

The Invesco Cares Foundation

**Report and financial statements
for the year ended 31 December 2021**

Charity no: 326583

The Invesco Cares Foundation Contents

Charity number	326583
Trustees	C. Bouch J. Huysinga G. Proudfoot
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 1 Embankment Place London WC2R 6RH
Accountants	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
Principal address	Perpetual Park Perpetual Park Drive Henley-on-Thames Oxfordshire RG9 1HH
Bankers	HSBC Bank Plc Coventry DSC Harry Weston Road Binley Coventry CV3 2TQ
Investment Managers	Invesco Fund Managers Limited Perpetual Park Perpetual Park Drive Henley-on-Thames RG9 1HH

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The Invesco Cares Foundation Report of the Trustees for the year ended 31 December 2021

The Trustees present their audited report on the affairs of The Invesco Cares Foundation (“the charity”) for the year ended 31 December 2021.

The charity is a charitable trust, governed by Trustees and led by the Invesco Cares Committee (“the committee”). The charity is run by staff of Invesco UK Limited (“Invesco UK”), a subsidiary of Invesco Ltd.

Structure, governance and management

The charity is registered in the UK with registered charity number 326583 and is constituted under a trust deed dated 1st February 1984, as amended by resolutions dated 19/7/2010 and 05/02/2014.

The charity is a charitable trust, with new Trustees appointed by the existing Trustees and the Chair of the committee. All Trustees give of their time freely and no Trustee remuneration was paid in the year.

The day to day administration of the charity is delegated to the committee, led by an Invesco Cares Manager and a team of 10 volunteers that includes a Treasurer and Chair of the committee. The committee meets approximately every 6 weeks for an hour and once a year for an entire day but communicates regularly online.

The members of the committee rotate regularly to ensure the opportunity to be involved, to maintain fresh thinking, and to ensure the standard of the work of the Invesco Cares Foundation is continually raised, specifically:

- a minimum of two, out of the eight, committee members will be rotated every two years;
- the Chair will be nominated every five years;
- previous members can still be involved as ambassadors
- nominees of the committee must be sponsored by their manager; and
- successful applicants will be selected by the committee, who will ensure appropriate representation across the Invesco UK business.

Policies and procedures for induction and training of new Trustees

Trustee recruitment procedure

Responsibility for the recruitment of new Trustees rests with the existing Trustees and Chair of the committee. They must oversee the management of an open and efficient process and always act in the best interests of the charity.

Process for induction and training

The Chair of the committee writes to the prospective Trustee, setting out their duties and the charity’s expectations of them. The prospective Trustee is asked to sign and return a copy of the letter.

An information pack including the charity’s governing document and other details about the charity is sent to the prospective Trustee, along with the guide “The essential Trustee: what you need to know (CC3)”.

The Invesco Cares Foundation

Report of the Trustees for the year ended 31 December 2021

Process for induction and training (continued)

A full induction is arranged with the Invesco Cares Manager and any new Trustees will have meetings arranged with existing Trustees. Once recruited the Charity Commission is informed and all governing documents updated accordingly. If appropriate the bank is also notified if the new Trustee is to be a signatory.

Objectives and activities

The Invesco Cares Foundation works on behalf of Invesco UK's employees to provide help to the local communities of the Henley and London offices by making financial donations to charities, both local and those with which staff have a personal connection. The committee exists to filter the high demand for Invesco UK support, to ensure that guideline criteria for donations are applied and to manage the administration of the donations.

There are no restrictions in the governing document which limit the discretion of the Trustees to donate the funds of the Invesco Cares Foundation to the benefit of other charities and/or charitable purposes.

Main activities undertaken for the public benefit

The Trustees confirm they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

One of the main activities of the charity is to make grants to small, local charities where those donations will make a difference, using a set of criteria outlined below. The main beneficiaries are small, independent charities working with disadvantaged children, carers, the terminally ill, elderly and disabled. The other area of focus is raising funds for a charity of the year, as nominated by staff.

A smaller part of the donations supports matched fundraising for employees who are undertaking personal challenges e.g. mass participation events, to assist them in reaching their fundraising targets.

This fulfils the responsibility of Invesco UK to contribute to the communities in which it works, namely Henley and London, as well as supporting those charities that have a personal connection for its staff. By supporting these organisations, the charity is directly contributing towards the public benefit.

In addition to distributing funds, the committee organises participatory events within Invesco UK, with the intention of extending the public benefit to national charitable organisations, as well as those local to the Invesco Henley and London offices. These are limited to two days a year for one National sponsored event and one day connected to the current Charity of the Year. All employees who wish to participate are encouraged to donate and the chosen charity receives all funds raised.

