

The  foundation

ANNUAL REVIEW AND
AUDITED FINANCIAL STATEMENTS
30 APRIL 2022



Real impact,
Real change

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Annual Review

YEAR ENDED 30 APRIL 2022

As in previous years most of our expenditure was incurred in making grants to charitable institutions operating within our selected themes and in enhancing the services that we are providing via givingisgreat.org and tythe.org.

Charities that we support are selected after conducting in-depth analysis to establish their effectiveness. In all cases we are looking for management that is driven and effective, with a record of generating impact. Measuring impact is essential, both for charity executives to make sound decisions and for us to understand if we are making the best use of our donations.

We tend to prefer mid-sized charities, typically with annual spending between £500,000 and £3,000,000. We find this is fertile ground for causes that have created enough infrastructure to have a real impact, are often still run by the founders and not well known to the public.

Our interventions have continued to be focused on six core themes:

- (1) **Inequality of opportunity**
- (2) **Healthy lifestyles & nutrition**
- (3) **Generational bonding & loneliness**
- (4) **Early years intervention**
- (5) **Environment and climate change**
- (6) **Improving philanthropy**

Theme 1. Inequality of opportunity

Young people from underprivileged backgrounds have always been at a disadvantage compared with those from more affluent upbringings and this can lead to a repetitive cycle of underachievement and resentment. Studies show these impacts can lead to young people being 50% less likely to be in employment, education, or training (NEET) than similarly qualified but better-off peers. The lifetime costs to the State of just one NEET 16-18 year old is estimated to be more than £100,000 plus the associated costs to society.¹

As we feared, the COVID-19 pandemic has had a disproportionate impact on pupils from disadvantaged backgrounds (typically 1 month more learning loss in reading and 0.5 months more in mathematics compared to their non-disadvantaged peers). However, we are pleased to see excellent results being achieved by our selected charities.

Resurgo



Resurgo provide six-week intensive courses followed by mentoring that help young adults from disadvantaged backgrounds into employment or further education.

Still dealing with the fallout from the pandemic, they have transitioned well to a hybrid in person and online coaching delivery model. This has sustained high positive outcomes for young people and even allowed them to open new centres. Their professional consulting and re-employment programmes also saw a major increase in engagement to aid operational recovery.

Impact: our donation of £25,000 funded programmes for 8 young adults, of whom 5-6 will usually end up in employment or further training.

West London Zone



West London Zone coordinates individual support plans running for two years, tailored to suit the needs of children who are at risk of failing at school. Specialist partner charities are selected to provide interventions to help these children reach academic and wellbeing goals.

West London Zone have re-engaged children in schools this year with a focus on catch-up literacy sessions to combat impacts of the pandemic. Individual counselling and group therapy sessions were also made available to those struggling with mental health. Expansion looks likely in the future as they enter a long-term partnership with Greater Share to replicate their system of support beyond London.

Impact: our donations of £30,000 funded a programme at the Kensington Aldridge Academy for 7 pupils and we expect at least 60% of these to experience radical improvement in performance.

1) Gadsby B, Bursnall M, Espinoza, H (2019) Research Briefing 1: Establishing the Employment Gap, Impetus, <https://www.impetus.org.uk/assets/publications/Report/Youth-Jobs-Gap-Establishing-the-Employment-Gap-report.pdf>

Action Tutoring



Action Tutoring support pupils in primary and secondary schools facing socio-economic disadvantage by providing them with high-quality volunteer tutoring that increases their attainment levels and reduces the risk of them being unemployable.

Having grown delivery by 100% last year, AT were able to continue this growth by another 50% this year. Their second year as a tuition partner of the Government's National Tutoring Programme has heightened awareness of their tuition offering, and the benefits of a hybrid online and in person programme has expanded their reach even further.

Impact: our donation of £25,000 should enable about 55 pupils to receive extra tuition and typically more than half of these will achieve pass grades at GCSE or reach national standards at SATS.

The Access Project



The Access Project provides one-on-one personalised tuition support to high-potential students from disadvantaged backgrounds, helping them gain access to top universities. Their traditional face to face support has now been supplemented by virtual coaching.

