

The  foundation

ANNUAL REVIEW AND
AUDITED FINANCIAL STATEMENTS
30 APRIL 2023



Real impact,
Real change

The EQ Foundation is a Charitable Incorporated Organisation

Registered Charity Number 1161209

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Annual Review

YEAR ENDED 30 APRIL 2023

Overview

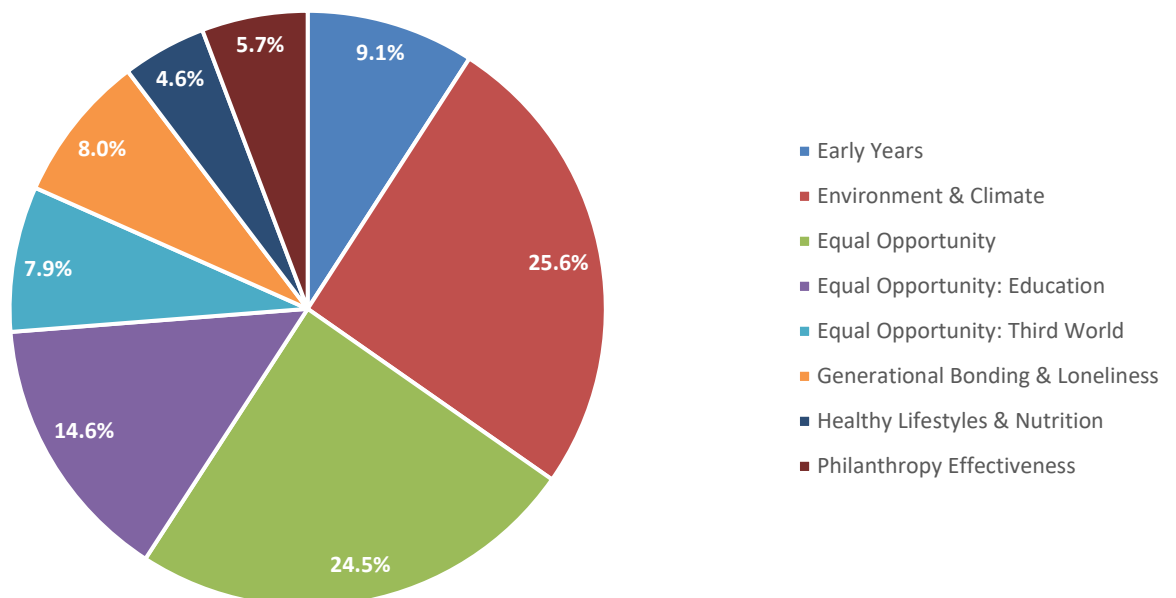
From our own funds we granted £547,879 (2022: £643,826) and on behalf of Tythe donors we granted £186,731 (2022: £73,914). Support costs were significantly higher: £168,913 (2022: £72,845). The increase was mainly expended on consultancy costs with the aim of improving the effectiveness of our grant making and increasing the number of users of GivingisGreat.org. As a result our grant making process has become more systematic and rigorous. Furthermore, we developed a list of specialist providers that can offer services to charities covering activities such as fundraising, marketing, strategic consultancy, recruitment and coaching. This has given us an improved capability for supporting charities that have an ambition to scale up significantly. We also decided to increase the size of the Board so as to make available a wider range of skills and experience for the next phase of our development.

The charitable sector remains fragmented and inefficient. There are far too many charities and differentiating between good and bad remains challenging. The analysis of data that we provide through GivingisGreat.org is undoubtedly a useful indicator but it would be so much more powerful if better digital data was collected by the various charity regulators. At the same time, Government support for the sector is often misdirected and favours charities with national scale, even though these are rarely the most effective. We will continue to support small to medium sized charities with passionate committed leadership and evidence of good outcomes.

