015; £3,149,604) and had carried forward funds of £44,477,106 (2015; £31,367,843). The trustees are satisfied with the performance of the Foundation in the year.

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Wigmores Hall © Benjamin Ealovega.

Financial Review

In 2016 the Foundation received its income through donations from Nicolai Tangen, a Trustee, and Gift Aid donations from its trading subsidiary, AKO Foundation Subsidiary Limited (2015: donations from Nicolai Tangen and Gift Aid donations from its trading subsidiary). Total donations of £11,948,145 (2015: total donations of £15,140,179) were received in the year to 31 December 2016 which includes £Nil receivable at 31 December 2016 (2015: £5,179 receivable at 31 December 2015).

Reserves Policy

At 31 December 2016 the Foundation had total funds of £44,477,106 (2015: £31,367,843). The Foundation's reserves policy is to ensure it maintains adequate funds to meet its commitments and to hold reserves while it identifies appropriate

projects to fund such that the impact of its grants is to achieve its charitable aims. It does not currently hold any restricted funds and thus characterises all funds as unrestricted reserves.

Investment Policy

The Investment Policy of the Foundation is for the majority of the excess of assets over future grant commitments to be held in equity based investments with the remainder of assets being held as cash. The equity based component is held in Management Shares in the AKO Fund Limited. These shares are non-fee paying and the investment is split between the NOK, Euro and US\$ share classes. The AKO Fund Limited invests in a diversified range of European equities. The investment objective of the Foundation is

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to maintain the real value of its investment portfolio and to provide capital growth for the furtherance of the Foundation's objectives. In 2016 the investment return of the Foundation, measured in GBP £ terms and which benefited from the GBP £'s weakness, was approximately 28%. The trustees remain confident on the long term prospects of the Foundation's investments.

The trustees are mindful of their duty to review and monitor the Foundation's investments and receive monthly investment reports in respect of the AKO Fund Limited.

Costs

The Foundation seeks to minimise its cost base so as to maximise the funds available for its charitable purposes. As stated elsewhere in this report the trustees give their time voluntarily and receive no remuneration or benefits, and the Foundation's surplus funds are invested in the Management Shares of the AKO Fund Limited which are fee free. In 2016 the total costs of the Foundation, including audit & accountancy, legal fees and bank charges and other costs, were £36,249 which represents 0.08% of the Foundation's net assets and 0.45% of the grants payable in the year. We consider this as being very cost effective.

Risk Statement and Going Concern

The trustees have reviewed the major risks to which the charitable company is exposed and consider that systems are in place to mitigate exposure to the major risks. As a grant making charity the main risk facing the Foundation is that it has inadequate income or existing resources to fund its grant making activity.

In 2017 the Foundation's source of income is expected to continue to be direct donations from Nicolai Tangen who has advised the trustees that it is his current intention to continue to support the Foundation. Accordingly, the trustees believe that there is a reasonable expectation that the Foundation will have adequate resources to continue in operational existence for the foreseeable future and thus have continued to adopt the going concern basis of accounting in preparing the annual financial statements. In addition the Foundation's reserves policy is to ensure it maintains adequate funds to meet its commitments and to allow it to continue as a grant making charity.

Plans for the Future

The Foundation plans to continue as a grant making charity with a focus on education and the arts.

Statement of responsibilities of the trustees

The trustees (who are also directors of AKO Foundation for the purposes of company law) are responsible for preparing the 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 that period.

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In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping proper 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.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information



Teach First: Alec Reed Academy | Dec 2013

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AKO Foundation

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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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2016 was 2. One of the trustees is a member of the charity but this entitles him only to voting rights. The trustees have no beneficial interest in the charity.

Auditors

Sayer Vincent LLP were re-appointed as the charitable company's auditors and have expressed their willingness to continue in that capacity.

The report of the trustees including the strategic report was approved by the trustees on 13th February 2017 and signed on their behalf by



David Woodburn,

Trustee

13th February 2017



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AKO Foundation

Report and Financial Statements

31 December 2016

20 - Report of the Trustees

Independent auditors' report

to the members of AKO Foundation

We have audited the financial statements of AKO Foundation for the year ended 31 December 2016 which comprise the charitable company statement of financial activities, balance sheet, 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, including Financial Reporting Standard 102 (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the 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 company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the 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 auditors

As explained more fully in the statement of responsibilities of the trustees set out in the Report of the Trustees, 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 Report of the Trustees including the Strategic Report 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.

