

Charity registration number: 1159482
Company registration number: 09318784

INVICTUS GAMES FOUNDATION

(A company limited by guarantee)

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

INVICTUS GAMES FOUNDATION

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**TRUSTEES' REPORT (INCORPORATING THE DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 DECEMBER 2021**

REFERENCE AND ADMINISTRATIVE DETAILS

Charity name	Invictus Games Foundation
Charity registration number	1159482
Company registration number	09318784
Trustees	Lord Allen of Kensington E Lane Fox D P Henson D A Jevans Sir K E Mills (resigned 1 December 2021) J G E Monson P G Nicoll M M Reilly M J Richards (appointed 15 July 2021)
Registered office	24 Old Bond Street London W1S 4AP
Operational address	3 rd Floor Marathon House 190 Great Dover Street London SE14 4YB
Chief Executive Officer	John Dominic Reid OBE
Auditors	Price Bailey LLP Chartered Accountants & Statutory Auditors Anglia House, 6 Central Avenue St Andrews Business Park Thorpe St Andrew Norwich , NR7 0HR
Bankers	C. Hoare & Co 37 Fleet Street London EC4P 4DQ
Solicitors	Clifford Chance LLP 10 Upper Bank Street London E14 5JJ

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TRUSTEES' REPORT (INCORPORATING THE DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2021

Letter from the Chair of the Board

I am writing this letter having just returned from the Invictus Games The Hague 2020 and what an incredible week it was. To see the Games in person for the very first time, after so many years of delay, was inspiring and humbling but also so much fun. The shared focus on the community, on recovery, and on sports for rehabilitation assured me, sport really does have the power to change lives. We only have to look at Team Ukraine, who we were delighted to support in attending the Games. After the Games were over, the team manager told us that, "I am quite sure that this is the magic of the Invictus family. Its love, care, and support touched our hearts in a moment of great mental struggles. It truly enlightened otherwise dark moments of our lives".

Reflecting on 2021 for the Invictus Games Foundation, it was again a very different year to that which we were expecting. In February, we had to postpone what would have been the fifth iteration of the Invictus Games for the second time due the COVID 19 pandemic and many other in-person events were either postponed or were held online hampering the recovery efforts of our community. Despite this, the team at the Foundation continued to rise to the challenge.

Across the year, virtual activities continued to be a core part of our engagement with the community. Our 'We Are Invictus' app is now translated into 18 different languages. By the end of the year, there were 1800 registered users internationally. Through the app, the Powered by Invictus leagues established in 2020 continued to thrive, enabling the WIS to compete virtually with each other outside of the Games.

Two further iterations of our IGF Conversation series were held. An event which was supposed to have been a one-off in person event during the Invictus Games The Hague 2020 has now become a core part of our Influence pillar with an international audience.

As parts of the world began to reopen, the Invictus: Endeavours programme, following its earlier transfer across from the Royal Foundation, made nine grants. These grants enabled challenges to be undertaken by teams of international Wounded, Injured and Sick service personnel and veterans (WIS) across locations such as Mont Blanc, France, or Morocco, as well as team grants into Ukraine and Georgia to support sport development.

We celebrated what should have been the Games week, organising a virtual lap of Holland with teams from participating nations competing to achieve the goal in 24 hours. We held a further iteration of the IGF Conversation series and we sent medallions to all those who should have been competing, in recognition of the resilience they had shown during the two delays.

Towards the second half of 2021, the Foundation was involved in supporting wounded, injured and sick team members in Afghanistan who found themselves seeking refuge, and at risk. Whilst some of our Afghan Invictus family are now in a position of stability, we continue to support their onward journey as best as we can, and hope for a positive resolution in the near future.

Speaking of planning ahead, we also supported the team in Germany who will deliver the Invictus Games Düsseldorf 2023 as well as undertaking the process to select the host city for the Invictus Games 2025. We were fortunate to have credible bids from three cities and after careful consideration, in April 2022 we announced that Vancouver-Whistler has been selected to host our first ever Winter hybrid Games in 2025.

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In early 2021, we partnered with Archewell Productions and Netflix to create the Heart of Invictus docu-series which will follow the organisers, and a group of competitors throughout their journey to the Invictus Games The Hague 2020 and post Games to reveal the human stories and resilient spirit. All compensation from this series which would otherwise be due to Archewell Productions and our Patron has been redirected to the Invictus Games Foundation, significantly enabling us to continue our work.

I have been so proud of the team at the Foundation for their own resilience they have shown during 2021 and the never-ending belief that they, together with organising committee in The Hague, would deliver the Games in 2022.

I want to thank the Trustees and the Patron who so generously give their time and expertise and I want to formally welcome Melanie Richards CBE to the Board.

Lastly, I want to thank the continued commitment from our sponsors and donors without whom none of these achievements would be possible.



Charles Allen (Jul 25, 2022, 5:47pm)
Lord Charles Allen of Kensington CBE

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TRUSTEES' REPORT (INCORPORATING THE DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees provide the annual report together with the audited financial statements of the charity and group for the year ended 31 December 2021.

Invictus Games Foundation was incorporated as a company limited by guarantee on 19 November 2014 and registered as a charity with the Charity Commission on 3 December 2014.

The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Structure, Governance and Management

The Charity is a company limited by guarantee without share capital and is governed by its Memorandum and Articles of Association. The Trustees, who are also the directors of the charitable company for the purposes of UK company law, and who served during the year and at the date of signing were:

Lord Allen of Kensington
E Lane Fox
D P Henson
D A Jevans
Sir K E Mills (resigned 1 December 2021)
J G E Monson
P G Nicoll
M M Reilly
M J Richards (appointed 15 July 2021)

None of the Trustees has any beneficial interest in the Charity. All of the Trustees are members of the Company and guarantee to contribute £1 in the event of a winding up.

New Trustees are appointed with a view to maintaining an appropriate balance of skills and experience. Appointments of Trustees are reviewed by the board of Trustees. Trustees hold office for a three-year fixed term.

All Trustees receive information about their responsibilities as a part of their induction. Training is provided to existing Trustees as and when the need arises, as well as to members of the Executive including through attendance at relevant seminars and workshops on issues central to the effective operation of a charity.

The provision of this training is overseen by the Governance Committee

The Board of Trustees is self-appointing and Trustees are appointed in accordance with the Articles of Association. The Board meets four times a year with a Finance Sub-Committee of MJ Richards (Chair) and MM Reilly and JGE Monson, scrutinising the budget and quarterly management accounts. A Governance and Management Sub-Committee, of PG Nicoll, MJ Richards and DA Jevans, ensures compliance with the Charity's Articles of Association, legal, charitable and regulatory requirements and an HR and Employment Sub-Committee, of E Lane Fox and DP Henson, formally meets annually with the Finance Sub-Committee to review remuneration and independently to review HR policies including the appraisal system. Remuneration for the CEO, who became an employee on 1 January 2021 and key management is set as part of this annual review. This is reviewed first on an individual basis by the HR and Employment Sub-Committee, in aggregate by the Finance Committee with final approval by the Board. The Board of Trustees is led by the Chairman and the day-to-day management of the Charity is delegated to the Chief Executive with the internal operations being led by the Operations Director.

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Objectives and Activities

The Invictus Games Foundation believes that men and women who have been injured during, or as a consequence of, their military service deserve to lead a purposeful and fulfilling life.

Through sport, we help those who have served their country to regain a sense of purpose that has been lost through injury or illness. To do this we harness the power of sport through a biennial, multi-national Invictus Games to inspire recovery; support rehabilitation; and generate a wider understanding and respect for wounded, injured and sick (WIS) servicemen and women.

Our strategic objectives fall under three clear and distinct pillars:

- **Inspire:** We use the Invictus Games to inspire recovery and demonstrate the resilience of the Invictus community;
- **Improve:** We improve lives through sports recovery and adventurous challenge to build an international active support network that continues to serve
- **Influence:** We share best practice and collaborate to influence research and knowledge around trauma recovery, rehabilitation and the power of sport.

