

# THE SOCIAL MOBILITY FOUNDATION

England & Wales - Charity number 1115888

## Details

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Other names	THE LINKSON FELLOWSHIP
Status	Registered
Legal form	Charitable company
Company number	05488354
Registered	2006-08-22
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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Address	The Brew Eagle House 163 City Road London EC1V 1NR
Phone	02071831189
Email	<a href="mailto:info@socialmobility.org.uk">info@socialmobility.org.uk</a>
Website	<a href="http://www.socialmobility.org.uk">www.socialmobility.org.uk</a>

## Activities

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**Objects:** The Charity's objects (the "Objects") are to advance the education of disadvantaged young people in the United Kingdom in particular, but not exclusively by:3.1.1 affording opportunities to obtain internships and other work experience with organisations working in the professions and the fields of commerce, banking, financial services, industry and administration or such other fields as the Trustees in their absolute discretion see fit; and3.1.2 advising and assisting young people to enter and progress in careers in the professions and the fields of commerce, banking, financial services, industry and administration or such other fields as the Trustees in their absolute discretion see fit.

**Activities:** The Social Mobility Foundation is a charity that helps talented young people 16-25 from low-income backgrounds achieve their potential. Our programmes offer mentoring, university and job application support, skills and careers advice and work experience. We advocate and campaign for social mobility and undertake research including the annual Social Mobility Employers Index.

## Classification

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- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training
- **Who:** Children/young People

## Geography

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- **Area of benefit:** UNDEFINED. IN PRACTICE, LONDON AND GREATER LONDON.
- Northern Ireland
- Scotland
- Throughout England And Wales

## Finances

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Period end	Income	Expenditure	Assets	Employees
2024-09-30	£3,239,062	£3,593,131	£764,749	66
2023-09-30	£2,528,870	£3,408,650	£1,118,818	62
2022-09-30	£2,813,387	£2,559,520	£1,998,598	48
2021-09-30	£2,505,825	£1,795,667	£1,744,731	37
2020-09-30	£2,207,522	£1,561,750	£1,034,573	32

## Trustees

Name	Role	Appointed
<b>Rt Hon Alan Milburn</b>	Chair	2019-01-01
Ann Doherty		2015-04-01
Benjamin John Rodham		2019-01-10
Dr Elizabeth Jane Miller		2026-02-05
Fiona Dawson		2021-02-17
Lee Edward Cain		2021-05-05
Namrata Patel		2021-02-17
Nigel Railton		2023-07-05
Paul Michael Kett		2026-02-05
Ruth Elizabeth Owen		2022-02-23
Tom Peter Rockhill		2023-07-05

**THE SOCIAL MOBILITY FOUNDATION**

England & Wales - Charity number 1115888

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# Accounts

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Registered number: 05488354  
Charity numbers: 1115888 & SC051842

**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**  
**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2024**

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**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

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**Trustees** Alan Milburn, Chair  
Lee Cain  
Fiona Dawson  
Ann Doherty  
Ruth Owen  
Namrata Patel  
Nigel Railton  
Dr Bandhana Rawal (resigned 3 June 2025)  
Heider Ridha (resigned 13 February 2025)  
Tom Rockhill  
Ben Rodham

**Company registered number** 05488354

**Charity registered numbers** 1115888 and SC051842

**Registered office** The Social Mobility Foundation  
Timber Yard  
17 Drysdale Street  
London  
N1 6ND

**Company secretary** Sarah Atkinson

**Chief executive officer** Sarah Atkinson

**Independent auditors** Goodman Jones LLP  
Chartered Accountants  
1st Floor Arthur Stanley House  
40-50 Tottenham Street  
London  
W1T 4RN

**Bankers** Coutts & Co  
440 Strand  
London  
WC2R 0QS

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**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2024**

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The Trustees (who are also directors of the Charity for the purposes of the Companies Act) present their Annual Report together with the audited financial statements of The Social Mobility Foundation (the Charity) for the year ending 30 September 2024. The Annual Report serves the purpose of both a Trustees' Report and a Directors' Report under company law. The Trustees confirm that the Annual Report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP), 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).