Since 2014, the employees have selected a Charity of the Year. During the last three months of 2019 the committee implemented a selection process for Invesco UK to work with a staff voted charity for 2020. The process was entirely staff led and at the beginning of December 2019, CALM (the Campaign Against Living Miserably) was chosen as the Charity of the Year for 2020. Based on the selection criteria, donations were made to all the charities that were nominated by employees. Due to the COVID-19 pandemic, in August it was agreed that the charity would extend the partnership with CALM until the end of 2021, so no staff nomination or vote was held in 2020. To date, Invesco, its staff and the Foundation have raised £35,653 during the financial year for CALM (2020: £122,105) to fund the suicide prevention helpline and online chat service that they run for those most in need at this time.

The Invesco Cares Foundation

Report of the Trustees for the year ended 31 December 2021

Objectives and activities (continued)

Criteria for consideration for grant funding to small local charities

The committee meets to review all of the requests received for grant funding, either externally or from Invesco UK staff. The committee is governed by an established set of criteria to agree which applicants will be successful.

The committee currently stipulates that one or more of the following criteria needs to apply for any request to be considered:

- The charity being supported should be within a close (<15 mile radius) geographical area of any of the UK Invesco offices;
- The focus should be on small charities or groups where the charity's contribution would make a real difference, rather than large national organisations;
- In principle, we support people orientated causes;
- Areas that we prioritise are:
 - Disabled, disability sport
 - Life limiting disorders, long term sick
 - Carers
 - Disadvantaged youth
- Small grants may be given to deserving causes outside of this criteria, as discussed and agreed amongst the committee members, all being concluded on their own merits;
- Existing staff involvement with the charity being supported is also taken into consideration.

Grants for employee matching

Where a member of staff is participating in a sponsored event they may make a request for support. The committee will approve a donation directly to the charity the staff member is representing. This is limited to £2,000 per member of staff per year and is a matching of the monies raised by the staff member through sponsorship. In this category, the charity does not need to be a local charity but will be a charity that is pertinent and meaningful to the individual staff member.

Guidance for committee decisions

The committee does not:

- respond to general mail shots;
- sponsor student study requests for university or specialist school;
- support any organisations with a racial or religious bias or any political or sectarian activities;
- provide donations to charities related to the armed forces; or
- deal with event sponsorship requests or requests for corporate advertising.

Long term aims and objectives of the charity

Over the long term, the charity intends to raise significant funds to make a lasting difference to UK charities and to share those successes with staff.

The Invesco Cares Foundation Report of the Trustees for the year ended 31 December 2021

Long term aims and objectives of the charity (continued)

On an annual basis we raise funds for the charity of the year through various fundraising events such as sporting challenges, salary sacrifice, auctions and bake sales, however due to the impact of COVID-19 pandemic this was not possible in 2020 but some fundraising was able to take place in 2021, a salary sacrifice campaign and the triathlon challenge event, when restrictions were lifted.

The charity has aimed to engage over 50% of Invesco UK staff in Invesco Cares activities in at least one of the following ways, however engagement has suffered due to the impact of COVID-19 on staff volunteering and sponsored challenges. We will seek to improve engagement again through staff:

- Attending or taking part in an Invesco Cares fundraising event;
- Taking at least one volunteering day; or
- Sponsoring a colleague in a challenge in aid of an Invesco Cares charity.

The charity will measure its success in achieving these long term aims by monitoring volunteering days logged through the Invesco UK Leave & Overtime system and keeping records of all staff taking part in events and requesting employee matching funds.

Achievements and performance

The charity has made donations to 97 different charitable organisations in 2021 (2020: 100+). In addition, 2 were advised in 2021 but not paid until 2022 (MS Trust and Muscular Dystrophy therefore 99 were advised in 2021. All of which have met our criteria, as small charities local to our offices, and national charities nominated by Invesco UK employees. The Trustees consider the current level of grant activity to meet the aims and objectives set by the charity.

The Charity of the Year partnership operated for a successful seventh year during 2021, with the charity raising over £35,653 for CALM (the Campaign Against Living Miserably). The fundraising has and will continue to pay for staff and services to operate the helpline and online chat service for anyone in need of support.

The charity responded to COVID-19 by considering how the pandemic will impact fundraising and grants made to charities.

The most significant impact is on the ability of company staff to fundraise for our Charity of the Year (in 2021, CALM). However, we were still able to run a successful salary sacrifice programme with a further donation going to CALM at the end of April 2021, of £32,448, and also a triathlon event in September that raised further funding, of £4,762, that was donated in October 2021.

In September 2021, the staff led process was launched to find a new charity partner for 2022/23. The process concluded in early December 2021 and Dementia UK was chosen. The fundraising partnership formally began in January 2022.