Throughout 2021, we have further developed our work under the three pillars and while ensuring that our objectives and activities under each pillar have been effectively communicated.

Grant-making policy

Part of the work of the Improve pillar is providing grants to projects which demonstrate public benefit within the criteria of the Charity Commission's guidance. Individual grants up to the value of £35,000 are considered and approved by the Programme's Advisory Board.. The Programme's Advisory Board is made up of E Lane Fox, DP Henson and DA Jevans together with five independent members. Grants exceeding £35,000 or are multi-year commitments are reviewed and approved by the Board of Trustees.

Volunteers

The Charity has continued to develop our volunteer programme and have now engaged 21 volunteers. These volunteers are known as Moderators and have been recruited from participating Games nations to assist in building engagement in the We Are Invictus app. 17 of the Moderators are Invictus Games alumni, with 4 joining from the wider WIS community.

Public Benefit

The principal activities of the Charity are designed to deliver its Vision, Mission and Strategic Objectives as laid out in the three pillars.

Within the Inspire pillar, the Charity is the international governing body of the Invictus Games. Its principal function is to award the licence to each Host City and delivery entity and to monitor and control each iteration of the Games.

Following a comprehensive and transparent assessment process, IGF awards the license to a host city and. The Board of Trustees then monitor the planning of each iteration of the Games, receiving quarterly update reports from the local organising committee. Detailed feedback from the Executive team includes reviews of:

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- quality of venues, accommodation, ceremonies and logistic arrangements
- competitor numbers and team arrangements
- Communications / marketing plans and anticipated attendance
- financial performance against budget

Following the conclusion of each Games, there is a comprehensive 'Feedback and Lessons Learned' process designed to facilitate and share best practice between Participating Nations. The intent is to share key themes and outcomes arising from each Games and associated legacy programmes, to develop and nurture the public benefit generated. Through the Participating Nations and growing WIS community, the Charity also convenes and collaborates with nations' respective Ministries of Defence, charities and companies to provide events and opportunities for WIS to enhance and maintain their recovery and rehabilitation journey.

Within the Improve pillar, the Charity uses sports recovery and adventurous challenge to continue to build an international active support network outside of the Games period. This is achieved through the continued development of the We Are Invictus community app, live and virtual activities under the Powered by Invictus umbrella and Invictus Endeavours.

Within the Influence pillar, the Charity facilitates the sharing of best practice and collaborates to influence research and knowledge around trauma recovery through sport using its convening power to present at and host conferences, including under the umbrella of the IGF Conversation series as well as facilitate medical and academic research.

The Trustees have considered the Charity Commission's guidance on public benefit, as stated in Section 17 of the Charities Act (2011). They confirm that the activities of the Invictus Games Foundation are in line with this guidance.

Achievements and Performance

Focus for 2021

The COVID-19 global pandemic forced the Charity to adapt and evolve quickly in 2020 and this evolution continued in 2021 to ensure we continued to support the WIS community using the power of virtual sports and engagement. The following review shares some of the highlights of these activities, the evolution of which will last long after the pandemic. Virtual events will sit side by side to complement and enhance the wider and physical activities of the Foundation and we are grateful for the support of the Armed forces Covenant Fund Trust.

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INSPIRE

Delivery of the Invictus Games The Hague 2020

A priority focus for 2021 was the continued oversight of the planning for delivery of the Invictus Games The Hague 2020. As a result of the continued COVID-19 pandemic, the decision was announced on February 2nd 2021 to further reschedule the Invictus Games The Hague 2020, presented by Jaguar Land Rover, to the Spring 2022. The focus for 2021, therefore continued to be the planning for delivery of the Invictus Games The Hague in 2022 ensuring that the Games embodied the Invictus



Spirit for the WIS and their 'family and friends'. The Invictus Games in the Hague featured ten sports and 500 competitors engaging all of the 20 Participating Nations with 17 participating in the Hague.

The role of the Charity is to oversee and advise on the overall planning, including:

- A reconnaissance visit to The Hague in October by the IGF and a digital recce in December which included representatives from the Participating Nations to confirm the venues, accommodation and transportation for the WIS and their friends and family and compliance with the sports rules
- Support to the Invictus Games the Hague Organising Committee as plans develop during the ongoing pandemic including scoping options for a Games under social distancing regulations without spectators and the delivery of appropriate COVID testing protocols
- Regular and ongoing communications with the Participating Nations to keep them abreast of plans and consult on their views as the global pandemic continued to unfold
- Marketing and branding to protect the reputation of the Invictus Games brand for future Invictus generations.

We did not let what should have been the Games Week in 2021 pass unacknowledged. To mark the start of the week, the IGF organised a 24-hour challenge to complete a virtual Lap of Holland, in teams across the participating nations. The IGF sent medallions to all those that should have been participating to recognise their continued commitment to the games and their own recovery journey. There was also a further iteration of the IGF Conversation based on resilience and our work with the NHS.

Planning for Invictus Games Düsseldorf

Under their motto, 'A Home for Respect' the Organising Committee comprised of the Bundeswehr and the city of Düsseldorf look forward to bringing together 500 competitors from 20 nations in September 2023. At the time of the announcement, the Patron, The Duke of Sussex said, "Germany has been a key part of the Invictus Games family since the very start in 2014 and I know that they will be exemplary hosts in picking up the mantle and showcasing what sport continues to do for these inspirational men and women in their recovery."

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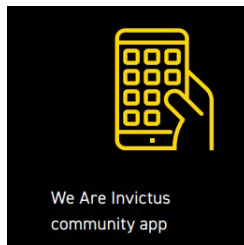
Support to the team in Düsseldorf has continued during 2021, with quarterly updates to the IGF Board. A full reconnaissance visit was made by the IGF Executive in October 2021 to meet with the Organising Committee and visit the venues.

Selection of the host city for 2025

The process to select the host city for the Invictus Games 2025 commenced in the year. Following initial expressions of interest three cities, New York, Seattle and a winter hybrid Games in Canada were shortlisted to enter a full bid process. The intent will be to make a final selection prior to the Games in the Hague.

IMPROVE

'We Are Invictus' development



The online platform and application ('app') for WIS offers a safe and secure space to support one another and take up opportunities to support personal recovery and rehabilitation journeys. The app was developed further in 2021 including the launch of translation in early 2021. The app is now translated in to 18 different languages, which expands the reach of the app to support more WIS in countries where English is not the first language.

Through the support of the Armed Forces Covenant Fund Trust video functionality and 'likes' were launched towards the end of the year greatly enhancing the user functionality.

We are thrilled that by the end of 2021, the number of users registered on We Are Invictus had risen to 1,802 a 41% increase in the year.

With the support of the Veteran's Foundation and Newman's Own, we have continued with the recruitment and training of international moderators to assist in further building the network, creating and sharing opportunities and signposting to other support organisations within their home nation. There are now 21 We Are Invictus moderators representing Australia, Belgium, Canada, Denmark, Georgia, Germany, Italy, New Zealand, Romania, Ukraine, UK and the USA, 17 of which are Invictus Games alumni with 4 having no Games background. The app was developed further to support the Moderators giving them a separate space to share best practise and ideas.

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Powered by Invictus



Powered by Invictus launched in 2020 to deliver virtual programmes during the global pandemic and with the support of the Armed Forces Covenant Fund Trust has continued during 2021. The programme utilises the power of technology to establish teams, challenges and leagues across various active e-sports on a multi-national basis which would have only been possible previously at in-country team training camps or the Games themselves. The programme combines in house developed activity and supports WIS to join virtual activity provided by other sporting bodies.