Our funding has been directed toward their programme in Kensington Aldridge Academy (KAA) over the past few years. Despite being only a few miles from London's most expensive properties, this relatively new school is situated in a location of very high deprivation, adjacent to Grenfell Tower.

Impact: after the 2022 A Level results, 8 out of 10 final year pupils who received extra tuition at KAA gained places at highly selective universities, two of them at Oxford & LSE. We regard this as an exceptionally good result with life changing impact on these pupils.

The Panathlon Foundation



The Panathlon Foundation provides sporting opportunities for disabled and special educational needs young people across primary and secondary schools in the UK. The pandemic and associated shutting of schools posed potentially fatal challenges for the charity but they responded magnificently by creating a virtual option.

With schools reopening, Panathlon has been able to offer both face to face and virtual participation with a record breaking number of schools and participants.

Impact: our donation of £25,000 helped around 1,500 disabled children participate in Panathlon's competitive activities and over 140 of these were trained as Young Leaders.

Theme 2. Healthy lifestyles & nutrition

Food poverty in the UK has been growing since the start of the pandemic and is expected to worsen significantly due to the cost of living crisis, hitting low-income households (especially Black, Asian and minority ethnic communities) hardest.^{2,3} The number of children experiencing some form of food deprivation increased to as high as 3 million, or one in four.⁴

The EQ Foundation has been supporting organisations that provide meals for the vulnerable and help to reduce the volume of surplus food being placed into landfill.

City Harvest



City Harvest collects surplus food from manufacturers and retailers to distribute to organisations that feed the hungry in London.

In the year to March 2022 City Harvest was busier than ever, rescuing almost 5,000 tonnes of food. It is now looking to scale up operations outside of London with support from the Social Business Trust.

Impact: our donation of £15,000 should redistribute over 25,000 kg of surplus food, providing ingredients for over 60,000 meals.

Foodcycle



FoodCycle combats hunger and loneliness in communities across the UK by serving nutritious meals at community centres to those socially isolated and in need with the help of dedicated volunteers.

With lockdowns ending, FoodCycle was able to resume serving hot meals and providing social contact in centres instead of delivering food parcels. Demand for their services has never been higher.

Impact: our donation of £15,000 should provide over 3 tonnes of ingredients to serve over 7,500 meals.

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- 2) Francis-Devine B, Danechi S, Tyler G (2021) Food Poverty: Households, Food Banks and Free School Meals, House of Commons Library, <https://researchbriefings.files.parliament.uk/documents/CBP-9209/CBP-9209.pdf>
 - 3) Goudie S, McIntyre Z, et al (2021) A CRISIS WITHIN A CRISIS: The Impact of Covid-19 on Household Food Security, The Food Foundation, https://foodfoundation.org.uk/sites/default/files/2021-10/FF_Impact-of-Covid_FINAL.pdf
 - 4) Bhattacharya A, Shepherd J (2020) Measuring and Mitigating Child Hunger in the UK, The Social Market Foundation, <https://www.smf.co.uk/wp-content/uploads/2020/12/Measuring-mitigating-child-hunger-Dec-20.pdf>

Theme 3. Generational bonding & loneliness

Isolation and loneliness often lead to mental and physical health problems, especially for the elderly, who may already face alienation from society through lack of access to social opportunities after retirement and/or through disability. Studies suggest that loneliness can increase your risk of death by 26% and living alone, or with poor social connections, can be as bad for your health as smoking 15 cigarettes a day.⁵

The EQ Foundation has focused funding on organisations that bridge the generational divide and make a difference to the emotional and physical wellbeing of elderly and homeless people and refugees.

The Cares Family



The Cares Family is a community network that connects young professionals with elderly neighbours in activities that help reduce feelings of loneliness and isolation. They provide social clubs to bring people together across generations and increase feelings of wellbeing, community connectedness and belonging.

After adapting well to the pandemic by providing digital interventions they were able to resume in-person contacts despite some hesitancy by participants initially. Exciting new national projects are broadening their impact including their community leadership training programme The Multiplier and national campaigning and policy work with partners. They were the recipient of the 2021 October Club award which raised over £900,000.

Impact: our donations of £15,000 have gone towards support of a new initiative entitled **Leaving No One Behind** that hopes to target an extra 2,500 beneficiaries in London, Manchester, and Liverpool.