The Invesco Cares Foundation

Report of the Trustees for the year ended 31 December 2021

Financial review

During 2021, the charity received £228,951 (2020: £430,801) in donations broken down as follows:

- £5,305 (2020: £181,689) from Invesco Fund Managers Limited.
- £112,450 (2020: £130,830) of which £75,000 is an annual donation from Invesco UK.
- £27,149 (2020: £28,240) management fee rebate from the GTR investment.
- £84,047(2020: £90,042) donation of services by Invesco UK.

During the year the charity received income from other trading activities of £Nil (2020: £Nil) as no charity auction event was held this year. All funds are raised through internal activities with Invesco UK staff and so no disclosure around raising funds from the public is required.

Included in the donations received from Invesco UK is an amount of £20,000 (2020: £55,830). The donation was approved during the financial year and relates to unspent event funding. This amount has been transferred over to the new charity partner in 2022.

Fund performance

At 31 December 2021, the Charity held investments to the value of £2,055,540 (2020: £2,555,571). The investment is held entirely in the Invesco Targeted Returns Fund. In the financial year ending 31 December 2021, the investment saw an equivalent annual return of (1.3)% (2020: (1.63)%). The Trustees have discussed performance issues relating to the investment fund with its Portfolio Manager. We are of the opinion that these issues are surmountable and acknowledge that being exposed to the financial markets we would expect to see a certain amount of volatility/movement due to market performance.

The Trustees, based on the Charity's financial projections and present resources, are satisfied it can meet its financial obligations for a period no less than 12 months from the date the financial statements are signed. The financial statements are therefore prepared on a going concern basis.

Reserves policy

The charity receives an annual allocation of funding from Invesco UK and all running costs of the charity are met by Invesco UK disclosed in Note 2. At the end of the year, the charity held £2,512,596 in unrestricted funds (2020: £2,752,754) and £20,000 (2020: £Nil) in restricted funds. Restricted funds reserves are in relation to total donations receivable from Invesco UK. As a result, the charity has not set a minimum level of reserves to maintain.

Risk management

The charity's principal operating risks are addressed by procedures and controls which seek to ensure:

1. The safety and security of the charity's assets and that they are invested in accordance with the investment policy;
2. That donations are made in accordance with the charity's policies;
3. That only authorised expenditure is settled;
4. That an appropriate distinction is maintained between restricted and unrestricted funds; and
5. That counterparty default losses are mitigated by depositing funds with entities holding a credit rating of BB or above.

The Invesco Cares Foundation

Report of the Trustees for the year ended 31 December 2021

Risk management (continued)

The Trustees do not consider that there is significant liquidity risk as the charity receives an annual allocation of funding from Invesco UK and all running costs of the charity are met by Invesco UK. Furthermore, the fixed asset investment is held in a Pooled Investment Vehicle that is composed of Level 1 investments, as disclosed in Note 8, which are inherently liquid in nature, therefore reducing liquidity risks.

The committee has decided to keep a minimum cash balance of £50,000 in the charity bank account for liquidity purposes as set out in note 8.

Managing the risks presented by the outbreak of Coronavirus

The spread of further coronavirus (COVID-19) variants continued to cause significant volatility within the global economy and financial markets throughout 2021 and into 2022. The primary focus of Invesco UK's response has been to ensure the health and safety of our employees; to preserve our ability to serve our clients; and to appropriately manage client assets in a highly dynamic market environment. Through this response, Invesco UK has demonstrated both operational and financial resilience, and this is no longer considered to be a principal risk to the viability of the business.

The charity has considered the financial impact since the year end, and have determined that there are no commitments, contingent liabilities or adjusting events after the reporting period to be disclosed at this stage. The charity's investments and exposure to market risk is set out in in Note 8.

Investment policy

The investment policy adopted by the Trustees in March 2022 is as follows:

There are no restrictions on the charity's discretion to make investments. However, in practice, all funds are maintained either in interest bearing bank accounts, sterling money market funds or other open-ended investment companies.

Cash is held within money market funds or interest-bearing bank accounts so that it is available to meet the cost of grants committed and planned. Cash surplus to this minimum requirement may be invested in other open-ended investment companies until required for planned distributions.

When investing surplus funds, the Trustees seek to balance a low appetite for capital loss with the desire to achieve a real rate of return. It is also important that such surplus funds are sufficiently liquid so that they are readily accessible when required.

The charity's cash balances are deposited with institutions with a minimum rating of BB or invested in a diversified money market fund.

The Invesco Cares Foundation
Report of the Trustees for the year ended 31 December 2021

Investment policy (continued)

During the financial year investments held at a book value of £524,722 were sold at market value of £500,000. The sale of this investment amounted to £24,722 of realised loss on disposal.

Related party relationships

The charity considers Invesco UK Limited to be a related party, as the company provides the annual funding allocation to the charity, meets all the running costs of the charity and employs the staff who work on the charity as set out in Note 2.