Examples of these in 2021 include:

- 201 joined our Powered by Invictus leagues - virtual sporting leagues across Archery, Athletics (track and field), Cycling, Indoor Rowing, Sitting Volleyball and Swimming.
- 363 took part in the Virtual Lap of Holland
- Our partnership with British Rowing continued over three separate activities engaging 62 WIS
- 75 WIS took part in 'At Home Superhero' challenge and 61 in the Winter Wonderwheels
- 50 took part in the 'Virtual London Marathon'
- 20 took part in the 'Virtual' Vitality 10k
- 135 took part in a three week long virtual cycle following the Tour de France route on a digital map
- 120-150 join the ongoing weekly social ride on Zwift led by two Orlando 2016 competitors with 733 joining for the last ride of 2021

Having gained this experience of virtual activities over two years, we have now developed an enduring programme for active esports. It has become integral to the way we deliver sport and physical activity to support the continued recovery journey of the WIS.

Based on feedback surveys sent to all those engaging with a Powered by Invictus opportunity, 96% of respondents found their engagement to be beneficial, highly or extremely beneficial to their recovery.

Some examples of the feedback on our events:

"Great challenge and loved being part of a wider Invictus family"

"Being able to see the progress we all made and my own personal progress spurred me on to keep rowing."

"Good evening, thanks for giving me the opportunity 'to participate in the vitality 10000 London. A fabulous experience that allowed us to get involved in a difficult world for the whole world. My feedback is very positive thanks again and at the next challenge a hug from Italy."

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"Being virtual made it much easier for me to complete as I was able to go out when it was quiet and avoid crowds. It gave me a real sense of pride and achievement at the time particularly as June is a difficult time of year for me"

"It is easy to get caught at work and skip a training session. These 'powered by' leagues give you something to achieve. Leave the desk and log a score. Thanks"

"Loving these challenges and the togetherness of the Invictus community!"

"Another fantastic opportunity and thoroughly enjoyedprobably did say at the time. Life becomes busy, but it's things like this help me prioritise myself. Thank you team."

Invictus Endeavours



2021 saw the launch of the Invictus Endeavours programme. The programme makes grants internationally to organisations that use the power of sport and adventurous challenge to support WIS on their recovery journey outside of the games.

The charity considers grant applications for:

- *Expedition Grants:* must include participants from multiple nations, considerations for the personal development of the participants and an integrated element of pro-social impact.
- *Team grants:* support limited aims activities that allows teams to engage with organised, mass participation team events and/or sporting challenge that are executed within their home nation.
- *Development Grant:* help establish sports recovery in nations where this is a developing concept or to support emerging programmes where funds are not available.

During 2021, 9 grants were awarded for activity in six different nations engaging c.300 WIS from 8 Invictus nations. A further 4 grants were approved for 2022 activity. Including spending on multi year grants committed in 2020, grant spending totalled £132k. Grants were made across all three granting criteria and included:

- A Team Grant was awarded to assist with the purchase of Basketball Wheelchairs in Georgia. This will support both the introduction of the sport to WIS generally and the development of the team intending to compete at the Games.
- An Expedition Grant was awarded to a multi-nation team from the UK, Denmark, Italy and France, two of whom were wheelchair users to complete a circuit of Mont Blanc. The Endeavour was filmed and the footage is being incorporated into material to show how outdoor pursuits in the Alps can be accessible to those living with disabilities.
- A Development Grant was awarded to establish a Sports Recovery Coordination Team in Ukraine over the next two years.

Some examples of feedback from the endeavours:

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"Being part of the team was life changing, it helped me put my condition into perspective compared to others."

"My memorable moments are working as a team and supporting each other throughout the expedition."

"I've loved the experience, it's given me opportunity to push beyond my boundaries and learn from others, something I have shied away from for three years".

INFLUENCE

The IGF Conversation Series



Following the success of the 2020 IGF Conversation series, an international webinar across the Participating Nations designed to share best practice, the programme continued in 2021, with a further two iterations. The first in May, during the week that should have been the Games in the Hague, entitled 'Learning and Emerging from the COVID 19 Pandemic: The Role of Sport'. It

focused on exploring how lessons learned in sports recovery have a bearing on wider society, including for the healthcare workers in the frontline of the pandemic and was facilitated by former Invictus competitor and BBC presenter JJ Chalmers.

The second iteration in October focussed on 'Employment and Employability' with the aim of exploring the international employment environment and options for the employability of the Invictus community including the WIS, veterans, family and friends facilitated by Kate Silverton. The charity are thankful to the representatives from companies including Amazon, BetterUp, Deloitte, FDM Group, Johnson & Johnson, Salesforce and Verizon who so generously gave their time to the event.

The charity is very grateful for the support of the Armed Forces Covenant Fund Trust who have enabled the series to continue and for the invaluable support provided by our partners Ascot Rehab, the Fisher House Foundation and ISPS Handa.

Support to the National Health Service (NHS)

As part of its strategy for external engagement, the Charity continued its support to the NHS in 2021.

This included both the IGF Conversation in May and a series of podcasts, commissioned by the NHS. The series covered relevant subjects such as the importance of the family unit, teams and peer networks, and the use of sport and the physical sports programme to assist the NHS workforce in making physical activity a regular part of their daily routine, intended to support their physical and mental fitness both of which were launched in the first quarter of 2021.

We the 15

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Spearheaded by the International Paralympic Committee (IPC) and International Disability Alliance (IDA), WeThe15 brings together the biggest coalition ever of international organisations from the worlds of sport, human rights, policy, business, arts, and entertainment. Together they will work with governments, businesses, and the public over the next decade to initiate change for the world's largest marginalised group who make up 15% of the global population.

Harnessing sport's unique ability to engage massive global audiences and create positive change, the IPC, Special Olympics, Invictus Games Foundation and the International Committee of Sports for the Deaf (Deaflympics) have teamed up for the first time in history. The four organisations will use the profile of their international sport events and athlete communities to further raise awareness and understanding of the issues facing persons with disabilities around the globe. We are delighted and honoured to have been invited to be a partner of this campaign which will further help the Charity in contributing to changing wider society's views towards disability and the immense power that sport can have in this process. Both the Organising Committees in The Hague and Düsseldorf have also committed their full support.

Beyond the Finish Line

We are in the middle of a four-year research project led by Dr Celina Shirazapour assessing the long-term psychological and social impact of sport participation for service members and veterans who are wounded, injured and sick. The full report will be released in 2022 and will also encompass key findings collated from the experiences of the WIS in addressing the COVID-19 pandemic. The Charity is grateful to the Forces in Mind Trust for their continued support, including the provision of further funding in 2020 to bridge the extension of the Invictus Games The Hague to 2022.

Heart of Invictus

In April, we signed an agreement with Netflix to produce a docu-series entitled Heart of Invictus. The series will follow a group of competitors on their road to the Invictus Games, the Hague and their journey after the Games to reveal the human stories and resilient spirit behind the Invictus Games.

Working towards in 2022

INSPIRE

The focus for 2022, is the continued planning for the delivery of both the Invictus Games the Hague in April 2022 and the Invictus Games Düsseldorf in 2023, ensuring that the Games embody the Invictus Spirit for the WIS and their 'family and friends'. The Games in the Hague featured ten sports and 500 competitors engaging all 20 participating nations with 17 nations participating in the Hague.

In addition, after a detailed process including a reconnaissance trip to all three bidding cities the host for the Invictus Games in 2025 has been selected and announced as Vancouver, Whistler.

IMPROVE

Virtual activities will continue in 2022 with this now embedded in the ongoing programme of WIS engagement. Our in-house "Powered by Invictus" virtual sports leagues will continue to facilitate friendly competition between international participants. Once live events resume, these will run side by side with our virtual programme and bring WIS together to undertake challenges such as the London Marathon.

Invictus Endeavours programme will continue to award further alongside the grants committed to in 2021 for 2022 activity. In addition to this, the Invictus Games Foundation have been awarded a grant from the Armed Forces Covenant Fund Trust to manage a portfolio of UK based programmes that work in

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collaboration to deliver services to the armed forces community. These are predominantly focused on physical activity with the aim of improving physical, psychological and social health.

