

# **The Guy Foundation Family Trust**

## **Report and Accounts**

30 April 2021

Charity Registration Number  
1178782

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

<b>Trustees</b>	Professor G W Guy (Chairman) R R Brass E J Dixon K M Guy J M Laughton The Rt Hon Lord Waldegrave of North Hill PC
<b>Scientific Advisors</b>	Professor J D Bell Professor S W Botchway Professor W D Frasch Dr P J Kurian
<b>Management</b>	R A Bowyer (Treasurer) N V Copping (Programme Director) Professor A V Nunn (Director of Science)
<b>Registered address</b>	The Estate Office Chedington Court Chedington Beaminster DT8 3HY
<b>Charity registration number</b>	1178782
<b>Auditor</b>	Buzzacott LLP 30 Wood Street London EC2V 6DL
<b>Principal bankers</b>	JP Morgan International Bank Ltd 1 Knightsbridge London SWX 7LX
<b>Solicitors</b>	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 2021.

The accounts have been prepared in accordance with the accounting policies set out on pages 19 to 22 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 develop over time.

The principal aims and activities of the charity are:

- ◆ **The study of quantum effects in biology** – the charity aims to promote and support the study of quantum effects in biology and to grow the body of scientific knowledge by awarding grants for rigorous research, offering support and input to collaborating research teams and convening scientific meetings and events for scientists across a range of disciplines but who have a common interest in this field.

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 works in close collaboration with them to build synergy and outcomes. Together with a strong scientific programme of events, activities and engagement, the charity's ambition is that, over time, the cumulative efforts will generate knowledge that will be used to profoundly improve our understanding of health and utilised in advances in medical practice.

The trustees' also have a secondary interest, in supporting elite sportspeople:

- ◆ **Elite sporting competitors** – the charity has an interest in neuroscience and awards grants to a small number of individual sportspeople competing (or aiming to compete) at an elite level in sports where neuropsychology is key, such as fencing and shooting. Grants cover training and competition costs.

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 third 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 substantial funding for scientific research and a small elite competitor grant. The charity also made good progress with its scientific and education programme.

**Scientific research** - the charity continued to build its programme by awarding two new research grants, supporting its existing research grant teams and monitoring progress.

Awarded in December 2018, the charity's first funded research project at the University of Westminster's Research Centre for Optimal Health, London, UK continued to make good progress, despite restricted laboratory access due to the Covid-19 pandemic. The two-year research project is 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, which is due to end in July 2021.

The charity's second research project is being undertaken by scientists at the UK's Central Laser Facility (UK Research & Innovation - Science and Technology Facilities Council) at Harwell, Oxfordshire, UK. The project, which commenced in November 2019, is a three-year study exploring quantum biology using entangled photons, biophotons and electromagnetic fields in living systems (grant award of £452,857). Due to the Covid-19 pandemic the laboratory was either closed or access restricted for much of the year which impacted on progress. However, the team gave regular reports and presentations and despite the challenges they continue to work hard to drive the project forwards.

In August 2020, the charity awarded its third research grant to the Quantum Biology Laboratory, Howard University, USA for a two-year study 'Cooperative and coherent quantum phenomena in the life sciences' (grant award of US\$550,000). Under the direction of Dr Philip Kurian, the grant is addressing fundamental questions at the nexus of quantum theory, electrodynamics, and biosystems. Collaborating with researchers in Switzerland and Mexico, the scientists are aiming to demonstrate cooperative quantum phenomena in tubulin protein architectures, which form a significant part of cytoskeletal networks in the brain and throughout the cells of higher organisms.

The charity awarded its fourth research grant in February 2021 to Professor Michael Levin at the Allen Discovery Center, Tufts University, USA for a two-year study 'Understanding host reprogramming by tissue fragments: a computational and bioelectric approach' (grant award of US\$199,589). Professor Levin, whose work demonstrates the variety of ways in which information is communicated and stored by cellular collectives, beyond the purely genetic, told the charity *"I'm extremely excited to partner with The Guy Foundation on this work, which will probe new ways by which biological tissues store information in physiological, not genetic, media. These mechanisms have many implications for regenerative medicine and synthetic bioengineering."*

The trustees were also pleased to hear regular reports and updates from the team leading the Barts COVIDsortium research project, following the charity's donation of £80,000 towards the study in April 2020. The project has become the most successful longitudinal

study of Covid-19 globally. The trustees noted the study has enabled research teams to answer vital questions about the body's response to the virus and its response to vaccination. Published in high impact journals including Science, the results have informed the UK's Scientific Advisory Group for Emergencies (SAGE), as well as national position statements and international pandemic strategies.