The Big Issue



The Big Issue helps homeless people to transition back into society, partly by enabling vendors to sell the popular magazine. Covid had a devastating impact as the streets were virtually empty. When people did return the transition away from cash payments had accelerated to an extent that many people no longer carry cash at all.

In order to address this issue, we proposed and partly funded a campaign to enable Big Issue vendors to be equipped with card readers. This is not a simple exercise as most do not have bank accounts or fixed addresses but when completed it can accelerate the path back to a self sustaining lifestyle.

Impact: we hope that our donation of £31,000 will lead to more than 50 vendors becoming able to accept card payments.

5) Campaign to End Loneliness (2021) The Facts on Loneliness, <https://www.campaigntoendloneliness.org/the-facts-on-loneliness/>

The Bike Project



The Bike Project was set up to improve the quality of life for refugees, who are not permitted to gain employment and must survive on a modest weekly allowance. The provision of bicycles that have been professionally refurbished not only improves their mobility but also can help to address gender inequality through special programmes encouraging female participation.

They have had to combat a challenging landscape in 2022 as asylum pressures from abroad have risen, especially from Afghanistan & Ukraine while government policy has created a hostile environment for refugees. They have responded positively by expanding their pop-up bike donation points to more UK cities and diversified their fundraising by opening a standalone retail space to increase bike sales.

Impact: our donation of £20,000 should allow around 20 bikes to be provided to refugees.

Theme 4. Early years intervention

Trauma in the first 1,001 days after conception often leads to issues in later life that affect the whole of society. Adverse Childhood Experiences (ACEs) such as abuse, neglect and household challenges like an incarcerated parent or parent with mental illness greatly increase the likelihood of a child having mental health issues, struggling at school, substance misuse and criminal behaviour.⁶ Therefore, it makes sense to intervene early and try to prevent these issues rather than deal with the consequences later.

The EQ Foundation has funded organisations that support the healthy physical and mental prospects for babies and young children.

Best Beginnings



Best Beginnings creates and disseminates engaging, evidence-based resources to educate and empower parents, parents-to-be and healthcare professionals, increasing their confidence, knowledge and skills to give babies the best start in life.

An update to their flagship interactive pregnancy and parenting app, Baby Buddy 2.0 was launched this year. Content improvements include new daily content extending to the child's first birthday and more focus on fathers. The app has been commissioned by the Surrey Heartlands Integrated Care System (ICS) to integrate into their maternity and early years "care pathways". Their aim is for at least 75% of parents and caregivers across their ICS to be using Baby Buddy by the end of 2022.

Impact: our donation of £35,000 helped to complete the initial developmental phase of Baby Buddy 2.0.

Kids Operating Room



Kids Operating Room plans to create 120 fully-equipped operating rooms for children's surgery in Africa which can save lives and transform prospects. They work with local teams and secure significant financial backing from the health authorities. Sophisticated data analysis helps to ensure that the facilities are being fully utilised and can also identify localised issues leading to unnecessary hospitalisations.

Kids Operating Room has already completed more than 50 operating rooms and plans to increase this to 75 by the end of 2022. More than 50,000 operations have been provided.

Impact: our donation of £25,000 helped to fit out the operating room at AIC Kijabe Hospital in Kenya and this is now functioning to save lives. It is expected that each operation can be delivered at a cost of less than £100.

6) Domoney J, McIntyre A, Fulton E, et al (2021) For Baby's Sake: Intervention Development and Evaluation Design of a Whole-Family Perinatal Intervention to Break the Cycle of Domestic Abuse, Journal of Family Violence, <https://www.forbabysake.org.uk/wp-content/uploads/2021/02/JoFV-article-19-jan.pdf>

Borne Foundation

8% of births in the UK are premature and 60,000 babies each year have complications arising from this that can result in lifelong disabilities.⁷

The Borne Foundation is a medical research charity trying to identify the causes of premature birth through clinical studies and funding of expert research in the field. Founder, Professor Mark Johnson has brought together experts in a strategic initiative called Borne's Uterine Mapping Project or BUMP.

In 2022 a competitive research grant call was announced to advance their understanding of normal and dysfunctional labour. Their Scientific Advisory Board led an independent evaluation process involving expert peer reviews and recommended funding two cross-disciplinary research groups who will lay the groundwork for a purposeful and unprecedented global scientific collaboration.

