

The Guy Foundation Family Trust

Report and Accounts

30 April 2020

Charity Registration Number
1178782

Contents

Reports

Reference and administrative details of the charity, its trustees and advisors	1
Trustees' report	2
Independent auditor's report	9

Accounts

Statement of financial activities	12
Balance sheet	13
Statement of cash flows	14
Principal accounting policies	16
Notes to the accounts	20

Reference and administrative details of the charity, its trustees and advisors

Trustees	Professor G W Guy (Chairman) R R Brass E J Dixon (appointed 27 June 2019) K M Guy J M Laughton
Advisors	Professor J D Bell (Scientific Advisor) Professor S W Botchway (Scientific Advisor) Professor W D Frasch (Scientific Advisor) Dr P J Kurian (Scientific Advisor)
Management	R A Bowyer (Treasurer) N V Copping (Programme Manager) Professor A V Nunn (Director of Science)
Registered address	The Estate Office Chedington Court Chedington Beaminster DT8 3HY
Charity registration number	1178782
Auditor	Buzzacott LLP 30 Wood Street London EC2V 6DL
Principal bankers	JP Morgan International Bank Ltd 1 Knightsbridge London SWX 7LX
Solicitors	Brabners LLP Horton House Exchange Flags Liverpool L2 3YL

The trustees present their report together with the accounts of The Guy Foundation Family Trust (the 'charity') for the year ended 30 April 2020.

The accounts have been prepared in accordance with the accounting policies set out on pages 16 to 19 of the attached accounts and comply with the charity's constitution, the Charities Act 2011 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 United Kingdom and Republic of Ireland (FRS 102).

Charitable objects

The objects of the charity, as set out in its trust deed, are to fund or otherwise assist in any exclusively charitable purpose according to the law of England and Wales for the public benefit that the trustees may determine from time to time in their absolute discretion. This reflects the trustees' interest in a variety of charitable projects and purposes and their expectation that their philanthropic aims may grow and develop over time.

The principal aims and activities of the charity cover the following:

- ◆ **The study of quantum effects in biology** – the charity aims to promote the study of quantum biology and bioenergetics and to grow the body of scientific knowledge by awarding grants for rigorous research and convening scientific meetings and events.

Although the focus of study is bold and exploratory, grants are made to established academic or public institutions with a track record for delivering benefit to the public. These institutions attract leading talent and the charity supports them to build collaboration and outcomes. Together with a strong scientific and education programme of events, activities and community building, the charity's ambition is that, over time, the cumulative effect of the work will generate knowledge that will be used to profoundly improve our understanding of health and utilised in advancing medical practice.

- ◆ **Elite sporting competitors** - the charity awards grants for individual sportspeople to cover training and competition costs. The charity has an interest in neuroscience and the grants it awards are chiefly for sports where this interplay is key.

When setting the aims of the charity, the trustees have complied with their duty under section 17 of the Charities Act 2011 to have regard to the Charity Commission's guidance on public benefit. The trustees believe they have demonstrated in detail throughout this report the ways in which the charity has been faithful to this guidance.

Activities and achievements

In this, the charity's second financial period since it was founded in 2018, the trustees furthered the objects by making grants to exclusively charitable projects. Acting in line with their duty to have due regard to guidance on public benefit they awarded funding for scientific research. The charity also developed its scientific and education programme.

Scientific research grants - the charity continued to monitor its first research grant, awarded in December 2018 to the University of Westminster's Research Centre for Optimal Health, London, UK. The grant is funding a two-year research project investigating how living organisms use light to communicate, detect and adapt to their environment (grant award of £351,332). The research team provided regular reports and presentations during the year that demonstrated good progress with the project.

In June 2019, the charity awarded its second research grant to scientists at the UK's Central Laser Facility (UKRI-Science and Technology Facilities Council) at Harwell, Oxfordshire for a three-year study exploring quantum biology using entangled photons, biophotons and electromagnetic fields in living systems (grant award of £452,857).