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AKO Foundation

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Opinion on financial statements

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, 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.

Opinion on other matter 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 Report of the Trustees including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees including the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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 Report of the Trustees including the Strategic Report and the About the AKO Foundation section.

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:

- the charitable company has not kept adequate and sufficient accounting records; or
- the charitable company 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.

Helen Elliott (Senior statutory auditor)

for and on behalf of Sayer Vincent LLP,
Statutory Auditors

Sayer Vincent LLP, Invicta House, 108-114
Golden Lane, London, EC1Y 0TL

13th February 2017

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AKO Foundation

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Statement of Financial Activities

Incorporating an income and expenditure account
For the year ended 31 December 2016

		Year ended 31 December 2016 £	Year ended 31 December 2015 £
	Notes		
Income			
<i>Incoming resources from generated funds</i>			
Donations		11,948,145	15,140,179
<i>Investment income</i>		3,847	4,629
Total incoming resources		11,951,992	15,144,808
Expenditure			
<i>Charitable activities</i>			
Education		3,266,351	2,975,435
Arts and Culture		4,731,358	89,286
AKO Give Back Initiative		100,098	107,146
Total resources expended	2	8,097,807	3,171,867
Net incoming resources for the year	3	3,854,185	11,972,941
Net gains on investments	6	9,323,075	1,171,545
Foreign exchange gain		(67,997)	82,638
Net income for the year and net movement in funds		13,109,263	13,227,124
Total funds brought forward		31,367,843	18,140,719
Total funds carried forward	10, 11	44,477,106	31,367,843

All of the above results are derived from continuing activities, and are unrestricted. There were no other recognised gains and losses other than those stated above. Movements in funds are disclosed in note 11 to the financial statements.

AKO Foundation

Report and Financial Statements
31 December 2016

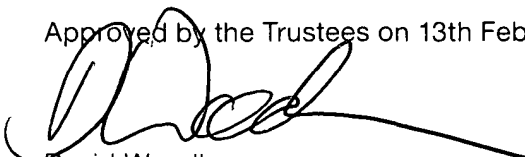
Balance Sheet

Registered Company N° 8385711

as at 31 December 2016

	Notes	2016 £	2015 £
Fixed assets			
Investments	6	42,710,008	31,454,757
		-----	-----
		42,710,008	31,454,757
Current assets			
Debtors	7	-	5,179
Cash		5,626,515	4,558,685
		-----	-----
		5,626,515	4,563,864
Current liabilities			
Creditors: amounts falling due within one year	8	2,731,763	1,885,511
		-----	-----
Net current assets		2,894,752	2,678,353
		-----	-----
Creditors: amounts falling due in more than one year	9	1,127,654	2,765,267
		-----	-----
Net assets		44,477,106	31,367,843
		=====	=====
Funds			
Unrestricted funds – general income funds	11	34,509,864	28,932,135
Unrestricted funds – fair value reserve	11	9,967,242	2,435,708
		-----	-----
<i>Total unrestricted funds and total funds</i>		44,477,106	31,367,843
		=====	=====

Approved by the Trustees on 13th February 2017 and signed on their behalf by:


 David Woodburn
 Trustee

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AKO Foundation

Report and Financial Statements
 31 December 2016

Cash Flow Statement

For the year ended 31 December 2016

	2016 £	2015 £
Reconciliation of net incoming resources to operating cash flow		
Net incoming resources for the period	3,854,185	11,972,941
Foreign exchange (loss)/gains	(67,997)	82,638
Interest receivable	(3,847)	(4,629)
Donation of investments	(11,942,238)	(15,139,049)
Decrease in debtors	5,179	1,213,524
(Decrease)/increase in creditors	(791,361)	377,244
	-----	-----
Net cash (outflow) from operating activities	(8,946,079)	(1,497,331)
	-----	-----
Return on investments		
Interest received	3,847	4,629
	-----	-----
Capital expenditure/receipts		
Proceeds from sale of investments	10,010,062	-
	-----	-----
Increase/(Decrease) in cash	1,067,830	(1,492,702)
	-----	-----
Cash at bank and in hand brought forward	4,558,685	6,051,387
	-----	-----
Cash at bank and in hand carried forward	5,626,515	4,558,685
	-----	-----

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AKO Foundation

Report and Financial Statements

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Notes to the Financial Statements

For the year ended 31 December 2016

1. Accounting policies

a) The financial statements have been prepared under the historical cost convention as modified by the revaluation of investments and in accordance with applicable accounting standards and the Companies Act 2006. They follow the recommendations in the "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)" (Charities SORP FRS 102).