Impact: our donation of £25,000 via the Big Give Christmas Campaign leveraged over £136,000 in matched giving (one of the top amounts raised by any charity in the event). These funds will support continued growth of the BUMP initiative and progression of research into finding new treatments.

7) Tommy's (2021) Premature Birth Statistics, <https://www.tommys.org/pregnancy-information/premature-birth/premature-birth-statistics>

Theme 5. Environment and climate change

Interventions we support in this area cover organisations trying to achieve systemic changes in behaviour as well as those working at the micro level of individual households in the developing world.⁸ In addition to providing grants from our own funds, we also support these charities via **Tythe.org**.

Blue Marine Foundation



Blue Marine Foundation (BLUE) aims to restore the ocean back to full health by creating marine reserves, restoring vital habitats, and establishing models of sustainable fishing.

Having significantly grown in recent years to include newly formed units like BLUE Legal and BLUE Carbon, their influence has never been greater. Legal interventions by BLUE led to the Government adopting new byelaws banning bottom trawling in offshore marine protected areas which should have a massive impact on regeneration. They have also assembled evidence to support the Government in developing policies recognising the value of the ocean to climate change mitigation through domestic prototypes such as integrated ecosystem restoration in the Solent.

Impact: EQ Foundation donated £25,000 via the Big Give Green Match Fund, resulting in over £50,000 being raised. Although it is not possible to segment the impact of this across BLUE's operations we are greatly encouraged by their past record of achievement.

Sand Dams Worldwide



Sand Dams Worldwide (formerly known as Excellent Development) helps communities in developing countries gain access to clean water by supporting the building of sand dams and school water tanks.

Despite challenges caused by the pandemic and unpredictable extreme weather across Africa, they succeeded in aiding strategic partners to build sand dams in Kenya, Ethiopia, Zimbabwe, and the construction of the first ever sand dams in Malawi. Projects are also planned for Tanzania and Mozambique in 2022/23 to expand reach further and align with their vision to scale worldwide, communicated to supporters by their name change.

Impact: our donation of £25,000 via The Big Give Christmas Campaign led to over £100,000 being raised that should fund the build of 3 sand dams and implement a range of environmental protection measures in southern Zimbabwe. The dams hope to benefit over 2,000 people, strengthening the resilience of the community and reducing rural poverty in an area experiencing severe land degradation and water scarcity.

8) Usman, M, Husnain M et al (2021) Climate change during the COVID-19 outbreak: scoping future perspectives, <https://link.springer.com/content/pdf/10.1007/s11356-021-14088-x.pdf>

SolarAid

SolarAid combats poverty and climate change by providing access to solar lights in Africa and helps catalyse markets for solar powered products to eradicate kerosene lamps.

Recently they have introduced a range of innovative solutions in their new strategy to 'End the Darkness' for African communities. These include Light Libraries, allowing locals to rent solar lights for an affordable fee to help build trust in products, Mayi Walas (Shining Mothers), supporting women entrepreneurs to run solar light businesses, and their Light-a-Village pilot programme, aiming to trail the lighting of 500 homes in a whole village.

Impact: our donation of £20,000 via The Big Give Christmas Challenge led to over £80,000 being raised which should lead to more than 2,000 solar lights being acquired to improve the lives of over 10,000 people in rural Africa as well as reducing CO2 emissions significantly.

Theme 6. Improving philanthropy

We believe there is considerable scope to improve the way philanthropy works from the viewpoint of both donors and recipient charities. Donors struggle to know which charities really are effective, while charities find it expensive and time consuming to reach out to donors. One of the consequences is a vast proliferation of charities (almost 200,000 in the UK) and duplication of effort. The EQ Foundation is creating initiatives to improve this situation and supporting others who share our vision.

Giving is Great



We created the website [GivingisGreat.org](https://givingisgreat.org) in 2018 with the intention of making it easier to find effective charities, view key information about them and share ideas about good practice. Annual user numbers now exceed 100,000, and the site is being used by many professional grant makers, individual donors and charities looking for funding.