Disclosure of information to auditors

The Trustees who held office at the date of approval of this Trustees' report confirm that, so far as they are each aware, there is no relevant audit information of which the charity's auditors are unaware; and each Trustee has taken all the steps that he/she ought to have taken as a Trustee to make himself/herself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

The Invesco Cares Foundation Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Report of the Trustees and the financial statements 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 financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

Approved by the Trustees and signed on their behalf by:

Mr Jeroen Huysinga

J. Huysinga
Trustee
Date: 3 May 2022

The Invesco Cares Foundation**Independent auditors' report to the Trustees of the Invesco Cares Foundation*****Independent auditors' report to the trustees of The Invesco Cares Foundation*****Report on the audit of the financial statements****Opinion**

In our opinion, The Invesco Cares Foundation's financial statements (the financial statements"):

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its incoming resources and application of resources, and cash flows, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Charities Act 2011 and Regulation 8 of The Charities (Accounts and Reports) Regulations 2008).

We have audited the financial statements, included within the Report and financial statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2021; the statement of financial activities and statement of cash flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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 the date on which the financial statements are authorised for issue.

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the charity's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Based on our work undertaken in the course of the audit, the Charities Act 2011 requires us also to report certain opinions and matters as described below.

The Invesco Cares Foundation

Independent auditors' report to the Trustees of the Invesco Cares Foundation

Trustees' Report

Under the Charities Act 2011 we are required to report to you if, in our opinion the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Responsibilities of the Trustees for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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.

Auditors' responsibilities for the audit of the financial statements

We are eligible to act and have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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.

Based on our understanding of the charity, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011 and relevant regulations made or having an effect thereunder, including the Charities (Accounts and Reports) Regulations 2008, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated the incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) by the trustees and those responsible for, or involved in, the preparation of the financial statements, and determined that the principal risks were related to posting inappropriate journals to manipulate financial results or conceal the misappropriation of assets and potential management bias in accounting estimates. Audit procedures performed included:

- identifying and testing journal entries, in particular journal entries posted with unusual account combinations;
- obtaining independent confirmations for the valuation of investments and cash at the year end;
- testing the recognition of grant expenditure in line with terms of the grant awards;
- enquiry of management and the board of trustees, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- reading minutes of meetings of the board of trustees; and
- assessing financial statement disclosures, and testing to supporting documentation, for compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

The Invesco Cares Foundation

Independent auditors' report to the Trustees of the Invesco Cares Foundation

Use of this report

This report, including the opinions, has been prepared for and only for the charity's trustees as a body in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act (Part 4 of The Charities (Accounts and Reports) Regulations 2008) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Charities Act 2011 exception reporting

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- sufficient accounting records have not been kept by the charity; or
- the financial statements are not in agreement with the accounting records.

We have no exceptions to report arising from this responsibility.



PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
3 May 2022

The Invesco Cares Foundation
Statement of Financial Activities for the year ended 31 December 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Income from:							
Donations	3	208,951	20,000	228,951	374,971	55,830	430,801
Total income		208,951	20,000	228,951	374,971	55,830	430,801
Expenditure on charitable activities:							
Grant funding	5	421,929	-	421,929	527,142	55,830	582,972
Total expenditure		421,929	-	421,929	527,142	55,830	582,972
Net (expenditure) /income before (Loss)/Gain on investments		(212,978)	20,000	(192,978)	(152,171)	-	(152,171)
Loss on investments	8	(27,180)	-	(27,180)	(41,853)	-	(41,853)
Net (expenditure)/ income		(240,158)	20,000	(220,158)	(194,024)	-	(194,024)
Transfer between funds		-	-	-	826	(826)	-
Net movement in funds		(240,158)	20,000	(220,158)	(193,198)	(826)	(194,024)
Reconciliation of funds:							
Total funds brought forward		2,752,754	-	2,752,754	2,945,952	826	2,946,778
Total funds carried forward		2,512,596	20,000	2,532,596	2,752,754	-	2,752,754

All activities derive from continuing operations.

The accompanying notes on pages 17 to 26 form an integral part of these financial statements.

The Invesco Cares Foundation
Balance Sheet as at 31 December 2021

	Note	Total funds 2021 £	Total funds 2020 £
<i>Fixed assets</i>			
Investments	8	2,055,540	2,555,571
Total fixed assets		2,055,540	2,555,571
<i>Current assets</i>			
Debtors	9	20,000	1,800
Cash at bank and in hand	9	462,056	204,829
Total current assets		482,056	206,629
Creditors falling due within one year	10	(5,000)	(9,446)
Net current assets		477,056	197,183
Net assets		2,532,596	2,752,754
<i>The funds of the charity</i>			
Restricted income funds	12	20,000	-
Unrestricted income funds	12	2,512,596	2,752,754
Total charity funds		2,532,596	2,752,754

The accompanying notes on pages 17 to 26 form an integral part of these financial statements.