The aim of the study is to directly image cells, and potentially mitochondria, using their own biophotons and to investigate the processes that generate them. The scientists will also explore how these processes interact with electromagnetic fields and potentially, whether or not this is a quantum mechanical process. The trustees visited the Harwell laboratory in January 2020 and Professor Stanley Botchway, who is leading the study stated: "*The Guy Foundation's grant gives our team and the UK a valuable opportunity to conduct this ground-breaking laboratory research.*"

In April 2020, in response to the COVID-19 pandemic, the trustees awarded a restricted donation of £80,000 to Barts Charity for the Health Care Worker COVID-19 research study led by Barts Health NHS Trust in collaboration with The London Nightingale Hospital, UCLH, the Royal Free and Queen Mary University of London. The trustees were pleased to support such an important and urgent study, which aims to generate a national bioresource with blood and swab samples that will be shared with leading research groups as they look at some of the most pressing questions for tackling COVID-19 infection. Led by Professor James Moon, the study has tracked frontline healthcare workers to examine baseline immune function, earliest immune responses to infection, and the biology of those who get non-hospitalised disease to help researchers find new ways of identifying, safeguarding, treating and preventing infection. This is vitally important since the modelling informing COVID-19 strategies was based on pandemic influenza, not COVID-19 itself.

Scientific and education programme - the charity developed its scientific and education programme on quantum effects in biology. In October 2019 the Foundation held a 2-day international scientific symposium on quantum biology and bioenergetics with speakers from the UK and US. In spring 2020, the Foundation convened three online scientific symposia with guest speakers, followed by productive discussion. The proceedings and talks are available on the Foundation's website www.theguyfoundation.org. The charity also continued to act as a catalyst for research by funding expert scientific consultancy dedicated to building theoretical understanding, identifying research needs, preparing papers and publications, and drawing together the research community.

Elite sporting competitors - the two elite competitor grantholders, H Maunder (Olympic trap shooting) and K Beardmore (foil fencing), continued to train and compete in the UK and internationally with the support of their Guy Foundation grants (£30,000 was awarded to each competitor in December 2018). The trustees received regular reports of their progress.

Grant making policy

The trustees apply the funds of the charity at their discretion and in accordance with the charitable purposes and objectives of the charity. The charity awards the majority of funds to scientific research and smaller amounts to elite competitor grants. Details of the charity's funding and application processes are publicly available on The Guy Foundation website.

Research grant applications are reviewed by the charity's Director of Science and peer reviewers; grant decisions are made solely by the trustees. Once grants are awarded, terms and conditions are agreed with the grant holder and host institution. The charity has a rigorous monitoring and reporting process in place, including visits to research centres, review of full written quarterly progress reports and regular face to face presentations by grant holders to the trustees.

Elite competitor grant applications are initially reviewed by the charity's Programme Manager and grant decisions are made solely by the trustees. Once grants are awarded grant holders are required to sign a grant acceptance form whereby they agree to the elite competitor grant guidelines. Grant holders submit written monthly updates and detailed quarterly reports which are reviewed by the Programme Manager and trustees.

Financial review

Results for the period

A summary of the period's results can be found on page 12.

Total income for the period amounted to £5,180 (2019: £1,554,682) and was derived from donations of £5,000 (2019: £1,554,320) and investment income of £180 (2019: £362).

Expenditure in the period totalled £634,269 (2019: £481,571) of which all was spent on charitable activities, with no expenditure on raising funds. Details of charitable grants are included in note 2 to the accounts.

As at 30 April 2020 there was an unrealised net loss on investments of £456,603, compared to a £449,309 gain in the prior period. As at 30 April 2020 the investments held had a market value of £733,898 compared to a value on the date of gift of £741,194.

The decrease in funds for the period was £1,085,692, with total charity funds held as at 30 April 2020 being £723,788, all funds were unrestricted.

Reserves policy and financial policy

The charity has a reserves policy to ensure that its activities are delivered in the short-term but also capable of being sustained and grown over time. As a trust funded by unrestricted donations from a single settlor, governed by a trust deed that states income may be accumulated for 21 years, the charity is not bound to disperse its funds within a short timeframe but instead the priority is to protect our long-term ambitions and activities. In order to achieve the objectives, the trustees have determined that the charity's free reserves, which equate to unrestricted funds, should be a minimum of twelve months' operating costs, with no upper limit.

The charity is not an endowment trust and currently has no restricted funds. Total net assets at year end was £723,788 (2019: £1,809,480), well in excess of a year's operating costs and in line with the reserves policy. In the light of the charity's infancy, they are deemed adequate but not excessive.