Direct Grants Programme

The charities that we selected for grants last year were focused on the following core themes:

Grants analysed by theme



Theme 1: Equal Opportunity & Fighting Poverty

Young people from underprivileged backgrounds in the UK, or in remote regions of developing countries, have always been at a disadvantage compared with those from more affluent upbringings, which usually leads to a repetitive cycle of underachievement and resentment. Studies show this can lead to young people being 50% less likely to be in employment, education, or training (NEET) than similarly qualified but better-off peers.



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. A recent report by Public First estimated £6.58 benefit to the economy for every £1 spent on tutoring.

Impact: our donation of £25,000 should allow more than 50 children to benefit from the programmes and typically over 60% should achieve material improvements in performance.



AfriKids has been helping children in remote communities in Ghana for more than 12 years gain a good education and keep healthy. It is one of the preferred partners of global funders such as UNICEF and Plan International.

Impact: our donation of £25,000 was made via the Big Give Christmas Challenge 2022 and resulted in more than £100,00 being raised which should support more than 1,000 children.



The Panathlon Foundation provides sporting opportunities for disabled and special educational needs young people across primary and secondary schools in the UK. With strong leadership they have extended their reach substantially, now covering most areas of the UK.

Impact: our donation of £25,000 should allow around 1,500 disabled children to participate in Panathlon's competitive activities and over 140 of them will be trained as Young Leaders.



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.

Impact: our donation supported the programme in the Kensington Aldridge Academy, a high performance school situated adjacent to the Grenfell Tower. The results achieved have been highly impressive.

Theme 1: Equal Opportunity & Fighting Poverty contd.



Resurgo addresses youth unemployment through its Spear Programme, offering tailored support, mentorship, and job placement services to help young adults facing barriers to employment get into work or education. They have now expanded beyond London, using a streamlined version of the programme, and undergone rigorous benchmarking from the government's Employment Data Lab.

Impact: our donation of £22,500 funded programmes for 8 young adults, of whom 6 will usually complete the course and 4 will end up in employment or further training.



We have been supporting **Sport4 Life UK** for several years and become ever more impressed with their results in turning round the lives of teenagers and young adults who are at risk of failing. Without such support these people are likely to become a burden on society or end up within the criminal justice system. Strong partnerships have been established with local employers to offer work experience and sports clubs to provide facilities. Now the intention is to roll out this programme to other regions.

Impact: our donation of £44,000 will fund the recruitment of additional staff to provide the infrastructure to support satellite operations based within sports clubs.



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. A key component of the programme is the provision of a link worker, based in the schools, who is able to monitor the progress of each child and adapt the programme if necessary.

Impact: our donations of £25,000 funded a programme at the Kensington Aldridge Academy for 7 pupils and based on previous results they can expect to benefit from significantly improved results.

Theme 2: Healthy Lifestyles & Nutrition

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



FoodCycle's primary activity is providing nutritious meals for anyone who needs them but it also performs an extremely valuable role in combating loneliness, both through its community eating spaces and from their check-in and chat services.

Their very high reliance on volunteers helps to keep down overheads while their technology allows management to keep closely in touch with activity. They have ambitious plans to open more food outlets and reach over 100 in the next few years, that will be aided by their major corporate partnerships with UK food retailers.

Impact: our donation of £23,000 should provide over 46 tonnes of ingredients to serve over 11,000 meals to vulnerable people.

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.



My Life Films was set up to create bespoke movies based on personal memories for people suffering from dementia. More recently it set up My Life TV which provides film and video content, mainly into care homes, tailored for older people. This includes a number of well loved BBC series.

Impact: our donation of £44,000 is part of a three year programme intended to increase the penetration of My Life TV so that it can become financially self supporting.

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. 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.



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. 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. Founder, Professor Mark Johnson has brought together experts in a strategic initiative called Borne's Uterine Mapping Project or BUMP.

Impact: our donation of £25,000 via the Big Give Christmas Campaign leveraged over £100,000 in matched giving which will support continued growth of the BUMP initiative and progression of research into finding new treatments.