Further to the Invictus Games Foundation signing an exploratory agreement with the Global Esports Federation in late 2020, an e-sports event was showcased during the Invictus Games the Hague. The objective is to take lessons learned from this initial engagement and to develop a global strategy to harness the power of esports as a catalyst for social benefit and change.

INFLUENCE

A further iteration of the IGF Conversation and the first live symposium in this series occurred during the Invictus Games the Hague, entitled 'Invictus Community: Using the Power of Sport to Breakdown Barriers around Disability' and we were delighted that Andrew Parsons, President of the International Paralympic Committee was the keynote guest. This iteration will also focus on the critical role that families and the family unit play in allowing Wounded, Injured, Sick servicemen, women and veterans to regain their overall sense of purpose including through the central use of sport.

The Charity continued working with the producers of the Heart of Invictus during the lead up to the Games and will continue to do so after the Games to support them and those competitors taking part in the filming of the docu-series.

Financial Review

The COVID 19 pandemic continued to impact the finances of the Charity in 2021. The continued cancellation of many physical events to which fundraising is linked and the further delay of the Invictus Games the Hague resulted in income anticipated at the beginning of 2021 not being realised. Expenditure continued to be closely monitored with a review of quarterly accounts and forecasts being undertaken by the Trustees ensure that lost income would not adversely affect our ability to deliver charitable activity.

Income

During the year, total income of £1,240k (2020: £1,772k) was recognised and consisted of:

Restricted grants - £442k (2020: £822k)

Grants were received to support the continued delivery of our activities including staff costs and also to enable us to provide additional support to the WIS community within the Improve pillar. 2020 included £561k received at the point of the transfer of the Endeavour Fund from the Royal Foundation.

Unrestricted donations - £225k (2020: £576k)

The continued impact of the COVID 19 resulted in physical activities to which donations have historically continuing to be cancelled or delayed. As a result cash donations were significantly lower in 2021 than in 2020. £150k of value in kind is included in both 2021 and 2020 due to the generous support of Clifford Chance.

Sponsorship and Programme Rights income through the trading subsidiary - £450k (2020: £198k)

Sponsorship and Programme Rights income included income recognised from the agreement to create the Netflix docu-series "Heart of Invictus". Although the contract was signed in the year, 40% of the income has been recognised in 2021 with the remainder to be recognised in 2022.

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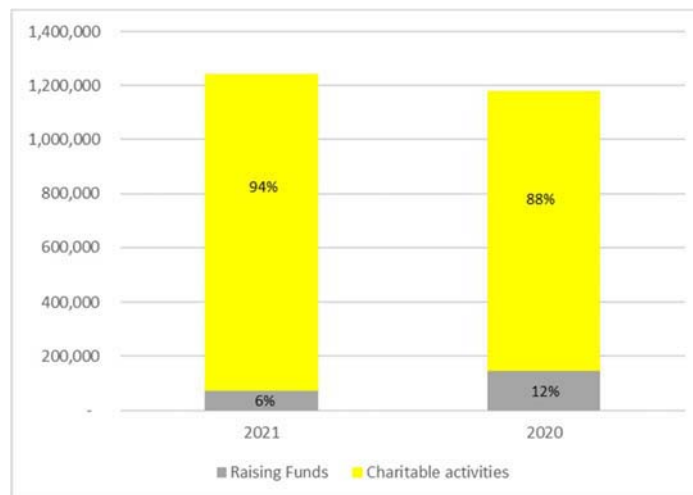
Income from hosting fees through both the charity and the trading subsidiary £93k (2020: £151k)

Hosting fees are derived from both the Invictus Games the Hague and Invictus Games Düsseldorf

The Trustees appreciate the continued support received from all the existing partners and are grateful to all new partners in another difficult year which has enabled the Charity to continue to support the WIS across our three pillars of Inspire, Improve and Influence.

Expenditure

Expenditure of £1,243k (2020: £1,181k) was incurred and the split between charitable activities and raising funds is illustrated in the chart below showing the % of expenditure on charitable activities increasing to 94% in 2021 from 88% in 2020.



Total spend on charitable activity increased in the year by 12%. This was largely due to additional expenditure in the Improve pillar which includes the Invictus Endeavour grants programme spend of £132k (2020: £67k) together with the continued focus on the provision of virtual activity to support the WIS through the pandemic.

Support costs totalled £262k or 21% of costs (2020: £277k or 24%) which include Governance costs of £68k (2020: £71k).

Overall the Charity recorded a surplus to unrestricted income in the year of £35k (2020: £105k). As a result of the increased expenditure anticipated in both 2022 and 2023 due to the rescheduling of the Invictus Games The Hague to 2022 and then the Invictus Games Dusseldorf in 2023 resulting in back to back Games years, the Trustees believe that it is prudent to hold this surplus over to future years.

Reserves policy

With the aim to hold an Invictus Games every two years, it is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to twelve months' expenditure. The Trustees consider that reserves at this level will ensure that in the event of a significant drop in funding, they will be able to continue the Charity's activities while consideration is given

INVICTUS GAMES FOUNDATION

TRUSTEES' REPORT (INCORPORATING THE DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2021

to ways in which additional funds may be raised. Expenditure for the year ended 31 December 2021 totalled £1,243k (2020: £1,181k) and unrestricted funds carried forwards totalled £964k (2020: £921k) excluding designated funds, meaning that the Charity's current free reserves are £279k below target. There were £532k of restricted funds at the end of year. As a result of the rescheduling of the Invictus Games the Hague, the restricted reserve of £50k kindly donated by Ascot Rehabilitation in 2019 as a contribution towards the IGF Conversation and to assist in the expenditure for the attendance of Team Iraq will continue to be held over to the rescheduled events in 2022. All other restricted reserves will be spent in accordance with the timescales of the grant agreements.

A strategic review will be undertaken by the Trustees in 2022 and it is intended to review the reserves policy as part of this process.

Going concern

The Trustees assess whether the use of going concern is appropriate ie whether there are any material uncertainties related to events or conditions that may cast doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. A rigorous review process has been undertaken using income and cost sensitivities on the cash position of the charity. The Trustees believe that the group and charity are financially secure and thus continue to adopt the going concern basis of preparing the annual financial statements.

Risk Management

The Trustees have given careful consideration to the major risks which the Charity faces. The Board has ultimate responsibility for managing these risks. The Charity has compiled a Risk Register which covers the core functional areas of:

- Governance
- Operational
- Financial
- External factors including legal and regulatory
- Reputational
- Legacy

The Risk Register is reviewed quarterly by the Governance and Management Sub-Committee and then presented to the Board for comment. It follows the Charity Commission's risk assessment and scoring system which takes account of both the likelihood and impact as well as articulation for the pro-active mitigation of the arising risks and highlights where risks have increased or decreased in likelihood or impact.

The sustained impact of the COVID -19 pandemic continued to represent a significant risk to the Charity. Following the first decision in March 2020 to reschedule the Invictus Games The Hague 2020 to the May 2021, it was further decided in early 2021 that an additional postponement was required until Spring 2022. Again, this decision was taken in close consultation with the Organising Committee of the Invictus Games The Hague. A primary consideration throughout was the ability to deliver a safe event which also best meets the primary objectives of the Charity to the benefit of the Wounded, Injured and Sick servicemen and women, and veterans in its 20 Participating Nations. To mitigate this risk, the Board directed that a detailed

INVICTUS GAMES FOUNDATION

TRUSTEES' REPORT (INCORPORATING THE DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2021

programme of virtual and online events and activities, within the Improve and Influence pillars, should continue to be implemented throughout 2021 together with the development of the Invictus Endeavours programme. These programmes are detailed later in this Report. The intent has been to maintain the momentum since the last Invictus Games Sydney 2018 and continue to support the Charity's beneficiaries in addressing, adapting to and overcoming the challenges of the pandemic. In addition, the Charity Commission has been kept informed of the delays to the Games under the serious incident reporting guidelines.