Tythe.org



[Tythe.org](https://tythe.org) is the donor platform we created in 2021 to allow modest regular donations to a curated list of highly effective charities with the provision of regular updates on impact. The EQ Foundation has funded the setup and running costs of Tythe plus donation matching and provides the research for the selected charities.

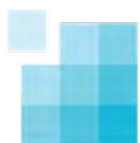
By October 2022 more than £250,000 had been raised in external donations and the stability of monthly subscriptions is most encouraging. During this period the original theme of Environment and Climate Action was supplemented by a portfolio of charities active in assisting victims of the war in Ukraine.

The Big Give



The Big Give is the UK's largest platform for matched giving, running several campaigns during the year, most notably over Christmas. It has now raised over £200 million since inception in 2010. Last year the EQ Foundation participated in their Christmas appeal and Green Match Fund which focused on environmental charities.

The Funding Network



The Funding Network (TFN) holds regular meetings at which three selected small charities present their case for funding. It's a great forum to provide visibility for small charities and help people new to philanthropy learn from the questions posed by other donors. The EQ Foundation contributes directly to TFN's running costs and has been a significant donor at most of their events.

Trustees Annual Report

YEAR ENDED 30 APRIL 2022

The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 May 2021 to 30 April 2022.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	The EQ Foundation
Charity registration number	1161209
Principle office	Centennium House 100 Lower Thames Street London EC3R 6DL
Trustees	J Spiers J Boyle (resigned 16 December 2022) M Kenner

On 16 December 2022 Ben Faulkner, Catherine Deptford, Freddie Cleworth, Mike Neumann and Zoe Brett were appointed as trustees.

Independent auditor	MHA MacIntyre Hudson 2 London Wall Place London EC2Y 5AU
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OBJECTIVES AND ACTIVITIES

a. Policies and objectives

The aims of the Charity, as stated in its Constitution, are:

- to help disadvantaged people, mainly in the UK, through grants,
- to make it easier for donors to find effective charities
- to lower the cost of fund raising for highly effective charities
- to enhance the giving experience for donors.

The Charity purposely does not define the groups it may make grants to but these are likely to include children, the elderly, people with disabilities, people of particular ethnic or racial origin and other charities or voluntary bodies.

b. Strategies and activities for achieving objectives

In the period under review the Charity made grants totalling £717,740 (2021: £623,138), details of which are provided in the following pages.

[GivingisGreat.org](#), our innovative charity search engine and web resource, continued to see growth in users and pageviews. [Tythe.org](#), our donations platform, gained further regular subscribers to its environmental and climate action charity portfolio and also launched an appeal focused on Ukraine.

c. Grant-making policies

The Trustees take applications for grants in the light of the Foundation's objectives. For new commitments a report is prepared and submitted to the Trustees for their consideration. For ongoing institutions that receive grants, a review is undertaken to ensure that all obligations of that institution are being complied with.

d. Main activities undertaken to further the Charity's purposes for the public benefit

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our current and future activities. In particular the Trustees consider how planned activities will contribute to the aims and objectives they have set and that the grants made in the period demonstrate the Charity's public benefit.

ACHIEVEMENTS AND PERFORMANCE

a. Main achievements of the Charity and review of activities

The charity has made grants to 46 (2021: 39) charitable organisations in the period as set out in Note 5.

Further details of these organisations can be found on the EQ Foundation's website: eqfoundation.org.uk

b. Key performance indicators

The charity intends to maintain its liquid reserves in the range of 3-9 months annual expenditure although this can vary in the short term owing to the timing of donations received and grants made. The Charity does not use any particular criteria to measure its success at the current time as it only provides grants once donations have been received subject to maintaining a minimum level of cash.

c. Investment policy and performance

The Charity holds preference and ordinary shares in EQ Investors Group Limited. This Company has started to pay dividends in the year and the Charity will continue to monitor the return it achieves on this investment.