Since the Charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

**Objectives and activities**

**a. About The Social Mobility Foundation**

Over the last year, the Social Mobility Foundation has continued to demonstrate the need for our work, and the impact we're having on thousands of young people.

Social mobility rates continue to stagnate, conversations around inclusion are coming under scrutiny, and continued economic precarity is trapping young people, presenting them with obstacles rather than opportunities. With every cohort of students we support, we see the impact of increasing wealth gaps and the differences in access to education and employment for our community, in comparison to their better off peers.

In an environment where resources are even more limited and there is higher demand for our support, the SMF has continued to build our movement for change – ensuring all young people are able to thrive in education and in employment, as well as explore and nurture their talents. We've worked alongside changemakers and supporters, from employers to MPs, to journalists and other charity partners, to change policy and practice – breaking down the barriers young people from lower socioeconomic backgrounds face.

We are now about a year through our three year strategy. We've built up much of the foundation needed to achieve our two primary objectives:

1. make a bigger difference for young people from lower socioeconomic backgrounds; and
2. influence systems change so everyone can truly thrive in education and employment.

We will continue to be agile and responsive to the world around us, developing our systems, structures, and team to ensure we're best placed to achieve our mission.

**Objectives and activities (continued)**

**b. Policies and objectives**

The Social Mobility Foundation is a charity, nearly 20 years old, that seeks to make opportunity a reality for brilliant young people from lower socioeconomic backgrounds, who face barriers to education and employment.

Our vision is a society where people from all social backgrounds can thrive, and all young people can explore and nurture their talents. As a charity, our mission is to make opportunity into a reality with and for brilliant young people who face structural barriers because of where they grew up or went to school. We do this by opening doors to top quality education and career pathways, and campaign so all young people have access to opportunities, not obstacles.

We fulfil our mission by working with and for young people to create impact in two ways:

- **Directly supporting young people:** Through our Aspiring Professionals Programme, we support thousands of young people every year to access top quality education and high quality employment opportunities. With mentoring, university support, work experience placements and skills development, we equip brilliant young people to thrive.
- **Campaigning for systems change to break down the barriers that our community face:** We work to influence and shape policy to open access to opportunities and continue to guide employers to creating inclusive workplaces.

To push this work forward, we'll continue to optimise our systems and resources, as well as continue developing our team.

Our Aspiring Professionals Programme supports brilliant young people. To run a Programme that's as impactful as possible for our community, our eligibility criteria are:

- **Socioeconomic:** our young people are eligible for free school meals, and/or are care experienced, and/or meet at least two of the following: low income household, main household earner is in a low-skilled job, or first generation to go to university.
- **Academic:** have secured 4 A/7 grades at GCSE or 4 A/B grades at National 5. We take socioeconomic context into account when considering academic eligibility. We find students need to hit these requirements to make the best out of the Programme.

In shaping our objectives and planning our activities for the year, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

**Objectives and activities (continued)**

**c. Aspiring Professionals Programme**

The Aspiring Professionals Programme supports brilliant young people to fulfil their potential. Our Programme runs across the UK, spanning career sectors from the creative sector to medicine.

Our young people face barriers because of where they grew up or their parents' occupations. They join our community in Year 12 or S5, or Year 13 if they are in Northern Ireland.

On our Programme, students:

- Are matched with an expert mentor in a sector they are interested in.
- Attend workshops that help them to gain important skills, including networking and confidence building.
- Are given tailored guidance on university applications or Degree Apprenticeship applications, with visits, personal statement support, and guidance.
- Are connected to a work experience opportunity, given tools and guidance that will guide them in their careers.

We're there at the beginning of our young people's journeys into further education and the workplace – and then we walk with them every step of the way.

**APP City** - Our Programme for people living in and around Leeds, London, Newcastle, Birmingham, Cardiff, Manchester, Glasgow and Liverpool.