The Trustees continued to reinforce the importance of diversifying the Charity's income and providing protection against an over-reliance on any source of funds or sectors which has been identified as a continuing and key risk. In addition to the hosting fees payable by the Host Cities of the Invictus Games, the intent is to establish a broad commercial framework and fundraising pipeline to maximise the impact of the Foundation internationally. To support this, in early 2021, the Board appointed the post of a Commercial and Fundraising Director.

The Board continues to recognise the importance of protecting the Charity from the impact of a serious incident, including fraud or cyber-attack, which could threaten the viable operation, rationale and reputation of the Charity. Measures have been put in place to enhance the protection surrounding the Charity's IT resources. This includes periodic reviews of the security of the Charity against electronic and cyber-attack protocols, along with appropriate training in response to potential scenarios and specific risks as identified in the Risk Register.

As part of the Charity's Safeguarding policy and potential contact with vulnerable people, all new employees undertake a Disclosure Barring Services assessment. The Safeguarding policy is reviewed annually as part of the HR and Employment Committee meeting and updated by the Safeguarding lead as appropriate. Both the Board and the Executive are required to read the policy annually and in addition from 2022 mandatory formal training will be undertaken annually.

In order to maintain the reputation of the Charity, which is seen as critical to its effective operations, measures have been developed to ensure robust and pro-active communications in the event of a serious incident or adverse media coverage. These measures have included an internal review of the Strategy by the Executive including the Vision, Mission and objectives. In order that the Charity is able to articulate its purpose and adapt to an evolving environment as well as the enduring requirements of the Wounded, Injured and Sick military community. A formal, biennial review of the strategy is to be undertaken by the Trustees, with the next review in 2022.

With the development of the Invictus Endeavours programme within the Improve pillar, the Board have identified a new risk as the potential for physical and / or psychological injury during or as a result of sports or adventurous challenge associated with or funded by IGF. In order to mitigate this risk, Invictus Endeavours delivery partners must present a full risk assessment, comply with all in-country health and safety and confirm the insurance provision together with the medical/casualty evacuation plan before funds are released. Additionally, the Foundation retains the services of a clinical psychologist who is able to advise the team when assessing and managing psychological risk generally or for specific cases.

The Board is satisfied that appropriate steps have been taken to identify and mitigate the major risks to which the Charity is exposed.

INVICTUS GAMES FOUNDATION

TRUSTEES' REPORT (INCORPORATING THE DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2021

Fundraising

The Charity understands its duty to protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches and undue pressure to donate, but does not proactively fundraise from the public through door-to-door, telephone or face-to-face fundraising or direct mail appeals. The primary sources of income of the Charity is licencing, trading, corporate fundraising and individual gifts. The Charity is registered with the Fundraising Regulator and we received no fundraising complaints in the year.

The Trustees of the charity would like to thank the following partners and supporters for their continued support during 2021:

- Armed Forces Covenant Fund Trust
- Ascot Rehab
- Clifford Chance LLP
- C. Hoare & Co
- Forces in Mind Trust
- The Fisher House Foundation
- ISPS Handa
- Jaguar Land Rover
- Microsoft
- Netflix
- Newman's Own Foundation
- The UK Challenge
- And all our supporters who wish to remain anonymous

INVICTUS GAMES FOUNDATION

TRUSTEES' REPORT (INCORPORATING THE DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2021

Trustee's Responsibilities Statement

The Trustees (who are also directors of Invictus Games Foundation for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the directors are required to:

1. select suitable accounting policies and then apply them consistently;
2. observe the methods and principles in the Charities SORP FRS102;
3. make judgments and accounting estimates that are reasonable and prudent;
4. state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
5. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

1. there is no relevant audit information of which the charitable company's auditor is unaware; and
2. the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In preparing this report, the trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.



Charles Allen (Jul 25, 2022, 5:47pm)
Lord Allen of Kensington
Trustee

Date: 25 Jul 2022

INVICTUS GAMES FOUNDATION
INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF INVICTUS GAMES FOUNDATION

Opinion

We have audited the financial statements of Invictus Games Foundation for the year ended 31 December 2021 which comprise the information in the Trustee's Annual Report, the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated and Charity Cash Flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 December 2021, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of Companies Act 2006

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and the parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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.

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 group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements 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 contained within the annual report. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

INVICTUS GAMES FOUNDATION

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INVICTUS GAMES FOUNDATION

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors'/trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors'/trustees' report

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

INVICTUS GAMES FOUNDATION
INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF INVICTUS GAMES FOUNDATION

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance those Acts.

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

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Management override: We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness;
- We reviewed minutes of Trustee meetings, correspondence with the Charity Commission, agreeing the financial statement disclosures to underlying supporting documentation, and made enquiries of management including those responsible for the key regulations. We have reviewed the procedures in place for reporting of incidents to the Trustee Board; and in particular, reviewed the safeguarding monitoring, risk management process, escalation procedures and serious incident reporting of these matters as necessary with the Charity Commission.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

INVICTUS GAMES FOUNDATION
INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF INVICTUS GAMES FOUNDATION

Use of this report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Helena Wilkinson FCA DChA
Senior Statutory Auditor

For and on behalf of
PRICE BAILEY LLP

Chartered Accountants
Statutory Auditors

Anglia House 6 Central Avenue
St Andrews Business Park
Thorpe St Andrew
Norwich
NR7 0HR

Date: 01 August 2022

INVICTUS GAMES FOUNDATION
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Unrestricted £	Restricted £	Total 2021 £	Total 2020 £
Income from:					
Donations	2	224,734	441,927	666,661	1,398,199
Charitable activities	3	124,182	-	124,182	79,730
Other trading activities	4	449,523	-	449,523	294,343
Total income		<u>798,439</u>	<u>441,927</u>	<u>1,240,366</u>	<u>1,772,272</u>
Expenditure on:					
Raising funds	5	(72,980)	-	(72,980)	(138,945)
Charitable activities	6	(690,604)	(479,693)	(1,170,297)	(1,041,729)
Total expenditure		<u>(763,584)</u>	<u>(479,693)</u>	<u>(1,243,277)</u>	<u>(1,180,674)</u>
Net income/(expenditure) for the year		<u>34,855</u>	<u>(37,766)</u>	<u>(2,911)</u>	<u>591,598</u>
Reconciliation of funds:					
Funds brought forward	14	1,002,639	570,193	1,572,832	981,234
Total funds carried forward	14	<u>1,037,494</u>	<u>532,427</u>	<u>1,569,921</u>	<u>1,572,832</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes on pages 27 to 42 form part of these financial statements.

INVICTUS GAMES FOUNDATION
REGISTERED NUMBER: 04329682

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note		2021 £	2020 £
Current assets				
Debtors: amounts falling due within one year	12	231,958	15,791	
Cash at bank and in hand		<u>2,047,494</u>	<u>2,191,818</u>	
		2,279,452	2,207,609	
Creditors: amounts falling due within one year	13	<u>(709,531)</u>	<u>(634,777)</u>	
Net current assets			<u>1,569,921</u>	<u>1,572,832</u>
Net assets			<u>1,569,921</u>	<u>1,572,832</u>
Group Funds	14			
Unrestricted funds				
Unrestricted		964,235	921,271	
Designated		<u>73,259</u>	<u>81,368</u>	
Restricted funds		1,037,494	1,002,639	
		532,427	570,193	
Total group funds			<u>1,569,921</u>	<u>1,572,832</u>

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The financial statements were approved by the Trustees on 25 Jul 2022 and signed on their behalf, by:



Charles Allen (Jul 25, 2022, 5:47pm)
Lord Allen of Kensington
Trustee

The notes on pages 27 to 42 form part of these financial statements.