The financial statements on pages 14 to 26 were approved and signed on behalf of the Trustees by:

Mr Jeroen Huysinga

J. Huysinga
Trustee
Date: 3 May 2022

The Invesco Cares Foundation
Statement of Cash Flows for the year ended 31 December 2021

	Note	Total Funds 2021 £	Total Funds 2020 £
<i>Reconciliation of movement in funds to net cash flow from operating activities:</i>			
Net movement in funds		(220,158)	(194,024)
Losses on investments		27,180	41,853
Increase in debtors	9	(18,200)	(48)
Decrease in creditors	10	(4,446)	(16,292)
Net cash used in operating activities		(215,624)	(168,511)
<i>Cash flows from investing activities:</i>			
Purchase of investment	8	(27,149)	(28,240)
Sale of investment	8	500,000	-
Net cash generated from / (used in) investing activities		472,851	(28,240)
Change in cash and cash equivalents in the year		257,227	(196,751)
Cash and cash equivalents brought forward		204,829	401,580
Cash and cash equivalents carried forward	9	462,056	204,829

Analysis of changes in net debt	2021 £	Cash Flows £	2020 £
Cash and cash equivalents	462,056	257,227	204,829

Analysis of changes in net debt	2020 £	Cash Flows £	2019 £
Cash and cash equivalents	204,829	(196,751)	401,580

The Invesco Cares Foundation

Notes to the financial statements for the year ended 31 December 2021

General information

The Charity is registered with the Charity Commission in England and Wales. Its registered address is: Invesco, Perpetual Park, Perpetual Park Drive, Henley-On-Thames, Oxfordshire, RG9 1HH

1. Accounting policies

A summary of the principal accounting policies, all of which have been applied consistently throughout the current and the preceding year, are set out below.

a) Basis of preparation and assessment of going concern

These financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these financial statements. The financial statements have been prepared in accordance with the Charities SORP (FRS 102) second edition - October 2019 and the Charities Act 2011.

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

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Charities SORP (FRS 102) second edition effective 1 January 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The charity has significant financial reserves at the end of the reporting period which will enable it to continue to perform its charitable activities in future years. The charity receives an annual allocation of funding from Invesco UK and all running costs of the charity are met by Invesco UK. In making this assessment, the Trustees have taken account of the COVID-19 pandemic and the impact this may have on the charity's portfolio of investments, as well as the impact on Invesco UK, as discussed in the Report of the Trustees.

b) Funds structure

The charity holds during the year both restricted and unrestricted funds. All income raised by individuals to support a specific charity other than The Invesco Cares Foundation is shown in restricted funds, this can be through auctions or individual raising money that is matched by the charity. At the end of the financial year the balance held in restricted funds amounted to £20,000 (2020: £Nil) pending transfer to the new charity of the year post year end. Unrestricted income funds comprise all other funds, which the Trustees are free to use for any purpose in furtherance of the charitable objects.

c) Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations are recognised when they have been communicated in writing with notification of both the amount and settlement date.

The Invesco Cares Foundation
Notes to the financial statements for the year ended 31 December 2021 (continued)

1. Accounting policies (continued)

Income from other trading activities relates to donations raised from a charity auction and other activities and is recognised at the time the donation is made.

Interest on funds held on deposit is included as investment income when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

d) Charitable activities

The expenditure on charitable activities includes grant funding, as shown in Note 5.

e) Expenditure recognition

Expenditure is recognised as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accrual's basis. The charity now incurs support costs in the form of accountancy services. The charity does not incur any support costs directly, but staff costs and the audit fee are borne by Invesco UK and donated to the charity.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the charity. All grants are made on the basis of an unconditional grant offer which is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the grant.

f) Donated goods or services

Certain costs are met by Invesco UK on behalf of the charity. These include staff costs, audit fees and costs associated with hosting charitable events. These amounts are included in income as donated services from Invesco UK and are recognised when the charity has entitlement to the income, there is sufficient certainty of receipt and it is probable that the income will be received, and the amount of income receivable can be measured reliably. An equivalent amount is also recognised as an expense within the statement of financial activities under Expenditure on charitable activities.

g) Allocation of support costs

Support costs consist of the auditors' remuneration, accountancy services and staff costs which are borne by Invesco UK and donated to the charity. Support costs are allocated pro rata to the grants awarded through unrestricted funds. No support costs are allocated to restricted funds.

h) Expenditure on raising funds

The costs of raising funds consist of costs to hire third party suppliers to host events and the purchase of items for a charity auction.

The Invesco Cares Foundation
Notes to the financial statements for the year ended 31 December 2021 (continued)

1. Accounting policies (continued)

i) Financial instruments

The investments within the financial statements are a form of basic financial instrument.