**APP Reach** - Our Programme for young people who can't attend our in-person sessions. We'll provide virtual support and online resources.

We also provide residential work experience, where students are selected to spend one or two weeks with a top employer in Glasgow or London, or at The James Cook University Hospital for medicine students. These residentials are the highlight of the Programme for many of our students.

*"Coming from what some would consider a disadvantaged background, the problem is not lack of smarts or personality. It is a question of not being aware of how vast the opportunities available are, and no real access inside.*

"I had been able to partake in JP Morgan as both an Asset Management and Treasury Services intern, at age 17! I was able to explore Parliament, attend open events, speak to so many professionals and gain an actual perspective on what's out there and what I wanted. SMF was able to give me the range to really boost my CV as well as my experiences outside of school and university.

*"Most lately, I have been fortunate enough to be part of the Commercial Team at Warner Music (all because of SMF), a job I am constantly learning from and enjoying." - SMF alumni, 23.*

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2024**

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**Achievements and performance**

**a. Main achievements of the Charity**

**2023/24 Direct Support Highlights**

This year, we're proud to have continued to strengthen our Aspiring Professionals Programme.

Our highlights include allowing £75,000 annually to be distributed in bursary payments for our young people attending university over the next 3 years. More and more young people are forced to work part time to afford their university education. With our bursary support, we'll be able to take some of the pressure off 25 students.

We are also in the second year of our Programme platform pilot, with one third of our 2024 cohort now accessing and receiving Programme support via a new online platform. It's now much easier for our students to access all our events and resources, without having to wade through their emails for them. We're proud of this digital transformation work, which allows us to have a bigger impact on our community. In fact, 90% of students we spoke to said they'd like to continue using the platform to engage with our Programme.

**Our wider impact**

- 83% of our 2023 graduates are in full time education, employment or training – and of those who work, 87% are in highly skilled roles. We're not just supporting access, we're supporting long-term opportunity.
- 98% of our students received university offers, with 60% going on to top universities. With the right support, our young people can truly explore their potential.
- 78% of our students say that the SMF has had a positive impact on their career, evidence that long-term targeted support like ours makes a real difference.

"The SMF definitely helped by giving me a leg up in starting my professional career. I felt like I had a lot of resources to refer to when looking for a job, perfecting my CV and getting practice for interviews.

"I am so thankful for the SMF mentors I have had over the past few years, it was so nice to feel like someone had my back and was fighting in my corner. I always try to remember the barriers I have overcome and how proud I should be of myself for getting to where I am today." - SMF student

**Systems change work**

This year, we have continued to campaign and advocate for the change we need to see to bring about equitable access to opportunities for all young people, regardless of socioeconomic background.

In 2023/4, we focused on the change needed in the creative sector. A particular highlight was our event with our partners, Citypress, with screenwriter Tony Schumacher the keynote speaker, discussing experiences and practical changes to improve equitable access in an increasingly exclusive sector.

Our Class Pay Gap campaign highlighted the continued disparity between pay for people from lower socioeconomic backgrounds compared to their peers. Supported by key partners - Clifford Chance, PwC, KPMG, Teach First and Co-op – we developed our Class Pay Gap Guide for employers. This guide, which has been accessed over 2,000 times, supports businesses in identifying their pay gap and taking steps to remove it. Our Unheard Voices research from 2024 surveyed 3,500 students, giving real insight into the challenges that young people from lower socioeconomic backgrounds are facing. Several of our students joined the team at Channel 4 to talk through the findings, in one of our standout pieces of media engagement for this year. We'll use these findings not only to inform our work, but to advocate for societal change.

We're also proud to have put in place plans to create a Social Mobility Alliance with our partners at The Sutton Trust. Our alliance will connect organisations with a mission to open up opportunities, developing a stronger voice together. Collaboration is one of our key values, and we're proud to build our movement alongside others.

**Achievements and performance (continued)**

**Social Mobility Employer Index 2024**

The Social Mobility Employer Index is the leading authority on employer-led social mobility. We all share a responsibility to create workplaces where everyone can thrive, no matter their background.