INVICTUS GAMES FOUNDATION
REGISTERED NUMBER: 04329682

CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note		2021	2020
			£	£
Fixed assets				
Investments	11		1	1
Current assets				
Debtors	12	564,593	258,622	
Cash at bank and in hand		<u>1,178,593</u>	<u>1,444,438</u>	
		1,743,186	1,703,060	
Creditors: amounts falling due within one year	13	<u>(155,766)</u>	<u>(110,230)</u>	
Net current assets			<u>1,587,421</u>	<u>1,592,831</u>
Net assets			<u>1,587,421</u>	<u>1,592,831</u>
Charity Funds	14			
Unrestricted funds				
Unrestricted		981,734	941,270	
Designated		<u>73,259</u>	<u>81,368</u>	
			1,100,994	1,022,638
Restricted funds			532,427	570,193
Total charity funds			<u>1,587,421</u>	<u>1,592,831</u>

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The financial statements were approved by the Trustees on 25 Jul 2022 and signed on their behalf, by:



Charles Allen (Jul 25, 2022, 5:47pm)
Lord Allen of Kensington
Trustee

The notes on pages 27 to 42 form part of these financial statements.

INVICTUS GAMES FOUNDATION

**CONSOLIDATED AND CHARITY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Cash flow from operating activities				
Net movement in funds	(2,911)	(5,409)	591,598	589,098
<u>Adjusted for:</u>				
(Increase) / Decrease in trade and other debtors	(216,167)	(305,971)	50,555	(35,593)
Increase / (Decrease) in trade and other creditors	74,754	45,535	286,413	(142,681)
Net cash flow from operating activities	<u>(144,324)</u>	<u>(265,845)</u>	<u>928,566</u>	<u>410,824</u>
Net (decrease)/increase in cash and cash equivalents	(144,324)	(265,845)	928,566	410,824
Cash and cash equivalents at start of year	2,191,818	1,444,438	1,263,252	1,033,614
Cash and cash equivalents at end of year	<u>2,047,494</u>	<u>1,178,593</u>	<u>2,191,818</u>	<u>1,444,438</u>

Cash and cash equivalents comprise cash at bank in both 2021 and 2020.

The notes on pages 27 to 42 form part of these financial statements.

INVICTUS GAMES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year.

1.1. GENERAL INFORMATION

Invictus Games Foundation is a private company limited by guarantee incorporated in England and Wales under the Companies Act 2006. The registered office is 24 Old Bond Street, London, W1S 4AP.

1.2. BASIS OF PREPARATION

The financial statements have been prepared under the historical cost basis of accounting in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP (FRS102) effective 1 January 2019), and the Companies Act 2006.

The Invictus Games Foundation meets the definition of a public benefit entity under FRS 102.

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

1.3. GROUP FINANCIAL STATEMENTS

The financial statements have been prepared for the group of which Invictus Games Foundation is the ultimate parent charitable company. The financial statements consolidate the accounts of Invictus Games Foundation and its subsidiary undertaking ('subsidiary') on a line by line basis. A separate Statement of Financial Activities has not been presented because the Foundation has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. A summary of the financial performance of the subsidiary has been included in note 11.

1.4. GOING CONCERN

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any 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 make this assessment in respect of a period of one year from the date of approval of the financial statements. The Trustees believe that the group and charity are financially secure and thus continue to adopt the going concern basis of preparing the annual financial statements.

1.5. FUND ACCOUNTING

Unrestricted funds are those which are available for the general purposes of the Charity at the discretion of the Trustees.

Restricted funds are those which have been received for undertaking an activity specified by the donor.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

INVICTUS GAMES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES (CONTINUED)

1.6. GIFT AID DONATIONS AND TAX RELIEF THEREON

Profits made by IGF Trading Limited are donated to the parent charity, Invictus Games Foundation.

A deed of covenant is in place, therefore the donation of profits from IGF Trading Limited to Invictus Games Foundation is reflected in the year in which the profits are made in the subsidiary.

1.7. INCOME

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income is generated through donations, hosting fees, sponsorship income, programme rights income and other sources. Income received in advance is deferred until the criteria for income recognition is met.

- Hosting fees and sponsorship income are recognised on a straight line basis over the term of the agreement.
- Commission income and programme rights income is recognised when the group becomes entitled to the income.
- Royalties are recognised once the event has taken place and the income can be measured reliably.
- Donations are recognised when the foundation is entitled to the funds, they can be measured reliably and when it is probable that the funds will be received.
- Grant income is recognised depending on the terms of the grant agreement.

1.8. EXPENDITURE

Donated professional services are recognised as income when the Foundation has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), any general volunteer time is not recognised. On receipt, donated professional services are recognised on the basis of the value of the gift to the Foundation which is the amount the Foundation would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- costs of raising funds comprise the apportionment of staff costs to this area on the basis of time spent raising funds;
- expenditure on charitable activities includes that which relates directly to fulfilling the charitable objectives of the Charity, as outlined in the Trustees' Report.

INVICTUS GAMES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES (CONTINUED)

1.9. ALLOCATION OF SUPPORT COSTS

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. They include back office costs, finance, personnel, payroll and governance costs which support the Charity's programmes and activities. These costs have been allocated between the costs of raising funds and expenditure on charitable activities. Staff costs are apportioned on the basis of management's estimation of the time spent on each activity. Costs which do not directly relate to one activity are apportioned on the same basis. Administration costs are allocated to support costs.

Governance costs are included in support costs and relate to the direct running of the Charity, allowing it to operate and generate the information required for public accountability. They include the costs of external audit.

1.10. STAFF TERMINATION COSTS

Basic Redundancy and termination costs are recognised as an expense in the Statement of Financial Activities and a liability on the Balance Sheet immediately at the point the charity is demonstrably committed to either:

- Terminate the employment of an employee before normal retirement date; or
- Provide termination benefits as a result of an offer made to encourage voluntary redundancy

1.11. INVESTMENTS

Investments are a form of basic financial instrument and in the current year relate to the shares in the trading subsidiary which is carried at cost.

1.12. DEBTORS AND CREDITORS RECEIVABLE/PAYABLE

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Creditors are recognised when the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount.

1.13. CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash held in bank accounts.

1.14. FINANCIAL INSTRUMENTS

The group only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their fair value as at the balance sheet date. All financial instruments of the charity are measured at cost.

Financial assets include cash and cash equivalents, trade debtors, accrued income and other debtors but exclude prepayments and taxation. Financial liabilities include trade creditors, other creditors, accruals and deferred income but exclude social security and other taxes due.

INVICTUS GAMES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES (CONTINUED)

1.15. FOREIGN CURRENCIES

Monetary assets and liabilities are translated into sterling at the exchange rate ruling on the Balance Sheet date. Foreign exchange gains are recognised as other income and foreign exchange losses are recognised within the relevant category of charitable activity expenditure for the period in which they are incurred.

The functional currency of Invictus Games Foundation is considered to be Pounds Sterling because that is the currency of the primary economic environment in which it operates.

1.16. PENSIONS

The Charity provides a defined contribution pension scheme, whereby the Charity and its staff each fund the scheme, managed by a third party provider, the assets of which are held by the provider separately from the assets of the Charity. The pension charge in the financial statements represents the amounts payable by the Charity to the fund in respect of the year.

1.17. CORPORATION TAX

The Charity is exempt from taxation in respect of income and capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.18. OPERATING LEASES

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.19. JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Charity's accounting policies, which are described above, the Trustees are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the period of the revision and future periods if the revision affects both current and future periods. The Trustees do not consider that there are any critical judgments or sources of estimation uncertainty in the financial statements.

The key assumption concerning the future and other key sources of estimation uncertainty at the reporting date that has a significant risk of causing a material adjustment to carrying amounts of liabilities within the next financial year is deferred income. Income is received in advance and deferred until the criteria for income recognition is met. The carrying amount at the year-end for deferred income is £545,626 (2020: £493,886).