The trustees consider that there are no material uncertainties in respect of the Foundation's ability to continue as a going concern and therefore continue to adopt the going concern basis of accounting in preparing the financial statements.

Until 2016 the Foundation owned the whole of the issued ordinary share capital of AKO Foundation Subsidiary Limited, a company registered in England. The subsidiary was used for non-primary purpose trading activities. AKO Foundation Subsidiary Limited ceased its activities in 2016 and was dissolved. Accordingly these financial statements now present the results of the Foundation as a single entity.

b) Income is included in full in the statement of financial activities when receivable.

c) Resources expended are allocated to the particular activity where the cost relates directly to that activity. Support costs and Governance costs, which are costs associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities, are re-allocated to each of the activities on the following basis which is an estimate, based on grants payable, of the amount attributable to each activity:

	2016	2015
Education	40%	94%
Arts & culture	59%	3%
AKO Give Back initiative	1%	3%

d) Grants payable are charged to the Statement of Financial Activities in the year in which the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled.

e) Investments held as fixed assets are revalued at market value at the balance sheet date. The gain or loss for the year is taken to the Statement of Financial Activities.

f) Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the profit or loss for the year.

g) AKO Foundation meets the definition of a public benefit entity under FRS 102.

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AKO Foundation

Report and Financial Statements

31 December 2016

2. Total resources expended

	Education	Arts & Culture	AKO Give Back Initiative	Governance Costs	Support Costs	Total 2016	Total 2015
	£	£	£	£	£	£	£
Grants Payable (Note 5)	3,263,148	4,698,410	100,000	-	-	8,061,558	3,149,604
Audit & Accountancy	-	-	-	7,320	-	7,320	4,680
Legal fees	-	28,309	-	-	-	28,309	17,940
Bank charges and other costs	-	-	-	-	620	620	(357)
	3,263,148	4,726,719	100,000	7,320	620	8,097,807	3,171,867
Support Costs	250	362	8	-	(620)	-	-
Governance Costs	2,953	4,277	90	(7,320)	-	-	-
Total resources expended	3,266,351	4,731,358	100,098	-	-	8,097,807	3,171,867

3. Net incoming resources for the year

This is stated after charging

	2016 £	2015 £
Trustees' remuneration	-	-
Trustees' expenses	-	-
Auditors' remuneration	6,100	6,000

4. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary made charitable donations to the Foundation under the Gift Aid scheme.

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AKO Foundation

Report and Financial Statements

31 December 2016

5. Grants Payable

A list of grants made during the years ended 31 December 2016 and the period ended 31 December 2015 are shown below.

2016

Recipient

Grants for the advancement of education

	£
The Wharton School of the University of Pennsylvania	1,133,016
The Florida International University Foundation: Václav Havel	
Center for Human Rights and Diplomacy	796,764
Stromme Foundation	612,828
London School of Economics	337,000
The Jamie Oliver Food Foundation	150,000
Maytree	100,000
Business for Peace Foundation	67,329
National Society for Prevention of Cruelty to Children	50,000
Wharton Fund	16,211

3,263,148

Grants for the advancement of art

	£
AKO Kunststiftelse	4,560,434
SKMU Sørlandets Kunstmuseum	94,113
Zeitz MOCAA Curatorial Training Programme	43,863

4,698,410

AKO Give Back Initiative

	£
Bowel Disease UK	40,000
The Freddie Farmer Foundation	23,000
The Special Yoga Foundation	19,000
Anne Frank Trust	18,000