Future plans

The trustees will continue to formulate and revise their future philanthropic plans, in line with the grant making policy described above. To the extent projects are successfully delivered by grantees, the trustees may consider developing their existing funding relationships with additional grants, but they equally may identify new projects deserving of funding. The amount of future grant funding will be subject to the availability of suitable projects or applicants and funds available.

The trustees recognise the COVID-19 pandemic presents an unprecedented challenge across all sectors and nations and we are mindful of the potential impacts on our activities and resources. The safety and wellbeing of those working and engaging with the Foundation continues to be a priority and we have been able to ensure this whilst also making good progress with delivering our charitable objectives. The Foundation's operations have been unaffected due to the remote working practices already employed and those technologies have been successfully utilised to deliver a programme of online lectures and meetings with scientists from across Europe and North America. Our research grant holders have been affected by the disrupted access to the laboratories and the trustees continue to closely monitor the progress of the studies. The Foundation's financial resources saw a short-term impact on the value of the shareholding, with many of the losses regained since the year end.

Governance, structure and management

Governing document

The Guy Foundation Family Trust is a charitable trust governed by a trust deed dated 11 January 2018. It is an unincorporated registered charity, Charity Registration Number in England and Wales: 1178782.

Trustees

The charity has five trustees as listed on page 1 of the accounts. Per the trust deed there must be at least three charity trustees.

G W Guy (Chairman), K M Guy and J M Laughton are First Trustees (appointed on 11 January 2018) and R R Brass was appointed on 1 October 2018. In this financial period a new trustee joined the charity with the appointment of EJ Dixon on 27 June 2019.

In accordance with the trust deed, First Trustees are entitled to hold their office for life (unless removed by the appointers). Professor G W Guy has the right to, jointly with K M Guy, appoint a new trustee for a term they choose, which can be for life or such other period as they shall agree. Usually the term will be for five years, renewable by mutual consent. New trustees are selected with regard to the knowledge, skill and expertise appropriate for the effective governance of the charity and delivery of the charitable objectives.

New trustees are appointed in writing and briefed on their legal obligations under charity law and their role and responsibilities as trustees. The charity provides new trustees with a trustee checklist, including the Charity Commission's guidance on public benefit, trust deed, policy on fit and proper status, related party transactions and conflicts of interest. Trustees are briefed on the decision-making process and the financial status of the charity and invited to attend external training workshops or events.

The charity has a fit and proper status, related party transactions and conflicts of interest policy and declaration process in place. Declarations of interest is included as a standard item on meeting agendas. Trustees are required to disclose all relevant interests and to withdraw from the decision-making process where a conflict of interest arises.

The charity has a number of policies in place to guide and support strong governance, including but not limited to the following areas: risk management, reserves, data protection, equality and diversity, complaints, crisis management, anti-bribery and corruption, donation and investments, financial authorisation and expenses.

Trustees make the charity's decisions collectively at Board of Trustees meetings or electronically in the interim as needed. The charity has two sub-committees: Nominations Committee (chaired by R R Brass) and the Finance & Audit Committee (chaired by J M Laughton). Each committee reports to the Board of Trustees.

The charity's officers, who work on a consultancy basis, undertake the day to day activities of the charity and are closely overseen by the trustees.

All trustees give of their time freely and no trustee was paid remuneration or expenses in the year.

Governance, structure and management (continued)

Statement of trustees' responsibilities

The trustees are responsible for preparing the trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial period which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing the accounts the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts;
- ◆ prepare the accounts 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 which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Governance, structure and management (continued)

Risk management

In line with the charity's risk management policy the trustees regularly review the risk register which assesses the risks facing the charity. The trustees believe the significant risks to be:

Performance of donated shares – the charity's funds comprise unrestricted donations of shares in the company GW Pharmaceuticals plc from a single settlor and also cash, generated through sale of the shares. The risk of a significant fall in the value of the shares at a time when the charity needs to liquefy its assets to generate cash represents the charity's major financial risk. The trustees have determined that the Foundation will hold the donations of shares as it is believed that this is the best option for achieving capital growth funding its medium to long-term charitable objectives, albeit with the risk of capital loss. The trustees consider that they effectively mitigate this risk by regularly reviewing the approach (set out in the donated shares and investment policy), making use of their collective knowledge and experience of shareholding matters and holding sufficient cash to cover short-term commitments. The Board of Trustees reviews the shareholding, in association with the budget and cashflow, and the overall approach on a regular basis.