That's why we created the Social Mobility Employer Index: an annual benchmarking and assessment tool. Each and every employer that joins the Index is a leader in building inclusive cultures, leading to more representative, innovative, successful organisations.

In 2024, over 150 organisations entered the Index, committing to making their workplaces more inclusive for the million people they collectively employ, but also standing up for change across the wider workforce. A range of organisations joined this year's Index, speaking to the multi-sector realisation of the importance of social mobility – which is not only the right thing, but the smart thing for businesses.

Now, 26 organisations measure their class pay gap, and 72% of our entrants measure at least three socioeconomic data points for their workforce, in the knowledge that what gets measured, gets done.

We are proud to work alongside our Top 75 employers to advocate for change, and with the community of employers that we are cultivating who are taking charge of improving their workplaces.

We have also started a digital transformation project for our Employer Index – making the process more efficient and systematic for our entrants.

“At Co-op we're incredibly proud to publish our socioeconomic pay gap report for the first time this year, becoming the first retailer to do so. By holding ourselves accountable and outlining the steps we will take to address inequality within our business, we hope to inspire long lasting change at a societal level, so that everyone can thrive no matter their background.” - Shirine Khoury-Haq, CEO, Co-op

**Enabling our impact in 2023/24 - Youth Voice**

We work with and for young people from lower socioeconomic background, making sure they can thrive in education and in employment. So, this year, we took the step to begin formalising our Youth Voice work, embedding our values into this area to ensure we do justice to the voices of our young people.

That means our young people shape our Programme and our campaigning work, ensuring we're truly supporting our community and building an impactful movement.

This year, we established an internal working group of Youth Voice champions, as well as developing our Youth Voice Charter alongside our young people. This document serves as a central touchpoint for our work – codifying our values and how they are represented in our work with our young people, as well as outlining the ways of working with them.

We've also been working towards creating our Youth Advisory Network and are planning a pilot Youth Advisory Panel. Our pilot panel will help us to embed decision making with our young people at the heart of our work, while our Network gives young people the opportunity to volunteer and campaign with us.

“There are far too many Programmes speaking for young people, I really like the fact we're being involved in this conversation.” - Ishitha, a young campaigner.

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**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2024**

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**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.

For this reason, they continue to adopt the going concern basis in preparing financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

**b. Reserves policy**

The Trustees are pleased to report that total funds at 30 September 2024 amount to £764,749 (2023: £1,118,818) of which unrestricted reserves amount to £722,736 (2023: £996,745) and restricted funds amount to £42,013 (2023: £122,073). The Trustees aim to maintain a level of unrestricted reserves sufficient to cover 6 months running costs of the Charity.

In 2022/23, after two years of surplus, the Trustees agreed to set a deficit budget and draw on unrestricted reserves to fund important digital and operational projects. These allow us to truly enable our strategy – improving our engagement with students and improving our infrastructure.

In 2023/24, we continued operating this model. Despite a difficult funding environment, we were able to continue running our services, supporting our students and making efficient use of resources where funding was tighter than anticipated. We expect a challenging economic landscape and are seeking to diversify our income sources and strategies to be responsive to that.

The Trustees are confident that the Charity will be able to continue its operations beyond the next 12 months given a healthy level of free reserves and a number of income sources secured or in the pipeline for future years.

**c. Financial summary**

Income for the year 2023/24 totalled £3,239,062 (2023: £2,528,870). Expenditure in the year 2023/24 totalled £3,593,131 (2023: £3,408,650).

As noted above, the Trustees agreed to a deficit budget for 2023/24 following two years of surpluses in 2020/21 and 2021/2022 that resulted in increases to our unrestricted funds. This has resulted in a deficit for the year of £354,069 compared to a larger deficit of £879,780 in 2022/2023.

We have been investing time into also exploring different ways of raising funds at the SMF.