The For Baby's Sake Trust works with expectant parents to deliver a therapeutic whole-family approach dealing with the cycle of domestic abuse. They identify and directly address the trauma or traumas that lie at the heart of issues and help families move past them with their interventions. Originally conceived as an in-person counselling service to both parents, the pandemic led to the evolution of a virtual service called CONNECT.

Impact: our donation of £25,000 was made as unrestricted funding to allow the rollout of the service to further regions.

Theme 5: Environment and Climate Change

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



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.

Impact: EQ Foundation donated £25,000 via the Big Give Green Match Fund, resulting in over £50,000 being raised which will be used to develop Ocean Observatories that help to educate local people about the benefits of a sustainable fishing policy.



Rainforest Trust UK is the UK fundraising vehicle for US charity Rainforest Trust, probably the largest independent charity operating in this sector. Partnering with local organisations enables them to be at the forefront of battles on issues like logging, forest fires, and conversion of land for agriculture. It has also given them added insight which has allowed them to become leaders in conservation coalitions.

Impact: Our donation of £30,000 is being used to help fund new initiatives in Brazil that have become possible since the change of government.



Sand Dams Worldwide helps communities in developing countries gain access to clean water by supporting the building of sand dams which store and filter rain water. This provides a reliable source of drinking water and can also aid irrigation.

Impact: Our donation of £25,000 should allow another dam to be built in Ethiopia



Solar Aid is a long established and innovative charity that helps to develop markets for solar powered products in Malawi. Initially these consisted of lights but now are focused on solar powered grids that can be installed in remote villages that have no access to electricity.

Impact: our donations of £25,000 will help to fund a pilot of the Light-a-Village project.

Theme 6: Improving Philanthropy

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 raise funding. One of the consequences is a vast proliferation of charities (over 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 to make 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



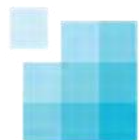
[Tythe.org](https://tythe.org) is the donor platform we created in 2021 to allow modest regular donations to a curated list of highly effective charities with the provision of regular updates on impact. The EQ Foundation has funded the setup and running costs of Tythe plus donation matching and provides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

By December 2023 more than £360,000 had been raised in external donations and the stability of monthly subscriptions is most encouraging.

theBigGive

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 £280 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 2023

The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 May 2022 to 30 April 2023.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	The EQ Foundation
Charity registration number	1161209
Principal office	Centennium House 100 Lower Thames Street London EC3R 6DL
Trustees	Ben Faulkner (appointed 16 December 2022) Catherine Deptford (appointed 16 December 2022) Freddie Cleworth (appointed 16 December 2022) Jeannie Boyle (resigned 16 December 2022) John Spiers Mark Kenner Mike Neumann (appointed 16 December 2022) Zoe Brett (appointed 16 December 2022)
Independent auditor	MHA 2 London Wall Place London EC2Y 5AU

The Trustees present their annual report together with the audited financial statements of the Charity for the period 1 May 2022 to 30 April 2023.

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 operates primarily by making multi year grants to other charities or social enterprises and by funding directly its own initiatives to aid efficient grant making.

b. Strategies and activities for achieving objectives

In the period under review the Charity made grants totalling £734,610 (2022: £717,740), 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.

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 ongoing 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 (2022: 46) 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 seeks to obtain maximum impact from its grants programme by carefully selecting recipient organisations that are able to provide evidence of their effectiveness. We continue to monitor this performance prior to making further grants. We monitor the performance of GivingisGreat.org by reviewing the number of users of the site and their level of engagement. On Tythe.org we monitor the number of subscribers and the total value of donations made.

c. Investment policy and performance

The charity holds preference and ordinary shares in EQ Investors Ltd. This is regarded as a long term investment and the return is expected to arise in the form of dividend income.