Damage to our reputation - the charity acknowledges that damage to its reputation is possible, possibly through misunderstanding of the scientific focus or through the conduct of people connected with us. The charity ensures it is well run by maintaining good governance and management practices, including: trustee and advisor appointments, induction and engagement, and grant agreements with grant holders. If things were to go wrong, we have a complaints policy and crisis management policy in place and also insurance to mitigate the financial risk to the charity.

Operational risk from ineffective grant making - operationally a notable risk is that grants are ineffective. The trustees mitigate this risk by making grants according to their grant making policy and seeking the views of the charity's scientific advisors as appropriate before satisfying themselves that each grant is made in furtherance of a charitable purpose that offers a public benefit. Although the charity makes some grants to individual recipients, the trustees consider that their practice of making grants to public institutions such as universities, with a track record of delivering charitable projects for the public benefit, is an effective means of further mitigating this risk.

Signed on behalf of the trustees:



Professor Geoffrey W Guy

Chairman and Founder Trustee

Approved by the trustees on: 21 October 2020

Independent auditor's report to the trustees of The Guy Foundation Family Trust

Opinion

We have audited the accounts of The Guy Foundation Family Trust (the 'charity') for the year ended 30 April 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the accounts. 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 accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 30 April 2020 and of its income and expenditure for the period 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 Charities Act 2011.

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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- ◆ the trustees' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- ◆ the trustees have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the charity'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 accounts are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

Matters on which we are required to report by exception

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

- ◆ the information given in the trustees' annual report is inconsistent in any material respect with the accounts; or
- ◆ sufficient accounting records have not been kept; or
- ◆ the accounts are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 22 October 2020

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of financial activities Period to 30 April 2020

		Total funds	Total funds
		Year to 30 April 2020 Unrestricted funds £	Period from 11 January 2018 to 30 April 2019 Unrestricted funds £
	Notes		
Income from:			
Donations	1	5,000	1,554,320
Investment income		180	362
Total income		5,180	1,554,682
Expenditure on:			
Charitable activities	2	634,269	481,571
Total expenditure		634,269	481,571
Net (expenditure)/income for the period before investment gains	5	(629,089)	1,073,111
Net (losses)/gains on revaluation of investments:			
Unrealised (losses)/gains	8	(456,603)	449,307
Realised gains		—	287,062
Net movement in funds		(1,085,692)	1,809,480
Total funds brought forward at 1 May		1,809,480	—
Total funds carried forward at 30 April		723,788	1,809,480

All recognised gains and losses for the period are included in the statement of financial activities.

Balance sheet 30 April 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Investments	8		733,897		1,190,500
Current assets					
Cash at bank and in hand		480,540		829,417	
Prepayments		88		-	
		<u>480,628</u>		<u>829,417</u>	
Current liabilities					
Creditors: amounts falling due within one year	9	(260,063)		(128,911)	
Net current assets			<u>220,565</u>		<u>700,506</u>
Total assets less current liabilities			<u>954,462</u>		<u>1,891,006</u>
Creditors: amounts falling due after more than one year	10		(230,674)		(81,526)
Total net assets			<u>723,788</u>		<u>1,809,480</u>
Represented by:					
The funds of the charity					
Unrestricted funds	11		723,788		1,809,480
Total charity funds			<u>723,788</u>		<u>1,809,480</u>

Approved by the trustees and signed on their behalf by:



Professor GW Guy
Chairman and Founder Trustee

Approved by the trustees on: 21 October 2020

Statement of cash flows Period to 30 April 2020

	Notes	Year to 30 April 2020	Period from 11 January 2018 to 30 April 2019 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	A	(348,703)	20,574
Change in cash and cash equivalents in the period			
Investment income and interest received		180	362
Sale of donated shares		—	808,127
Net cash provided by investing activities		180	808,489
Increase in cash and cash equivalents		(348,523)	829,063
Cash and cash equivalents brought forward			
Cash at bank and in hand		829,417	—
Bank overdrafts		(354)	—
Cash and cash equivalents carried forward	B	480,540	829,063

Notes to the statement of cash flows

A Reconciliation of net movement in funds to net cash provided by operating activities