INVICTUS GAMES FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. INCOME FROM DONATIONS

	2021	2021	2021
	Unrestricted	Restricted	Total
	£	£	£
Donations and grants	74,734	441,927	516,661
Donated services	150,000	-	150,000
	<u>224,734</u>	<u>441,927</u>	<u>666,661</u>
 2020			
	2020	2020	2020
	Unrestricted	Restricted	Total
	£	£	£
Donations and grants	425,755	822,444	1,248,199
Donated Services	150,000	-	150,000
	<u>575,755</u>	<u>822,444</u>	<u>1,398,199</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	2021	2021	2021	2020
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Hosting fees	92,890	-	92,890	54,250
Recharges	3,232	-	3,232	5,031
Other Income	28,060	-	28,060	20,449
	<u>124,182</u>	<u>-</u>	<u>124,182</u>	<u>79,730</u>

All income from charitable activities in 2020 was unrestricted.

4. INCOME FROM OTHER TRADING ACTIVITIES

	2021	2021	2021
	Unrestricted	Restricted	Total
	£	£	£
Sponsorship and Programme rights	<u>449,523</u>	<u>-</u>	<u>449,523</u>

INVICTUS GAMES FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

4. INCOME FROM OTHER TRADING ACTIVITIES (CONTINUED)

2020

	2020 Unrestricted £	2020 Restricted £	2020 Total £
Sponsorship and Commission	<u>294,343</u>	<u>-</u>	<u>294,343</u>

5. ANALYSIS OF EXPENDITURE ON RAISING FUNDS

2021	Direct costs £	Support costs £	Total 2021 £
Fundraisers	52,453	-	52,453
Cost of sales and administration in trading subsidiary	4,760	15,767	20,527
	<u>57,213</u>	<u>15,767</u>	<u>72,980</u>

2020	Direct costs £	Support costs £	Total 2020 £
Fundraisers	89,250	-	89,250
Cost of sales and administration in trading subsidiary	39,448	14,837	54,285
	<u>128,698</u>	<u>14,837</u>	<u>143,535</u>

All expenditure on raising funds was unrestricted in this year and the previous year.

6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

2021	Direct costs £	Support costs £	Total 2021 £
Inspire	16,496	-	16,496
Operational costs to deliver charitable activity	183,990	115,585	299,575
People costs to deliver charitable activity	275,035	117,872	392,907
Improve	411,724	13,393	425,117
Influence	36,202	-	36,202
	<u>923,448</u>	<u>246,850</u>	<u>1,170,297</u>

INVICTUS GAMES FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES (CONTINUED)

2020	Direct costs £	Support costs £	Total 2020 £
Inspire	19,060	-	19,060
Operational costs to deliver charitable activity	144,538	138,935	283,473
People costs to deliver charitable activity	252,511	110,477	362,987
Improve	275,398	12,818	288,216
Influence	83,403	-	83,403
	<u>774,910</u>	<u>262,229</u>	<u>1,037,139</u>

Within direct costs, £466,300 (2020 - £311,027) is restricted expenditure while £514,361 (2020 - £468,473) is unrestricted. Within support costs, £13,393 (2020 - £21,673) is restricted expenditure while £249,224 (2020 - £240,556) is unrestricted.

7. SUPPORT AND GOVERNANCE COSTS

	2021 £	2020 £
Staff costs	117,872	79,718
Other staff costs	14,095	30,758
Administration expenses	47,020	84,342
IT expenses	15,342	11,575
	<u>194,329</u>	<u>206,393</u>
Audit and professional costs	23,275	24,673
Legal fees	45,013	46,000
Total governance costs	<u>68,288</u>	<u>70,673</u>
Total support costs	<u>262,617</u>	<u>277,066</u>

Support costs are those which allow charitable activities to be carried out but which do not relate directly to an activity. Staff costs include only employed members of staff. Other staff costs include amounts paid to consultants. Governance costs are those which are attributable to the Group's compliance with constitutional and statutory requirements, including audit.

The cost of raising funds are those costs which are directly attributable to generating income, including the costs associated with the trading subsidiary and the employed fundraiser. All other costs are deemed charitable activity and relate directly to either one of the three pillars of activity or staffing and operational expenditure.

INVICTUS GAMES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

8. WAGES

	2021 £	2020 £
Wages and salaries	511,531	374,036
Settlement payment	-	31,400
Social security costs	58,153	39,456
Pension costs	28,090	18,503
	<u>597,774</u>	<u>463,395</u>

The number of higher paid employees was:

	2021	2020
In the band £60,000 – £70,000	1	-
In the band £70,001 – £80,000	1	-
In the band £90,001 – £100,000	1	1
In the band £100,001 - £110,000	1	1
	<u> </u>	<u> </u>

Key management of the charity is considered to be the CEO and Operations Director. The combined total costs of the CEO and the employee benefits of key management personnel of the Trust was £234,624 (2020: £206,704). This total comprises of £199,623 (2020: £190,462) gross wages, £25,111 (2020: £11,962) employers NI and £9,975 (2020: £4,275) employers pension.

The settlement payment disclosed in 2020 comprised of £20,400 paid in lieu of notice, and an £11,000 ex-gratia payment. The exit payment was funded from the unrestricted funds of the Charity. No exit or ex gratia payments have been made in the year to 2021.

The average number of employees during the year was 9 (2020 - 6).

INVICTUS GAMES FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

9. GRANT MAKING ACTIVITIES

	2021	2020
	£	£
Game Inviktus Ukraine	10,055	-
Scotland Rugby League	1,500	-
Lawn Tennis Association	4,950	-
Access Mont Blanc	4,138	-
Future Terrain	17,000	-
True Grit	1,284	-
Blackmane Media	21,700	-
New Zealand Invictus Endeavours	1,549	-
Igry Inviktus Ukraina	6,000	-
Wounded Warrior support Foundation	13,525	-
Tribal Tracks	17,450	-
Bude Surf Vets	-	33,250
Team Endeavour Racing	33,250	33,250
	<hr/>	<hr/>
	132,401	66,500
	<hr/> <hr/>	<hr/> <hr/>

All grants made in the year to 2021 and 2020 were made to institutions and were made to support the WIS community on an international basis using sport for recovery. No support costs have been allocated to grant making activities in the year.

10. NET INCOME

Net income is stated after charging:

	2021	2020
	£	£
Operating lease building rental payments	22,914	45,155
Foreign exchange differences	8,742	6,961
<u>Fees payable to the auditor:</u>		
Audit fee	8,625	10,300
Accounts preparation	4,750	4,000
Bookkeeping and payroll	9,900	8,838
Tax advisory	-	1,115
Other financial services	300	420

INVICTUS GAMES FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

11. FIXED ASSET INVESTMENTS (CHARITY)

Investments in subsidiary companies

	£
Cost or valuation	
Cost at 1 January 2021 and 31 December 2021	1
Net book value	
At 31 December 2020 and 31 December 2021	1

Subsidiary undertakings

The following was a subsidiary undertaking during the year:

	Total funds	Holding
IGF Trading Limited (10612245)	1	100%

The wholly owned trading subsidiary IGF Trading Limited is incorporated in England (company number 10612245) and pays all of its profits to the charity under the gift aid scheme. IGF Trading Limited's primary purpose is to carry out commercial activities to the benefit of Invictus Games Foundation.