**Scientific and education programme** - the charity's scientific and education programme on quantum effects in biology went from strength to strength with a significant increase in activity and engagement this year. The Foundation convened twelve online scientific symposia with guest speakers and our scientific faculty grew to 60 members. The charity also continued to act as a catalyst for research by funding expert scientific consultancy dedicated to building theoretical understanding, identifying research needs, giving insight and support to research teams, preparing papers and publications, and drawing together the research community. A scientific resource, including symposia proceedings, recordings of the lectures and academic papers published by the Foundation team, is freely available on the Foundation's website [www.theguyfoundation.org](http://www.theguyfoundation.org).

**Elite sporting competitors** – despite a severe curtailment of training and competition opportunities due to the Covid-19 pandemic, the charity's elite competitor grant holders, H Maunder (Olympic trap shooting) and K Beardmore (foil fencing) continued to remain focussed on their sport and took opportunities to train and compete whenever possible. Each competitor continued to utilise their original grant award (£30,000 in December 2018) and due to international competition costs the trustees made a grant extension award of £5,000 to K Beardmore in February 2021. The trustees received regular written reports from both competitors.

### **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 with small amounts to elite competitor grants. Information on the charity's funding is available on The Guy Foundation website.

Research grant proposals 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 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 Director 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 Director and trustees.

## Financial review

### *Results for the year*

A summary of the year's results can be found on page 15.

Total income for the year amounted to £5,032 (2020: £5,180) and was derived from donations of £5,000 (2020: £5,000) and investment income of £32 (2020: £180).

Expenditure in the year totalled £659,394 (2020: £634,269) 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.

On 2 December 2020 the Foundation sold some shares in GW Pharmaceuticals plc resulting in proceeds of \$540k (£401k). The proceeds were retained in dollars to fund the Howard University research grant. This resulted in a realised gain for the year of £78,247 (2020: £nil).

As at 30 April 2021 there was an unrealised net gain on investments of £409,012, compared to a £456,603 loss in the prior year.

As at 30 April 2021 the investments held had a market value of £819,659 compared to a value on the date of gift of £417,943. On 3 February 2021 GW Pharmaceuticals was subject to an offer from Jazz Pharmaceuticals. This has resulted in further proceeds, received after the year end, of \$1.034m, and a corresponding reduction in the investments held to approximately \$110k.

The decrease in funds for the year was £167,103, with total charity funds held as at 30 April 2021 being £556,685, 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 £556,685 (2020: £723,788), 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 scientists and funds available.

The trustees recognise the Covid-19 pandemic has presented an unprecedented challenge across all sectors and nations and we are mindful of the various impacts on our activities and resources. The safety and wellbeing of those working and engaging with the Foundation has been and 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 in place and online conferencing has been successfully utilised to expand the programme of online symposia and meetings with scientists around the globe.

Our research grant holders have been adversely affected by the disrupted access to their laboratories and the charity continues to offer support and closely monitor the progress of the studies.

The trustees are pleased to report that the Foundation's financial resources have not been significantly adversely affected in this period.



## **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 six 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). R R Brass was appointed on 1 October 2018 and E J Dixon was appointed on 27 June 2019. The Lord Waldegrave of North Hill PC was appointed, after the end of the financial period, on 8 June 2021.

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 either an employee or 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 and assess the risks facing the charity and update the risk register accordingly. The trustees believe the significant risks to be:

**Covid-19 pandemic** – the trustees note that the pandemic, and any such pandemic on a similar scale in the future, brings a level of disruption and uncertainty both internally and in the world in which we operate. With remote working practices already embedded, the charity has not experienced disruption to its operations, and indeed we have been able to use online conferencing to engage with more scientists across more countries in our online symposia and meetings. The most significant pandemic impact for the Foundation to date has been the laboratory closures at the research centres we fund, thus slowing the pace of the experimental work.

**Performance of donated shares and foreign exchange** – during the year the charity's funds primarily comprised unrestricted donations of shares in the company GW Pharmaceuticals plc. The risk of a significant fall in the value of these shares represented the charity's major financial risk. However in February 2021 it was announced that GW Pharmaceuticals was subject to an offer from Jazz Pharmaceuticals, at a substantial premium to the share price at that time. Shortly after the financial year end, Jazz Pharmaceuticals completed the acquisition of GW Pharmaceuticals, and as per the purchase terms over 90% was settled in cash (US dollars) with the remainder in Jazz Pharmaceuticals shares. The trustees consider that the risk from its shareholding has reduced considerably as the charity finds itself with substantial cash funds, with the holding in Jazz Pharmaceuticals representing a small proportion of the charity's assets. The cash settlement was made in US dollars, which has been retained and used to directly fund the charity's research projects in the USA, thus mitigating foreign exchange risks, with tranches periodically converted to sterling. The Board of Trustees will continue to review the shareholding and foreign exchange, 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 a risk, 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.