Investments are comprised of an investment in a Pooled Investment fund operated by Invesco UK. Investments are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing market price.

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

The Statement of Financial Activities includes the net gains and losses arising on revaluation throughout the year.

j) Income tax exemption

The Invesco Cares Foundation, as a registered charity, is exempt from income tax under part 10 of the Income Tax Act 2007 or Section 256 of the Taxation of the Chargeable Gains Act 1992, to the extent that surpluses are applied to its charitable purposes.

k) Investments

The Foundation has elected to apply the provisions of Section 11 and Section 12 of FRS 102 in full. Investments in pooled funds are included on the Balance Sheet at fair value which is their closing bid price on the current or previous trading day as provided by the investment manager.

Realised gains and losses on disposals in the year and unrealised gains and losses on investments at the Balance Sheet date are included in the Statement of Financial Activities for the relevant underlying funds. All investment income is reinvested in the fund.

l) Critical estimates and judgements

In preparing these financial statements, the Trustees have made judgements, estimates and assumptions that affect the application of the charities accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Trustees consider that there are no critical estimates or judgements. However, the most significant items of judgement identified by the Trustees are as follows.

The only significant estimate involved in the preparation of these financial statements is the allocation of a proportion of employee time from Invesco UK to the charity, which is shown as donated services from Invesco UK and as support costs. The values allocated are based on an estimate by individual of the proportion of total time spent on Invesco Cares; details of this allocation are included in Note 5.

The Invesco Cares Foundation
Notes to the financial statements for the year ended 31 December 2021 (continued)

1. Accounting policies (continued)

The only estimate that has a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year is related to the valuation of the Foundation's investments. Explanation of the method for determining the valuation of investments is included within the investments accounting policy above and within note 8. The valuation of the investments held used the unit price provided by Invesco Fund Managers Limited, the Authorised Corporate Director ("ACD") of the Global Targeted Returns fund as at 31 December 2021. The ACD is considered to have sufficient and appropriate valuation controls in place to determine the unit price of the fund based on the underlying holdings.

2. Related party transactions and Trustees' expenses and remuneration

The Trustees all give freely of their time and expertise without any form of remuneration or other benefit in cash or kind (2020: £nil). No expenses were paid to the Trustees during the year (2020: £nil).

Two of the Trustees have been non-executive directors or recent employees of Invesco UK Limited, the company which also provides an annual donation to the charity and donates certain services to the charity.

During the year, the charity received £112,450 (2020: £130,830) from Invesco UK. £20,000 (2020: £55,830) of this balance which has been classed as restricted income as shown in Note 3 relates to money donated to the Foundation by Invesco UK to be paid out to the new Charity partner. The funds were approved as at the end of financial year and therefore were accrued as at the end of the financial but not received until after the financial year end.

The charity also received donated services valued at £84,047 from Invesco UK during the year of which £25,500 relates to the auditors fee shown in Note 7 (2020: £90,042 of which £25,500 relates to the auditors fee shown in Note 7) and £27,149 from Invesco Fund Managers Limited (2020: £28,240) in relation to a management fee rebate for the investment fund as shown in Note 3.

The charity receives donations from other Invesco Group companies for certain legacy client money. During the year, the charity received £5,305 of legacy client money donations (2020: £181,689) which was paid to the charity by Invesco Fund Managers Limited. There are no outstanding balances for these transactions.

The Invesco Cares Foundation
Notes to the financial statements for the year ended 31 December 2021 (continued)

3. Income from donations and other trading activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Donations received from Invesco UK	92,450	20,000	112,450	75,000	55,830	130,830
Services donated by Invesco UK	84,047	-	84,047	90,042	-	90,042
Invesco Fund Managers Limited fee rebate	27,149	-	27,149	28,240	-	28,240
Legacy client money donations	5,305	-	5,305	181,689	-	181,689
Total income from donations	208,951	20,000	228,951	374,971	55,830	430,801

4. Allocation of support costs

A breakdown of support costs is shown in the table below.

	Basis of apportionment	2021 £	2020 £
Staff costs (Note 6)	Based on grant value	39,647	48,081
Auditors' remuneration (Note 7)	Based on grant value	25,500	25,500
Accountancy	Based on grant value	12,900	14,761
Total support costs		<u>78,047</u>	<u>88,342</u>

The total support costs attributable to charitable activities is then apportioned pro rata to the value of grants awarded as shown in the table below. The charity allocates all support costs to unrestricted funds.

	2021 £	2020 £
Grants to small local charities	25,120	29,672
Grants to Charity of the Year	48,785	53,730
Grants for employee matching	4,142	4,940
Total allocated	<u>78,047</u>	<u>88,342</u>

Due to the impact of COVID-19 pandemic no support costs have been allocated in 2021 (2020: no support costs) fundraising activities as no events have taken place.