The summary financial performance of the subsidiary IGF Trading Limited alone is:

	2021	2020
	£	£
Turnover	530,163	294,343
Cost of sales and admin costs	(19,902)	(49,150)
Governance costs	(3,125)	(7,635)
	507,136	237,558
Net profit	507,136	237,558
Brought forward capital and reserves	1	1
Amount gift aided to charity	(507,136)	(237,558)
	1	1
Retained in subsidiary	1	1

12. DEBTORS

	Group	Charity	Group	Charity
	2021	2021	2020	2020
	£	£	£	£
Debtors due within one year				
Trade debtors	162,640	-	-	-
Amounts owed by group undertakings	-	534,350	-	231,815
VAT debtor	10,291	9,925	-	11,016
Prepayments and accrued income	59,027	20,318	15,791	15,791
	231,958	564,593	15,791	258,622
	231,958	564,593	15,791	258,622

INVICTUS GAMES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Trade creditors	27,489	25,652	12,731	10,894
Accruals and deferred income	602,698	50,769	583,430	84,488
Accruals for grants payable	58,675	58,675	-	-
Social security and other taxes	18,776	18,776	14,748	14,748
Amounts owed to group undertakings	-	1	-	1
VAT creditor	-	-	23,767	-
Other creditors	1,893	1,893	100	100
	<u>709,531</u>	<u>155,766</u>	<u>634,777</u>	<u>110,230</u>

	Group 2021 £	Charity 2021 £	Group 2020 £	Charity 2020 £
Deferred income				
Deferred income at 1 January 2021	509,638	15,750	270,262	208,712
Resources deferred during the year	412,224	-	436,424	-
Amounts released from previous years	(372,733)	(12,250)	(197,048)	(192,962)
Deferred income at 31 December 2021	<u>549,129</u>	<u>3,500</u>	<u>509,638</u>	<u>15,750</u>

Deferred income relates to hosting fees, sponsorship income and Programme Rights Income for the Invictus Games taking place after the year end.

INVICTUS GAMES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

14. GROUP STATEMENT OF FUNDS

	Balance at 1 January 2021 £	Income £	Expenditure £	Balance at 31 December 2021 £
Designated funds				
Designated funds	81,368	-	(8,109)	73,259
General funds				
General funds	921,271	798,439	(755,475)	964,235
Total unrestricted funds	1,002,639	798,439	(763,584)	1,037,494
Restricted funds				
IGF Conversation and Invictus Games team support	50,000	-	-	50,000
We Are Invictus	-	52,500	(35,000)	17,500
Powered by Invictus	33,250	17,500	(32,402)	18,348
Positive Pathways	-	220,000	(161,762)	58,238
Moderator Programme	10,571	21,901	(28,664)	3,808
Loneliness fund	-	35,000	(25,001)	9,999
FIMT Research	5,000	27,526	(27,526)	5,000
The Royal Foundation	471,372	-	(169,338)	302,034
Invictus Endeavours	-	47,500	-	47,500
Veterans, Places, Pathways, and People	-	20,000	-	20,000
Total restricted funds	570,193	441,927	(479,693)	532,427
Total of funds	1,572,832	1,240,366	(1,243,277)	1,569,921

INVICTUS GAMES FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

PRIOR YEAR

	Balance at 1 January 2020 £	Income £	Expenditure £	Balance at 31 December 2020 £
Designated funds				
Designated funds	92,422	5,730	(16,784)	81,368
General funds				
General funds	805,562	944,098	(828,389)	921,271
Total unrestricted funds	897,984	949,828	(845,173)	1,002,639
Restricted funds				
IGF Conversation and Invictus Games team support	50,000	-	-	50,000
Beyond the Games	33,250	14,005	(47,255)	-
Powered by Invictus	-	33,250	-	33,250
Positive Pathways	-	66,500	(66,500)	-
Moderator Programme	-	20,000	(9,429)	10,571
The Royal Foundation	-	560,984	(89,612)	471,372
Online Community Services	-	57,000	(57,000)	-
FiMT Research	-	70,705	(65,705)	5,000
Total restricted funds	83,250	822,444	(335,501)	570,193
Total of funds	981,234	1,772,272	(1,180,674)	1,572,832

The specific purposes for which the funds are to be applied are as follows:

Designated funds

These have been designated by the trustees for the Wounded Injured and Sick (“WIS”) community.

IGF Conversation and Invictus Games team support

This fund is to be used to finance the attendance at the Invictus Games, The Hague, of Team Iraq together with their family and friends. In addition, it will help support the IGF Conversation to be held just before the Games, now scheduled for April 2022.

We Are Invictus

This fund is to support the role performed by our WIS liaison manager who directly supports our WIS community.

Powered by Invictus

The fund is to support opportunities for the WIS community to come together virtually through sport to support their mental health using a series of virtual challenges, regular training sessions and competitions.

INVICTUS GAMES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

Positive Pathways

The fund is to support grants to two organisations (Bude Surf Vets and Team Endeavour Racing) and the continued work of the positive pathways programme.

Moderator Programme

The fund is to support the recruitment and training of the We Are Invictus App Moderators.

Loneliness Fund

This fund is to support the role performed by our Invictus Community Liaison Officer who directly supports our WIS community.

Forces in Mind Trust

This fund is to be used for the research carried out into assessing the long term health benefits of sports on the WIS community.

The Royal Foundation

During 2020, the Endeavour Fund was transferred from the Royal Foundation to the Invictus Games Foundation. This fund was received at the point of that transfer of and is to be used to benefit the armed forces community in the UK and overseas, including wounded, injured and sick personnel and veterans including to support the Invictus Endeavours programme.

Invictus Endeavours

This fund is to support costs for staff leading the Invictus Endeavours programme.

Veterans, Places, Pathways, and People

This fund is to support the grants programme and staff costs with the aim to improve the mental health of the WIS community in the South West of England

15. GROUP ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Current assets	1,747,025	532,427	2,279,452
Creditors due within one year	(709,531)	-	(709,531)
	<u>1,037,494</u>	<u>532,427</u>	<u>1,569,921</u>

INVICTUS GAMES FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

GROUP ANALYSIS OF NET ASSETS BETWEEN FUNDS – PRIOR YEAR

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Current assets	1,637,416	570,193	2,207,609
Creditors due within one year	(634,777)	-	(634,777)
	1,002,639	570,193	1,572,832

16. OPERATING LEASE COMMITMENTS

At 31 December 2021, the group had future minimum lease payments under non-cancellable operating leases as follows:

Land and Buildings

	2021 £	2020 £
Under 1 year	-	3,780

All of the operating leases were held within the parent company only.

17. PENSION COMMITMENTS

The charity operates a defined contribution pension scheme for the benefit of its employees. The amount recognised as an expense in the year was £28,090 (2020 - £18,503). There were no amounts owed to the scheme as the year end (2020 – £Nil).

All pension costs are unrestricted as the income received to be spent on staff costs is unrestricted.

INVICTUS GAMES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

18. RELATED PARTY TRANSACTIONS

In the year to 2020, the Foundation paid the sum of £95,000 to Plunkett & Murrey Limited (trading as Reid and Reid Ceremonial & Event Consultants), a company under the control of John Dominic Reid OBE, CEO of the Foundation, for his services during the year. There were no amounts outstanding at the year end. In the year to 2021, John Dominic Reid became an employee of the Charity, and was remunerated on a salary basis. There were no amounts paid to Plunkett & Murrey in the year to 2021.

One of the Trustees of the Invictus Games Foundation was also a Director of The Royal Foundation of the Duke and Duchess of Cambridge up until December 9th 2020. During the year to 2020, The Royal Foundation of the Duke and Duchess of Cambridge transferred the Endeavour Fund to the Invictus Games Foundation. At the point of transfer and to support the ongoing aims of the Endeavour Fund a restricted grant was provided to the Charity of £560,984.

Neither the charity Trustees, the Patron nor their related parties were paid and nor did they receive any other benefits from services to the Foundation in the year (2020 - £Nil), neither were they reimbursed for any expenses incurred during the year (2020 - £Nil). No charity Trustee, the Patron nor their related parties received payment for professional or other services supplied to the charity (2020 - £Nil).

No other related party transactions took place during the financial year (2020: £Nil).

19. ANALYSIS OF CHANGES IN NET DEBT

	At 1 Jan 2021 £	Cash flows £	At 31 Dec 2021 £
Cash	2,191,818	(144,324)	2,047,494
	<u>2,191,818</u>	<u>(144,324)</u>	<u>2,047,494</u>

20. CONTINGENT LIABILITIES

The charity is part of a group VAT registration and therefore is potentially liable for the VAT of the subsidiary. As at 31 December 2021, its subsidiary, IGF Trading Limited had a debtor relating to VAT of £366 (2020: debtor of £34,784).