**Trustees' report** Year ended 30 April 2021

Signed on behalf of the trustees:

A handwritten signature in black ink, consisting of several overlapping loops and curves, positioned centrally below the text 'Signed on behalf of the trustees:'.

Chairman and Founder Trustee

Approved by the trustees on: 7 October 2021

## **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 2021 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 2021 and of 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 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**

In auditing the accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the accounts are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report and accounts 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

**Auditor's responsibilities for the audit of the accounts** (continued)

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks applicable to the company. We determined that the following laws and regulations were most significant: The Statement of Recommended Practice (SORP (FRS102)).
- We understood how the charity is complying with these legal and regulatory Frameworks by making enquiries to trustees and those responsible for legal and compliance procedures. Through our enquiries we corroborated these views by our review of Board minutes.
- We assessed the susceptibility of the charity's accounts to material misstatement, including how fraud might occur. Audit procedures performed by the audit team included:
  - Enquiries with the trustees, whether they have any knowledge of any actual, suspected or alleged fraud;
  - Identifying and testing journal entries.
  - Assessing the extent of compliance with the relevant laws and regulations as part of our procedures.

As a result of our procedures, we did not identify any key audit matters relating to irregularities.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Independent auditor's report** Year ended 30 April 2021

**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.

A handwritten signature in cursive script that reads "Buzzacott LLP".

Buzzacott LLP  
Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

Date: 14 October 2021

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



**Statement of financial activities** Year to 30 April 2021

	<b>Notes</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
<b>Income from:</b>			
Donations	1	<b>5,000</b>	5,000
Investment income		<b>32</b>	180
<b>Total income</b>		<b>5,032</b>	5,180
<b>Expenditure on:</b>			
Charitable activities	2	<b>659,394</b>	634,269
<b>Total expenditure</b>		<b>659,394</b>	634,269
<b>Net expenditure for the year before investment gains</b>	5	<b>(654,362)</b>	(629,089)
<b>Net gains / (losses) on revaluation of investments:</b>			
Unrealised gains / (losses)	8	<b>409,012</b>	(456,603)
Realised gains		<b>78,247</b>	—
<b>Net movement in funds</b>		<b>(167,103)</b>	(1,085,692)
<b>Total funds brought forward at 1 May</b>		<b>723,788</b>	1,809,480
<b>Total funds carried forward at 30 April</b>		<b>556,685</b>	723,788

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

**Balance sheet** 30 April 2021

	Notes	2021 £	2021 £	2020 £	2020 £
<b>Fixed assets</b>					
Investments	8		819,659		733,897
<b>Current assets</b>					
Cash at bank and in hand		601,171		480,540	
Prepayments		93		88	
		<u>601,264</u>		<u>480,628</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	9	<u>(512,846)</u>		<u>(260,063)</u>	
<b>Net current assets</b>			<u>88,418</u>		<u>220,565</u>
<b>Total assets less current liabilities</b>			<u>908,077</u>		<u>954,462</u>
<b>Creditors:</b> amounts falling due after more than one year	10		<u>(351,392)</u>		<u>(230,674)</u>
<b>Total net assets</b>			<u>556,685</u>		<u>723,788</u>
<b>Represented by:</b>					
<b>The funds of the charity</b>					
Unrestricted funds	11		<u>556,685</u>		<u>723,788</u>
<b>Total charity funds</b>			<u>556,685</u>		<u>723,788</u>

Approved by the trustees and signed on their behalf by:



Professor GW Guy  
Chairman and Founder Trustee

Approved by the trustees on: 7 October 2021

**Statement of cash flows** Year to 30 April 2021

	Notes	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	A	<b>(202,650)</b>	(348,703)
<b>Change in cash and cash equivalents in the year</b>			
Investment income and interest received		32	180
Sale of donated shares		<b>323,249</b>	—
<b>Net cash provided by investing activities</b>		<b>323,281</b>	180
Increase / (decrease) in cash and cash equivalents		<b>120,631</b>	(348,523)
<b>Cash and cash equivalents brought forward</b>			
Cash at bank and in hand		<b>480,540</b>	829,417
Bank overdrafts		—	(354)
<b>Cash and cash equivalents carried forward</b>	B	<b>601,171</b>	480,540

**Notes to the statement of cash flows**

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

	2021 £	2020 £
<b>Net movement in funds (as per the statement of financial activities)</b>	<b>(167,103)</b>	(1,085,692)
<b>Adjustments:</b>		
Non-cash gifts	<b>(5,000)</b>	(5,000)
Non-cash expenditure	<b>5,000</b>	5,000
Unrealised (gains) / losses on investments	<b>(409,012)</b>	456,603
Investment income and interest received	<b>(32)</b>	(180)
Increase in debtors	<b>(5)</b>	(88)
Increase in creditors	<b>373,502</b>	280,654
<b>Net cash (used in) operating activities</b>	<b>(202,650)</b>	(348,703)