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 recently carried out a review of the major risks to which the Charity is exposed. The principal categories of potential risks considered were Financial, Data and IT Security and Governance. They have assessed these risks and the mitigating systems and procedures that are in place, including additional recommendations arising out of the review, and are satisfied that these are adequate to manage risks within their risk appetite. In practice the Charity only makes grants and future commitments to further grants that are funded out of current liquid resources.

d. Principal funding

The Charity has historically been funded by donations by J Spiers, one of the Trustees. The Trustees have now begun 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

John Spiers is a Director of EQ Investors Group Limited, a company in which the Foundation has an investment as noted in these financial statements. John Spiers, Mark Kenner and Mike Neumann are also directors of EQ Investors Limited, a subsidiary of EQ Investors Group Limited.

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 order of the members of the board of Trustees and signed on their behalf by:

John Spiers

J Spiers

Trustee

Date: 19 January 2024

Independent Auditor's Report

YEAR ENDED 30 APRIL 2023

Opinion

We have audited the financial statements of The EQ Foundation (the 'charity') for the year ended 30 April 2023 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.

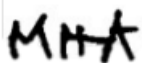
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed 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.

19 January 2024



MHA

2 London Wall Place

London

EC2Y 5AU

MHA are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

Statement of Financial Activities

INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 30 APRIL 2023

		Restricted funds 2023	Unrestricted funds 2023	Total funds 2023	Total funds 2022
	Note	£	£	£	£
INCOME FROM:					
Donations and legacies	3	173,231	603,303	776,542	1,047,459
Investments	4	-	189,803	189,803	90,501
TOTAL INCOME		173,231	793,106	966,345	1,137,960
EXPENDITURE ON:					
Grant making	7	186,731	547,879	734,610	717,740
Support costs	7	-	168,913	168,913	72,845
TOTAL CHARITABLE ACTIVITIES EXPENDITURE		186,731	716,792	903,523	790,585
NET MOVEMENT IN FUNDS		(13,500)	76,322	62,822	347,375
RECONCILIATION OF FUNDS					
Total funds brought forward		14,135	4,121,897	4,136,032	3,788,657
Net movement in funds		(13,500)	76,322	62,822	347,375
TOTAL FUNDS CARRIED FORWARD		635	4,198,219	4,198,854	4,136,032

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

The notes on pages 21–30 form part of these financial statements.

Balance Sheet

AS AT 30 APRIL 2023

		2023	2022
	Note	£	£
FIXED ASSETS			
Investments	10	3,600,000	3,600,000
		<u>3,600,000</u>	<u>3,600,000</u>
CURRENT ASSETS			
Debtors	11	444	-
Cash at bank and in hand		<u>603,810</u>	<u>541,779</u>
		604,254	541,779
Creditors: amounts falling due within one year	12	<u>(5,400)</u>	<u>(5,747)</u>
NET CURRENT ASSETS		<u>598,854</u>	<u>536,032</u>
TOTAL NET ASSETS		<u>4,198,854</u>	<u>4,136,032</u>
CHARITY FUNDS			
Restricted funds	13	635	14,135
Unrestricted funds	13	<u>4,198,219</u>	<u>4,121,897</u>
TOTAL FUNDS		<u>4,198,854</u>	<u>4,136,032</u>

These financial statements were approved and authorised for issue by the Trustees on 19 January 2024 and are signed on their behalf by:

John Spiers

J Spiers

Trustee

The notes on pages 21–30 form part of these financial statements.

Statement of Cash Flows

YEAR ENDED 30 APRIL 2023

	2023	2022
	£	£
CASH FLOWS FROM OPERATING ACTIVITIES		
Net cash used in operating activities	(127,772)	256,652
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividends from investments	189,803	90,501
NET CASH PROVIDED BY INVESTING ACTIVITIES	189,803	90,501
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR	62,031	347,153
Cash and cash equivalents at the beginning of the year	541,779	194,626
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	603,810	541,779

The notes on pages 21–30 form part of these financial statements.