FINANCIAL REVIEW

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future, being a minimum of twelve months from the approval of these financial statements. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

b. Reserves policy

The Charity currently seeks to hold reserves at around three to nine months of expenditure and the year end position is consistent with that policy.

c. Principal risks and uncertainties

The Trustees have assessed the major risks to which the Charity is exposed, in particular those relate to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate our exposure to major risks. Currently the Charity is a straightforward organisation that makes provision for grants when it has sufficient funds to do so and therefore has little in the way of financial risk.

d. Principal funding

The Charity has historically been funded by donations by J Spiers, one of the Trustees. The Trustees have now began to broaden the base of donations and will continue to do so in the future.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. Constitution

The EQ Foundation is a registered charity, number 1161209, and is constituted under a Trust deed.

b. Method of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

c. Organisational structure and decision making policies

The Trustees meet as required during the period to consider the Charity's strategy and performance. As the Charity is on a relatively small scale at the present time, the Trustees believe such meetings are adequate to cover the governance and management requirements. The Foundation is established as a sole Member charitable incorporated organisation and the sole member is EQ Investors Group Limited.

d. Policies adopted for the induction and training of Trustees

Trustee induction is carried out on appointment of a Trustee and ongoing training is provided on formal and informal basis depending on the situation and as befits the size of the Charity.

e. Pay policy for key management personnel

The Charity does not currently remunerate key management personnel.

f. Related party relationships

The Trustees are also Directors of EQ Investors Limited, a company in which the Foundation has an investment as noted in these financial statements.

PLANS FOR FUTURE PERIODS

The Charity aims to continue its grant-giving work, to develop further the givingisgreat.org and tythe.org platforms. and to achieve increasing user numbers on these sites.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees 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).

The law applicable to charities in England & 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 its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Approved by the Trustees and signed on their behalf by:

John Spiers

J Spiers

Chair of Trustees

Independent Auditor's Report

YEAR ENDED 30 APRIL 2022

Opinion

We have audited the financial statements of The EQ Foundation (the 'charity') for the year ended 30 April 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 April 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Charity'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 other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. 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.

Matters on which we are required to report by exception

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

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustee's Responsibilities, the Trustees are responsible for the preparation of the 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 Charities ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor 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 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management, those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff in compliance functions to identify any instances of non compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

1 January 2023

MHA MacIntyre Hudson

2 London Wall Place

London

EC2Y 5AU

MHA MacIntyre Hudson is eligible to act as auditor in terms of section 1212 of the Companies Act 2006.

Statement of Financial Activities

INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 30 APRIL 2022

		Restricted Funds 2022	Unrestricted Funds 2022	Total Funds 2022	Total Funds 2021
	Note	£	£	£	£
INCOME FROM:					
Donations and legacies	3	30,936	1,016,523	1,047,459	3,674,761
Investments	4	-	90,501	90,501	-
TOTAL INCOME		<u>30,936</u>	<u>1,107,024</u>	<u>1,137,960</u>	<u>3,674,761</u>
EXPENDITURE ON:					
Charitable activities	6	<u>16,801</u>	<u>773,784</u>	<u>790,585</u>	<u>719,666</u>
TOTAL EXPENDITURE		<u>16,801</u>	<u>773,784</u>	<u>790,585</u>	<u>719,666</u>
NET MOVEMENT IN FUNDS		<u>14,135</u>	<u>333,240</u>	<u>347,375</u>	<u>2,955,095</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		-	3,788,657	3,788,657	833,562
Net movement in funds		<u>14,135</u>	<u>333,240</u>	<u>347,375</u>	<u>2,955,095</u>
TOTAL FUNDS CARRIED FORWARD		<u>14,135</u>	<u>4,121,897</u>	<u>4,136,032</u>	<u>3,788,657</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 25–34 form part of these financial statements.

Balance Sheet

AS AT 30 APRIL 2022

	Note	2022 £	2021 £
FIXED ASSETS			
Investments	10	<u>3,600,000</u>	<u>3,600,000</u>
		3,600,000	3,600,000
CURRENT ASSETS			
Cash at bank and in hand	10	<u>541,779</u>	<u>194,626</u>
		541,779	194,626
Creditors: amounts falling due within one year	11	<u>(5,747)</u>	<u>(5,969)</u>
		(5,747)	(5,969)
NET CURRENT ASSETS		<u>536,032</u>	<u>188,567</u>
TOTAL NET ASSETS		<u>4,136,032</u>	<u>3,788,657</u>
CHARITY FUNDS			
Restricted funds	12	14,135	-
Unrestricted funds	12	<u>4,121,897</u>	<u>3,788,657</u>
TOTAL FUNDS		<u>4,136,032</u>	<u>3,788,657</u>

These financial statements were approved by the Trustees and authorised for issue on 1 January 2023 and are signed on their behalf by:

John Spiers

J Spiers

Chair of Trustees

The notes on pages 25–34 form part of these financial statements.