**B Analysis of cash and cash equivalents**

	2021 £	2020 £
Cash at bank and in hand	<b>601,171</b>	480,540
<b>Total cash and cash equivalents</b>	<b>601,171</b>	480,540

Statement of cash flows Year to 30 April 2021

**C Analysis of changes in net debt**

	At 1 May 2020 £	Cash flows £	At 30 April 2021 £
Cash at bank and in hand	480,540	120,631	601,171
<b>Total cash and cash equivalents</b>	<b>480,540</b>	<b>120,631</b>	<b>601,171</b>

	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	—
<b>Total cash and cash equivalents</b>	<b>829,063</b>	<b>(348,523)</b>	<b>480,540</b>

## **Principal accounting policies** Year ended 30 April 2021

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 year to 30 April 2021 and are the third 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.

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 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.

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 2021

### **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 2021

**1 Income from: Donations**

	2021 £	2020 £
Donations from		
- Trustees (see note 12)	5,000	5,000
<b>2021 total funds</b>	<b>5,000</b>	<b>5,000</b>

**2 Expenditure on: Charitable activities**

	2021 £	2020 £
Grants and charitable donations		
- Grants for scientific research	567,252	452,857
- Grants for individual sportspeople	5,000	—
- Charitable donations	—	80,000
Scientific and education costs (see note 3)	51,407	59,882
Support and governance costs (see note 4)	35,735	41,530
<b>2021 total funds</b>	<b>659,394</b>	<b>634,269</b>

**3 Scientific and education costs**

	2021 £	2020 £
Conferences and meetings	1,172	20,568
Scientific consultancy	41,743	30,500
Website and publications	8,492	8,814
<b>2021 total funds</b>	<b>51,407</b>	<b>59,882</b>

**4 Support and governance costs**

	<b>Basis of allocation</b>	<b>Grant making £</b>	<b>Scientific and Education £</b>	<b>2021 £</b>
<b>Support costs allocated to activities</b>				
Administration costs	Time spent	29,139	7,286	<b>36,425</b>
Investment management fees	Time spent	4,791	1,198	<b>5,989</b>
Foreign exchange gains	Time spent	(11,320)	(2,830)	<b>(14,150)</b>
Bank charges	Time spent	1,577	394	<b>1,971</b>
Office costs	Time spent	541	135	<b>676</b>
Travel and training	Time spent	—	—	—
Governance costs:				
- Auditor's remuneration	Time spent	3,860	964	<b>4,824</b>
<b>2021 total funds</b>		<b>28,588</b>	<b>7,147</b>	<b>35,735</b>

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

**5 Net expenditure for the year**

This is stated after charging:

	2021	2020
	£	£
Auditor's remuneration (including VAT)		
- Statutory audit fees	4,014	3,390
- Accountancy fees	810	690

**6 Staff costs**

The charity appointed its first employee on 6 April 2021 (0.6WTE) (2020: none). The administration of the charity was previously undertaken by a consultant. The total staff costs for 2021 were £3,000 (2020: £nil).

**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**

	2021 £	2020 £
<b>Listed investments</b>		
Market value at 1 May	733,897	1,190,500
Additions	—	—
Disposals at book value	(323,250)	—
Net unrealised gains / (losses)	409,012	(456,603)
Market value at 30 April	<u>819,659</u>	<u>733,897</u>
<b>Cost of listed investments at 30 April</b>	<u>417,943</u>	<u>741,194</u>

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

	2021 £	2020 £
US equities	819,659	733,897
<b>Total</b>	<u>819,659</u>	<u>733,897</u>

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

	Value of holding £	Percentage of the market value %
GW Pharmaceuticals Plc	819,659	100

**9 Creditors: amounts falling due within one year**

	2021 £	2020 £
Accruals	7,513	5,971
Grant creditors	505,333	253,204
Other creditors	—	888
	<u>512,846</u>	<u>260,063</u>

**10 Creditors: amounts falling due in more than one year**

	2021 £	2020 £
Grant creditors	351,392	230,674
	<u>351,392</u>	<u>230,674</u>

**11 Unrestricted funds**

	At 1 May 2020 £	Income £	Expenditure £	Gains £	At 30 April 2021 £
Unrestricted funds	723,788	5,032	(659,394)	487,259	556,685
	<b>723,788</b>	<b>5,032</b>	<b>(659,394)</b>	<b>487,259</b>	<b>556,685</b>

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

**12 Related party transactions**

During the year to 30 April 2021 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 (2020: £5,000), which has been reflected in the accounts as a gift in kind. At 30 April 2021, £nil was owed to The Chedington Court Estate Limited (2020: £888).