Notes to the Financial Statements

YEAR ENDED 30 APRIL 2023

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 pounds 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.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

23 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.

24 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.

25 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.

26 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.

27 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.

28 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.

29 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.

3. INCOME FROM DONATIONS AND LEGACIES

	Restricted funds 2023	Unrestricted funds 2023	Total funds 2023
	£	£	£
Donations	<u>173,231</u>	<u>603,311</u>	<u>776,542</u>
	<i>Restricted funds 2022</i>	<i>Unrestricted funds 2022</i>	<i>Total funds 2021</i>
	£	£	£
Donations	<i>33,175</i>	<u><i>1,014,284</i></u>	<u><i>1,047,459</i></u>

4. INVESTMENT INCOME

	Unrestricted Funds 2023	Total funds 2023
	£	£
Investment income - dividends receivable from related party	<u>189,803</u>	<u>189,803</u>
	Unrestricted Funds 2022	Total funds 2022
	£	£
Investment income - dividends receivable from related party	<u>90,501</u>	<u>90,501</u>

5. ANALYSIS OF GRANTS

	Grants to Institutions 2023	Total funds 2023
	£	£
Grants, direct costs	734,610	734,610
	Grants to Institutions 2022	Total funds 2022
	£	£
Grants, direct costs	717,740	717,740

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

	2023	2022
Name of institution	£	£
Action Tutoring	25,000	25,000
Afrikids	25,000	-
Best Beginnings	-	25,000
Blue Marine Foundation	43,000	28,400
Foodcycle	23,000	20,000
Kids Operating Room	-	25,000
My Life Films	44,000	-
Panathlon Foundation	25,000	25,000
Renewable World	-	25,000
Resurgo Trust	22,500	25,000
Sand Dams Worldwide	41,000	28,400
Solar Aid	37,000	23,050
Sport 4 Life	47,000	-
The Access Project	30,000	50,000
The Big Issue	-	31,000
The Borne Foundation	25,000	25,000
The Funding Network	15,500	28,500
West London Zone	25,000	30,000
	474,000	416,850
Other grants to institutions under £15,000	260,610	300,890
	734,610	717,740

6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	<i>Restricted funds 2023</i>	<i>Unrestricted funds 2023</i>	Total funds 2023
	£	£	£
Direct costs	<u>186,731</u>	<u>716,792</u>	<u>903,523</u>
	<i>Restricted funds 2023</i>	<i>Unrestricted funds 2022</i>	<i>Total funds 2022</i>
	£	£	£
Direct costs	58,001	<u>732,584</u>	<u>790,585</u>

7. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Grant funding of activities 2023	Support costs 2023	Total Funds 2023
	£	£	£
Direct costs	<u>734,610</u>	<u>168,913</u>	<u>903,523</u>
	<i>Grant funding of activities 2022</i>	<i>Support costs 2022</i>	<i>Total Funds 2022</i>
	£	£	£
Direct costs	<u>717,740</u>	<u>72,845</u>	<u>790,585</u>

7. ANALYSIS OF EXPENDITURE BY ACTIVITIES (continued)

Analysis of support costs

	Activities 2023	Total funds 2023
	£	£
Software support	6,759	6,759
Bank charges	528	528
Wages costs recharged	45,293	45,293
Consultancy fees	109,580	109,580
Professional costs	1,053	1,053
Governance costs	5,700	5,700
	<u>168,913</u>	<u>168,913</u>

	<i>Activities</i> 2022	<i>Total Funds</i> 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
	<u>72,845</u>	<u>72,845</u>

8. AUDITOR'S REMUNERATION

	2023	2022
	£	£
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<u>5,700</u>	<u>5,400</u>

9. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2022- £NIL).

During the year ended 30 April 2023, no Trustee expenses have been incurred (2022 - £NIL).