Statement of Cash Flows

YEAR ENDED 30 APRIL 2022

	2022	2021
	£	£
CASH FLOWS FROM OPERATING ACTIVITIES		
Net cash used in operating activities	256,652	(41,305)
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends, interests and rents from investments	90,501	-
Net cash provided by investing activities	90,501	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	347,153	(41,305)
Cash and cash equivalents at the beginning of the year	194,626	235,931
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>541,779</u>	<u>194,626</u>

The non-cash donation relates to the transfer of investments (see note 10).

The notes on pages 25–34 form part of these financial statements.

Notes to the Financial Statements

YEAR ENDED 30 APRIL 2022

1. GENERAL INFORMATION

The EQ Foundation is a Charity registered in England and Wales. The registered charity number is 1161209. The registered office is given in the Trustees Annual Report.

The financial statements are presented in pound sterling which is the functional currency of the Charity and rounded to the nearest pound.

The EQ Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

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

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) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The EQ Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Income

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.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.4 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

2.5 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.6 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.7 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.8 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.9 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015. The accounts (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 Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

3. INCOME FROM DONATIONS AND LEGACIES

	Restricted Funds 2022	Unrestricted Funds 2022	Total Funds 2022
	£	£	£
Donations	30,936	1,016,523	1,047,459
		<i>Unrestricted Funds 2021</i>	<i>Total Funds 2021</i>
		£	£
Donations		3,674,761	3,674,761

4. INVESTMENT INCOME

	Unrestricted Funds 2022	Total Funds 2022	<i>Total Funds</i> <i>2021</i>
	£	£	£
Investment income - dividends receivable from related party	90,501	90,501	-

5. ANALYSIS OF GRANTS

	Grants to Institutions 2022	Total Funds 2022
	£	£
Grants, Direct costs	717,740	717,740

	<i>Grants to</i> <i>Institutions</i> <i>2021</i>	<i>Total</i> <i>Funds</i> <i>2021</i>
	£	£
Grants, Direct costs	623,138	623,138

The Charity has made the following material grants to institutions during the year:

	2022	2021
Name of institution	£	£
Action Tutoring	25,000	25,000
Advent of Change	25,000	35,000
Best Beginnings	25,000	35,000
Blue Marine Foundation	28,400	-
Foodcycle	20,000	-
For Baby's Sake Trust	-	50,000
Hubbub Foundation UK	-	23,174
Kids Operating Room	25,000	-
My Life Films	-	25,000
Panathlon Foundation	25,000	25,000
Renewable World	25,000	-
Resurgo Trust	25,000	25,000
Sand Dams Worldwide	28,400	26,930
Solar Aid	23,050	25,673
The Access Project	50,000	25,000
The Big Issue	31,000	-
The Bike Project	20,000	-
The Borne Foundation	25,000	25,000
The Funding Network	28,500	-
West London Zone	30,000	20,000

	459,350	365,777
Other grants to institutions under £20,000	258,390	257,361

	<u>717,740</u>	<u>623,138</u>

6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Restricted Funds 2022	Unrestricted Funds 2022	Total Funds 2022
	£	£	£
Direct costs	<u>16,801</u>	<u>773,784</u>	<u>790,585</u>
		<i>Unrestricted Funds 2021</i>	<i>Total Funds 2021</i>
		£	£
Direct costs		<u>719,666</u>	<u>719,666</u>

7. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Grant funding of activities 2022	Support costs 2022	Total Funds 2022
	£	£	£
Direct costs	717,740	72,845	790,585
	<i>Grant funding of activities 2021</i>	<i>Support costs 2021</i>	<i>Total Funds 2021</i>
	£	£	£
Direct costs	623,138	96,528	719,666

Analysis of support costs

	Activities 2022	Total Funds 2022
	£	£
Software support	19,514	19,514
Bank charges	5	5
Wages costs recharged	45,916	45,916
Consultancy fees	2,010	2,010
Governance costs	5,400	5,400
	72,845	72,845
	<i>Activities 2021</i>	<i>Total Funds 2021</i>
	£	£
Software support	46,245	46,245
Bank charges	517	517
Wages costs recharged	36,506	36,506
Consultancy fees	9,660	9,660
Governance costs	3,600	3,600
	96,528	96,528

8. AUDITOR'S REMUNERATION

	2022	2021
	£	£
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	5,400	3,600

9. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2021- £NIL).