The Invesco Cares Foundation
Notes to the financial statements for the year ended 31 December 2021 (continued)

5. Grant funding

The charity undertakes its charitable activities through grant making and awarded grants to a number of charities and institutions in furtherance of its charitable activities.

	Grants to institutions 2021 £	Support costs* 2021 £	Total 2021 £	Grants to institutions 2020 £	Support costs* 2020 £	Total 2020 £
<i>Funded from unrestricted funds:</i>						
Grants to small local charities	110,685	25,120	135,805	147,382	29,672	177,054
Grants to Charity of the Year programme grants	214,950	48,785	263,735	266,879	53,730	320,609
Grants for employee matching	<u>18,247</u>	<u>4,142</u>	<u>22,389</u>	<u>24,539</u>	<u>4,940</u>	<u>29,479</u>
Total funded from unrestricted funds	343,882	78,047	421,929	438,800	88,342	527,142
<i>Funded from restricted funds:</i>						
Grants to Charity of the Year	=	=	=	55,830	=	55,830
Total grant funding of activities	<u>343,882</u>	<u>78,047</u>	<u>421,929</u>	<u>494,630</u>	<u>88,342</u>	<u>582,972</u>

* Allocation of support costs is shown in Note 4

Grants paid to small local charities and for employee matching are paid to a number of different charitable institutions. No institution listed as a small local charity has individually received a material level of funding from the charity. The largest single donation made to one institution was £35,653 to CALM (2020: £53,500 to CALM).

The Charity of the Year for 2021 was CALM (2020: CALM).

Grants to institutions have been awarded as follows:

Grants paid out to the other 99 charities are below the value of £32,000. Out of the 96 charities 3 (2020: 3 charities) of those charities during the financial year were paid an amount of £30,000. These payments are part of an enhanced Charity of the Year selection process which sees donations made to all qualifying nominated charities to support employee engagement. The remaining charities were paid between £500 - £10,000 which is in line with prior year's disclosure.

The Invesco Cares Foundation
Notes to the financial statements for the year ended 31 December 2021 (continued)

5. Grant funding (continued)

	2021
Institution	£
CALM	35,653
Dementia UK	32,000
Oxford Hospitals Charity	30,000
Refuge Against Domestic Violence	30,000
Into Uni	10,000
Blood Cancer UK	10,000
Multiple Sclerosis Society	10,000
Grants to 91 other charities	186,229
Total 2021 Grants	<u>343,882</u>

As at the 31 December the foundation has recognised two grant commitments amounting to £5,000. The two selected charities were advised of being successful selected for a grant, however were not paid until after the financial year end 31 December 2021. Of the £5,000 amount accrued, £2,500 is payable to MS Trust and £2,500 is payable to Muscular Dystrophy.

	2020
Institution	£
CALM	122,105
Grants to 110 other charities	372,525
Total 2020 Grants	<u>494,630</u>

6. Analysis of staff costs and remuneration of key management personnel

	2021	2020
	£	£
Salaries and wages	29,556	36,521
Other employee benefits	2,794	2,612
Social security costs	3,429	4,099
Other pension costs	<u>3,868</u>	<u>4,849</u>
	<u>39,647</u>	<u>48,081</u>

The average number of employees during the year was 1 (2020: 1) with all employee time involved in providing support to charitable activities and the governance of the charity. Amounts shown above are the costs of those staff which is recognised as a donation of services from Invesco UK and corresponding expense. No employees had employee benefits in excess of £60,000 during the year (2020: none). The charity considers its key management personnel comprises the Trustees. No remuneration or expenses were paid to the Trustees during the year.

The Invesco Cares Foundation
Notes to the financial statements for the year ended 31 December 2021 (continued)

7. Auditors' remuneration

The auditors' remuneration is borne by Invesco UK and is treated as a donated service for the charity, recognised as income and a corresponding expense referred to in Note 2

The audit fee payable for the audit of the financial statements is £25,500 excluding VAT (2020: £25,500).

8. Fixed asset Investments

	2021	2020
	£	£
Fair value at 1 January	2,555,571	2,569,184
Purchased investments	27,149	28,240
Disposals at carrying value	(500,000)	-
Net Investment (loss)/gain	<u>(27,180)</u>	<u>(41,853)</u>
Fair value at 31 December	<u>2,055,540</u>	<u>2,555,571</u>

The opening market value of the investments at 1 January 2021 was £2,555,571 (2020: £2,569,184). Purchases are comprised of investment by the Charity of £nil (2020: £nil) and donated asset management services of £27,149 (2020: 28,240) which were received in the form of gifted additional units in the investment fund. During the financial year investments held at a book value of £524,722 were sold at market value of £500,000. The sale of this investment amounted to £24,722 of realised loss on disposal.