	Year to 30 April 2020	Period from 11 January 2018 to 30 April 2019 £
Net movement in funds (as per the statement of financial activities)	(1,085,692)	1,809,480
Adjustments:		
Non-cash gifts	(5,000)	(1,554,320)
Non-cash expenditure	5,000	5,000
Unrealised losses/(gains) on investments	456,603	(449,307)
Investment income and interest received	(180)	(362)
Increase in debtors	(88)	—
Increase in creditors (excluding bank overdraft)	280,654	210,083
Net cash provided by operating activities	(348,703)	20,574

B Analysis of cash and cash equivalents

	At 30 April 2020 £	At 30 April 2019 £
Cash at bank and in hand	480,540	829,417
Bank overdrafts	—	(354)
Total cash and cash equivalents	480,540	829,063

Statement of cash flows Period to 30 April 2020

C Analysis of changes in net debt

	At 1 May 2019	Cash flows	At 30 April 2020
	£	£	£
Cash at bank and in hand	829,417	(348,877)	480,540
Bank overdraft	(354)	354	—
Total cash and cash equivalents	829,063	(348,523)	480,540

	At 11 January 2018	Cash flows	At 30 April 2019
	£	£	£
Cash at bank and in hand	—	829,417	829,417
Bank overdraft	—	(354)	(354)
Total cash and cash equivalents	—	829,063	829,063

Principal accounting policies Year ended 30 April 2020

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below:

Basis of preparation

The accounts 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 United Kingdom and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

These accounts have been prepared for the period 1 May 2019 to 30 April 2020 and are the second set of accounts for the charity.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the trustees to make significant judgements and estimates.

Other than the allocation of governance and support costs between the various categories of expenditure, there are no items in the accounts where key judgements and estimates have been made.

In addition to the above, the full impact following the recent emergence of the global coronavirus pandemic is still unknown. It is therefore not currently possible to evaluate all the potential implications for the charity's activities, beneficiaries, funders, suppliers and the wider economy. Estimates used in the accounts, particularly with respect to the value of listed investments (see note 8) are subject to a greater degree of uncertainty and volatility.

As set out in these accounting policies under "going concern", the trustees have considered the impact of the pandemic on the charity and have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

In light of the emergence of the COVID-19 pandemic, investment values globally had fallen prior to the year end, however since the year end the value has been regained. The Trust has sufficient cash and investments to cover the grants committed to at the year end and trustees are able to control the costs and level of grants made and as such conclude that the Trust remains a going concern for at least 12 months from the date of approval of these financial statements.

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

The principal source of income is donations, investment income and interest receivable.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Donated services and facilities provided to the charity are recognised in the period when it is probable that the economic benefits will flow to the charity, provided they can be measured reliably. This is normally when the service is provided/the facilities are used by the charity. An equivalent amount is included as expenditure. Donated services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain facilities or services of equivalent economic benefit on the open market.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis.

Expenditure on charitable activities includes all other costs associated with furthering the charitable purposes of the charity. Such costs include grants made in accordance with the charity's objects and administration costs.

Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants approved but not paid at the end of the financial period are accrued. Grants where the beneficiary has not been informed or has to fulfil performance conditions before the grant is released are not accrued but are disclosed as financial commitments in the notes to the accounts.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support including in the form of financial procedures.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support and governance costs are apportioned using percentages based on the time spent on each of the activities of the charity.

Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The charity does not acquire put options, derivatives or other complex financial instruments.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Principal accounting policies Year ended 30 April 2020

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund structure

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

Unrestricted funds comprise those monies which may be used towards meeting the charitable objectives of the charity and which may be applied at the discretion of the trustees.

Foreign currencies

Assets and liabilities in foreign currencies are translated into Sterling at the rate 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 net movement in funds.