10. FIXED ASSET INVESTMENTS

	<i>Unlisted investments</i>
	£
Cost	
At 1 May 2022	3,600,000
At 30 April 2023	3,600,000
	<hr/>
Net book value	
At 30 April 2023	3,600,000
At 30 April 2022	3,600,000

The investment represents 3,000,000 preference shares and 600,000 ordinary shares in EQ Investors Group Limited.

11. DEBTORS:

	2023	2022
	£	£
Due within one year		
Other debtors	444	-
	-	-
	<hr/>	<hr/>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Other creditors	-	347
Accruals and deferred income	5,400	5,400
	5,400	5,747
	<hr/>	<hr/>

13. STATEMENT OF FUNDS

Statement of funds – current year	Balance at 1 May 2022	Income	Expenditure	Balance at 30 April 2023
	£	£	£	£
UNRESTRICTED FUNDS				
General Funds	4,121,897	793,114	(716,792)	4,198,219
RESTRICTED FUNDS				
Tythe	14,135	173,231	(186,731)	635
TOTAL OF FUNDS	4,136,032	966,345	(903,523)	4,198,854
Statement of funds – prior year	<i>Balance at 1 May 2021</i>	<i>Income</i>	<i>Expenditure</i>	<i>Balance at 30 April 2022</i>
	£	£	£	£
UNRESTRICTED FUNDS				
General Funds	3,788,657	1,107,024	(773,784)	4,121,897
RESTRICTED FUNDS				
Tythe	-	30,936	(16,801)	14,135
TOTAL OF FUNDS	3,788,657	1,137,960	(790,585)	4,136,032

14. SUMMARY OF FUNDS

Summary of funds – current year	Balance at 1 May 2022	Income	Expenditure	Balance at 30 April 2023
	£	£	£	£
General funds	4,121,897	793,114	(716,792)	4,198,219
Restricted funds	14,135	173,231	(186,731)	635
	4,136,032	1,137,960	(790,585)	4,198,854
Summary of funds – prior year	<i>1 May 2021</i>	<i>Income</i>	<i>Expenditure</i>	<i>30 April 2022</i>
	£	£	£	£
General funds	3,788,657	1,107,024	(773,784)	4,121,897
Restricted funds	-	30,936	(16,801)	14,135
	3,788,657	1,137,960	(790,585)	4,136,032

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Analysis of net assets between funds –
current year

	Restricted funds 2023	Unrestricted funds 2023	Total funds 2023
	£	£	£
Fixed asset investments	-	3,600,000	3,600,000
Current assets	635	603,619	604,254
Creditors due within one year	-	(5,400)	(5,400)
TOTAL	<u>635</u>	<u>4,198,219</u>	<u>4,198,854</u>

Analysis of net assets between funds –
prior 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>4,198,854</u>

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

	2023	2022
	£	£
Net income for the year (as per Statement of Financial Activities)	62,822	347,375
ADJUSTMENTS FOR:		
Dividends from investments	(189,603)	(90,501)
Decrease/(increase) in debtors	(444)	-
Decrease in creditors	(347)	(222)
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	<u>(127,772)</u>	<u>(256,652)</u>

17. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023	2022
	£	£
Cash in hand	603,810	<i>541,779</i>
TOTAL CASH AND CASH EQUIVALENTS	603,810	<i>541,779</i>

18. ANALYSIS OF CHANGES IN NET DEBT

	At 31 May	Cash flows	At 30 April
	2022		2023
	£	£	£
Cash at bank and in hand	<u>541,779</u>	<u>62,031</u>	<u>603,810</u>
	<u>541,779</u>	<u>62,031</u>	<u>603,810</u>

19. RELATED PARTY TRANSACTIONS

Donations of £595,749 (2022: £972,835) were received from J D Spiers, a Trustee.

A wages recharge of £45,293 (£45,916) has been made from EQ Investors Limited, a company in which John Spiers, Mark Kenner and Mike Neumann are directors.

The **EQ** foundation

eqfoundation.org.uk



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