At 31 December 2021, the Charity held investments to the value of £2,055,540 (2020: £2,555,571). The investment is held entirely in a Pooled Investment Fund operated by Invesco UK. As this is an asset held in an investment vehicle for which an active price is available from the investment manager, this is classified as Level 1 in the fair value hierarchy. This means that it is valued using quoted prices in active markets for identical assets. The historical cost of the investments as at 31 December 2021 was £2,072,702 (2020: £2,597,424). In the financial year ending 31 December 2021, the investment saw an equivalent annual return of (1.3)% (2020: (1.63)%).

Risks arising from financial instruments

The different forms of risks in relation to financial instruments have been assessed as follows:

Credit risk: The carrying value above represents the Foundation's maximum exposure to risk and therefore further disclosure is not required.

Liquidity risk: Liquidity risk is the risk that the Foundation may be unable to generate sufficient cash to meet its payment obligations as they fall due. The relatively liquid nature of the investments held by the Foundation are such that the risk of insufficient liquidity is low.

The Invesco Cares Foundation
Notes to the financial statements for the year ended 31 December 2021 (continued)

8. Fixed asset Investments (continued)

Risks arising from financial instruments (continued)

Market risk: There exists a risk linked exposure to financial markets which could lead to a decline in the value of the fund into which the Charity invests. To manage this risk, the Charity is invested in the Invesco Global Targeted Returns fund which is a single pooled fund which is invested across a diverse range of assets. This diversified holding spreads the risk of market movements.

As the charity is only invested in the single pooled fund, if there is a 10% fall in the price of the Invesco Global Targeted Returns fund, this would lead to a 10% decline (2020:10% decline) in the value of the Foundation's investments which is equivalent to £205,554 as at 31 December 2021 (2020: £255,557).

9. Analysis of current assets

	2021	2020
	£	£
Accrued income	20,000	1,800
Cash at bank	<u>462,056</u>	<u>204,829</u>
	<u>482,056</u>	<u>206,629</u>

10. Creditors falling due within one year

	2021	2020
	£	£
Grants payable	5,000	1,646
Accruals	-	<u>7,800</u>
	<u>5,000</u>	<u>9,446</u>

As at 31 December 2021 two charities were successfully selected as part of the grant process and were notified of being selected during the financial year however the payments were made post year end, based on this £2,500 has been accrued in relation to MS Trust and £2,500 in relation to Muscular Dystrophy.

The Invesco Cares Foundation
Notes to the financial statements for the year ended 31 December 2021 (continued)

11. Analysis of charitable funds

	Balance brought forward	Income	Expenditure	Losses on investments	Transfers	Fund carried forward
2021	£	£	£	£	£	£
Unrestricted funds	2,752,754	208,951	(421,929)	(27,180)	-	2,512,596
Restricted – Charity of the Year	-	<u>20,000</u>	-	-	-	<u>20,000</u>
Total funds	<u>2,752,754</u>	<u>228,951</u>	<u>(421,929)</u>	<u>(27,180)</u>	<u>-</u>	<u>2,532,596</u>

	Balance brought forward	Income	Expenditure	Losses on investments	Transfers	Fund carried forward
2020	£	£	£	£	£	£
Unrestricted funds	2,945,952	374,971	(527,142)	(41,853)	826	2,752,754
Restricted – Charity of the Year	<u>826</u>	<u>55,830</u>	<u>(55,830)</u>	-	<u>(826)</u>	<u>-</u>
Total funds	<u>2,946,778</u>	<u>430,801</u>	<u>(582,972)</u>	<u>(41,853)</u>	<u>-</u>	<u>2,752,754</u>

The amounts allocate to restricted funds are specially related to funds donated from Invesco UK the funding is in relation to unused allocated budgets, the donated amount is then forward onto the selected charity of the year. During the financial year the selected charity partner for financial year 2022 was selected to be Dementia UK (2020: selected charity of the year CALM).

12. Analysis of net assets between funds

	Unrestricted funds 2021	Restricted funds 2021	Total funds 2021	Unrestricted funds 2020	Restricted funds 2020	Total funds 2020
	£	£	£	£	£	£
Investments	2,055,540	-	2,055,540	2,555,571	-	2,555,571
Debtors	-	20,000	20,000	1,800	-	1,800
Cash at bank	462,056	-	462,056	204,829	-	204,829
Current liabilities	<u>(5,000)</u>	-	<u>(5,000)</u>	<u>(9,446)</u>	-	<u>(9,446)</u>
Net assets	<u>2,512,596</u>	<u>20,000</u>	<u>2,532,596</u>	<u>2,752,754</u>	<u>-</u>	<u>2,752,754</u>