Notes to the accounts Year ended 30 April 2020

1 Income from: Donations

	Year to 30 April 2020	Period from 11 January 2018 to 30 April 2019 £
Donations from		
- Trustees (see note 12)	5,000	1,554,320
2020 total funds	5,000	1,554,320

2 Expenditure on: Charitable activities

	Year to 30 April 2020 £	Period from 11 January 2018 to 30 April 2019 £
Grants and charitable donations		
- Grants for scientific research	452,857	351,332
- Grants for individual sportspeople	—	60,000
- Charitable donations	80,000	—
Scientific and education costs (see note 3)	59,882	30,060
Support and governance costs (see note 4)	41,530	40,179
2020 total funds	634,269	481,571

3 Scientific and education costs

	Year to 30 April 2020 £	Period from 11 January 2018 to 30 April 2019 £
Conferences and meetings	20,568	4,227
Scientific consultancy	30,500	20,833
Website and publications	8,814	5,000
2020 total funds	59,882	30,060

4 Support and governance costs

	Basis of allocation	Grant making £	Scientific and Education £	Year to 30 April 2020 £
Support costs allocated to activities				
Administration costs	Time spent	20,517	5,129	25,646
Investment management fees	Time spent	5,203	1,301	6,504
Foreign exchange losses	Time spent	189	47	236
Bank charges	Time spent	2,176	544	2,720
Office costs	Time spent	1,314	329	1,643
Travel and training	Time spent	561	140	701
Governance costs:				
- Auditor's remuneration	Time spent	3,264	816	4,080
2020 total funds		33,224	8,306	41,530

	Basis of allocation	Grant making £	Scientific and Education £	Total Period from 11 January 2018 to 30 April 2019 £
<i>Support costs allocated to activities</i>				
Administration costs	Time spent	12,040	3,010	15,050
Investment management fees	Time spent	14,326	3,582	17,908
Foreign exchange gains	Time spent	(4,538)	(1,134)	(5,672)
Bank charges	Time spent	1,344	336	1,680
Office costs	Time spent	858	214	1,072
Travel and training	Time spent	178	45	223
Governance costs:				
- Legal and professional fees	Time spent	4,334	1,084	5,418
- Auditor's remuneration	Time spent	3,600	900	4,500
2019 total funds		32,142	8,037	40,179

5 Net income for the period

This is stated after charging:

	Year to 30 April 2020	Period from 11 January 2018 to 30 April 2019 £
Auditor's remuneration (including VAT)		
- Statutory audit fees	3,390	3,600
- Accountancy fees	690	900

6 Staff costs

The charity did not have any employees during the period to 30 April 2020 (2019: none). The administration of the charity was undertaken by consultants during this period.

7 Taxation

The Guy Foundation Family Trust is a registered charity and, therefore, is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

8 Investments

	2020 £	2019 £
Listed investments		
Market value at 1 May 2019 / 11 January 2018	1,190,500	—
Additions	—	1,549,320
Disposals at book value (2019: realised gains £287,062)	—	(808,127)
Net unrealised (losses) / gains	(456,603)	449,307
Market value at 30 April	733,897	1,190,500
Cost of listed investments at 30 April	741,194	741,194

The additions at cost of £1,549,320 in the prior period relate to the donation of shares at their market value at the time of the gift.

Listed investments held at 30 April 2020 comprised the following and are dealt in on a recognised stock exchange:

	2020 £	2019 £
US equities	733,897	1,190,500
Total	733,897	1,190,500

At 30 April 2020, listed investments included the following individual holdings deemed to have a material value:

	Value of holding £	Percentage of the market value %
GW Pharmaceuticals Plc	733,897	100

9 Creditors: amounts falling due within one year

	2020 £	2019 £
Accruals	5,971	7,076
Bank overdraft	—	354
Grant creditors	253,204	110,070
Other creditors	888	11,411
	260,063	128,911

10 Creditors: amounts falling due in more than one year

	2020 £	2019 £
Grant creditors	230,674	81,526
	230,674	81,526

11 Unrestricted funds

	At 1 May 2019 £	Income £	Expenditure £	Losses £	At 30 April 2020 £
Unrestricted funds	1,809,480	5,180	(634,269)	(456,603)	723,788
	1,809,480	5,180	(634,269)	(456,603)	723,788

	At 11 January 2018 £	Income £	Expenditure £	Gains £	At 30 April 2019 £
Unrestricted funds	-	1,554,682	(481,571)	736,369	1,809,480
	-	1,554,682	(481,571)	736,369	1,809,480

12 Related party transactions

During the year to 30 April 2020 The Chedington Court Estate Limited, which is jointly owned by Professor G W Guy and K M Guy, provided support to the charity to the value of £5,000, which has been reflected in the accounts as a gift in kind. At 30 April 2020, £888 was owed to The Chedington Court Estate Limited (2019: £5,905).