10. FIXED ASSET INVESTMENTS

	<i>Unlisted investments</i>
	£
Cost or valuation	
At 1 May 2021	3,600,000
At 30 April 2022	<u>3,600,000</u>
Net book value	
At 30 April 2022	<u>3,600,000</u>
At 30 April 2021	<u>3,600,000</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Other creditors	347	569
Accruals and deferred income	5,400	5,400
	<u>5,747</u>	<u>5,969</u>

12. STATEMENT OF FUNDS

	Balance at 1 May 2021	Income	Expenditure	Balance at 30 April 2022
Statement of funds – current year	£	£	£	£
UNRESTRICTED FUNDS				
General Funds - all funds	<u>3,788,657</u>	<u>1,107,024</u>	<u>(773,784)</u>	<u>4,121,897</u>
RESTRICTED FUNDS				
Tythe	-	30,936	(16,801)	14,135
TOTAL OF FUNDS				
	<u>3,788,657</u>	<u>1,137,960</u>	<u>(790,585)</u>	<u>4,136,032</u>

	<i>Balance at 1 May 2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>Balance at 30 April 2021</i>
Statement of funds – prior year	£	£	£	£
UNRESTRICTED FUNDS				
General Funds - all funds	<u>833,562</u>	<u>3,674,761</u>	<u>(719,666)</u>	<u>3,788,657</u>

13. SUMMARY OF FUNDS

	Balance at 1 May 2021	Income	Expenditure	Balance at 30 April 2022
Summary of funds – current year	£	£	£	£
General funds	3,788,657	1,107,024	(773,784)	4,121,897
Restricted funds	-	30,936	(16,801)	14,135
	<u>3,788,657</u>	<u>1,137,960</u>	<u>(790,585)</u>	<u>4,136,032</u>
	<i>Balance at 1 May 2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>Balance at 30 April 2021</i>
Summary of funds – prior year	£	£	£	£
General funds	<u>833,562</u>	<u>3,674,761</u>	<u>(719,666)</u>	<u>3,788,657</u>

Summary of funds – prior year

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Analysis of net assets between funds – current year	Restricted Funds 2022 £	Unrestricted Funds 2022 £	Total Funds 2022 £
Fixed asset investments	-	3,600,000	3,600,000
Current assets	14,135	527,644	541,779
Creditors due within one year	-	(5,747)	(5,747)
TOTAL	<u>14,135</u>	<u>4,121,897</u>	<u>4,136,032</u>

Analysis of net assets between funds – prior year	<i>Unrestricted Funds 2021 £</i>	<i>Total Funds 2021 £</i>
Fixed asset investments	3,600,000	3,600,000
Current assets	194,626	194,626
Creditors due within one year	(5,969)	(5,969)
TOTAL	<u>3,788,657</u>	<u>3,788,657</u>

15. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	<u>347,375</u>	<u>2,955,095</u>
ADJUSTMENTS FOR:		
Dividends, interests and rents from investments	(90,501)	-
Increase/(decrease) in creditors	(222)	3,600
Non-cash donation	-	(3,000,000)
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	<u>256,652</u>	<u>(41,305)</u>

16. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022	2021
	£	£
Cash in hand	541,779	194,626
TOTAL CASH AND CASH EQUIVALENTS	541,779	194,626

17. ANALYSIS OF CHANGES IN NET DEBT

	At 1 May 2021	<i>Cash flows</i>	At 30 April 2022
	£	£	£
Cash at bank and in hand	194,626	347,153	541,779
	194,626	347,153	541,779

18. RELATED PARTY TRANSACTIONS

Donations of £972,835 (2021: £3,489,076) were received from J D Spiers, a Trustee.

The EQ foundation

eqfoundation.org.uk



The EQ Foundation is a Charitable Incorporated Organisation
Registered Charity Number 1161209