100,000

8,061,558

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AKO Foundation

Report and Financial Statements

31 December 2016

2015**Recipient****Grants for the advancement of education**

	£
Teach First	500,000
Absolute Return for Kids (ARK)	250,000
Stromme Foundation	345,936
The Wharton School of the University of Pennsylvania	82,731
The Jamie Oliver Food Foundation	651,068
National Society for Prevention of Cruelty to Children	50,000
Norwegian Missionary Society	80,245
The Courtauld Institute	1,000,000

	2,959,980

Grants for the advancement of art

	£
SKMU Sørlandets Kunstmuseum	77,624
Hampstead Theatre	5,000

	82,624

AKO Give Back Initiative

	£
CATS	25,000
Core Arts	1,000
Freddie Farmer Foundation	1,000
The Wave Project	1,000
Uganda Charity Trust	1,000
Senhoa	22,500
Alianse Latvija Bez Bāreniem	1,000
Essilor Vision Foundation	1,000
CrisCancer	22,500
Tir na nOg	1,000
The CAIRN Trust	25,000
CHS	5,000

	107,000

	3,149,604
	=====

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AKO Foundation

Report and Financial Statements

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6. Investments

	2016 £	2015 £
Market Value at the start of the year	31,454,757	15,144,163
Additions at historic cost	11,942,238	15,139,049
Disposals	(10,010,062)	-
Unrealised gain	9,323,075	1,171,545
Market value at the end of the year	42,710,008	31,454,757
Historic cost at the end of the year	32,742,766	29,019,049
Investments comprise	£	£
Investment in AKO Funds – EUR	9,201,754	7,369,318
Investment in AKO Funds – USD	24,140,846	17,461,194
Investment in AKO Funds – NOK	9,367,408	6,624,245
Market value at the end of the year	42,710,008	31,454,757

7. Debtors

	2016 £	2015 £
Gift Aid receivable	-	5,179

8. Creditors: amounts falling due within one year

	2016 £	2015 £
Accruals	7,320	4,680
Grants payable	2,724,443	1,880,831
	2,731,763	1,885,511

AKO Foundation

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9. Creditors: amounts falling due in more than one year

	2016 £	2015 £
Grants payable	1,127,654	2,765,267

10. Analysis of net assets between funds

2016

	Fair Value Reserve £	Income funds £	Total funds £
Investments	9,967,242	32,742,766	42,710,008
Net current assets less longer term creditors	-	1,767,098	1,767,098
Net assets at the end of the year	9,967,242	34,509,864	44,477,106

11. Movements in funds

	2016 £	2015 £
General funds		
<i>Income funds at start of the year</i>	28,932,135	16,876,556
Incoming resources	11,951,992	15,144,808
Outgoing resources	(8,097,807)	(3,171,867)
Foreign exchange gains	(67,997)	82,638
Realised gain on investments	1,791,541	-
Income funds at the end of the year	34,509,864	28,932,135
<i>Revaluation reserve at start of year</i>	2,435,708	1,264,163
Net gains on investments	7,531,534	1,171,545
Revaluation reserve at the end of year	9,967,242	2,435,708

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AKO Foundation

Report and Financial Statements

31 December 2016

12. Related party transactions and post balance sheet events

Mr. Nicolai Tangen, a trustee, is the Chief Executive Officer of, and a partner in, AKO Capital LLP which is the investment manager of AKO Fund Limited, the fund in which assets from the Foundation are invested. Mr. Nicolai Tangen is also a Director of AKO Fund Limited. The investment by the Foundation is in the Management Shares of AKO Fund Limited and these shares are fee free. Therefore AKO Capital LLP receives no benefit from this investment by the Foundation.

On 1 March 2016 Mr. Nicolai Tangen donated NOK Management Shares in AKO Fund Limited with a value of £4,330,076 to the Foundation. On 1 December 2016 Mr. Nicolai Tangen donated USD Management Shares in AKO Fund Limited with a value of £7,612,162 to the Foundation.

After the year end, on 1 February 2017, Mr. Nicolai Tangen donated Euro Management Shares in AKO Fund Limited with a value of £8,889,107 to the Foundation.

Mr. Henrik Syse, a trustee, is a Director of AKO Fund Limited.

Mr. David Woodburn, a trustee, is a partner in AKO Capital LLP.

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