**d. Fundraising**

No professional fundraisers were used in the period, nor do we have plans to engage any in the foreseeable future, and so no monitoring of fundraising activities by third parties is currently undertaken (nor does the Charity currently subscribe to any fundraising standards or schemes).

No complaints were received regarding fundraising and fundraising practices during the period. The Trustees seek to protect all individuals, especially those considered vulnerable, when raising funds using existing safeguarding policies.

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**THE SOCIAL MOBILITY FOUNDATION**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2024**

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**e. Principal risks and uncertainties**

The Trustees will continue to monitor and review the risk assessment process on an ongoing basis. In the opinion of the Trustees there are adequate internal controls in place to cover any significant risks to the Charity.

**Structure, governance and management**

**a. Constitution**

The SMF is a company limited by guarantee. In the event of a winding up the members' liability is restricted to contributing an amount not exceeding £10 each.

The Company was incorporated on 22 June 2005; the governing document is the Memorandum and Articles of Association, as amended by special resolutions dated 16 July 2006, 8 November 2006, 30 April 2020 and 6 July 2022.

The Company was registered as a charity in England & Wales on 22 August 2006 and in Scotland on 13 July 2022.

**b. Methods of appointment or election of Trustees**

Trustees are appointed only by resolutions passed by existing Trustees to co-opt new Trustees. This is carried out in accordance with section 19 of the Articles of Association. Trustees are appointed for two terms of three years, with a third term of three years possible under exceptional circumstances and with unanimous approval.

**c. Organisational structure and decision-making policies**

The Charity is administered by the Board of Trustees, who are also directors of the Charitable Company and are listed on page 1. The Board meets at least 4 times a year to ensure the proper administration of the Charity and application of its resources.

The day-to-day management of the Charity is delegated by the Trustees to the Chief Executive who reports to the Trustees on a regular basis.

**d. Policies adopted for the induction and training of Trustees**

The training needs of each Trustee are assessed on an individual basis and access to training is offered where necessary. On appointment each new Trustee is given the opportunity to meet with the staff of the Charity and is provided with a copy of the Charity Commission's Essential Trustee guidance, the Charity's governing document, latest accounts and recent board papers and minutes.

**e. Pay policy for key management personnel**

Remuneration of key management personnel is set by the Board after having due consideration for the role, the skills required, and the economic environment.

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**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2024**

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**Plans for future periods**

At the SMF, we're excited about going into the second half of our three year strategy. Over the next year, we will continue working to support more young people to thrive through our Programme, and campaign to break down the barriers young people from lower socioeconomic backgrounds face in education and in the workplace.

To do this, we'll continue focusing on the enablers that help us to strengthen our impact, including rolling out a refreshed brand to resonate better with our audiences, continuing to develop our digital transformation work, and embedding our approach to Youth Voice.

We're also keen to ensure that the SMF grows sustainably, supporting the wellbeing and development of our skilled staff. To do this, we will also seek to diversify our income and reinforce our financial resilience – recognising we expect to continue to face a challenging economic environment.

**Statement of Trustees' responsibilities**

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 judgements 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 Companies Act 2006. 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 auditors**

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 auditors are 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 auditors are aware of that information.

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**THE SOCIAL MOBILITY FOUNDATION**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2024**

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**Auditors**

The auditors, Goodman Jones LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

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

*Alan Milburn*

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**Rt Hon Alan Milburn**  
Chair of Trustees

Date: 20-06-25

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**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE SOCIAL MOBILITY FOUNDATION**

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**Opinion**

We have audited the financial statements of The Social Mobility Foundation (the 'charitable company') for the year ended 30 September 2024 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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**THE SOCIAL MOBILITY FOUNDATION**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE SOCIAL MOBILITY FOUNDATION**  
**(CONTINUED)**

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**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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 where the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 (as amended) 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 and proper 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 Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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**THE SOCIAL MOBILITY FOUNDATION**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE SOCIAL MOBILITY FOUNDATION**  
**(CONTINUED)**

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**Auditors' responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to industry sector regulations and unethical and prohibited business practices, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Charities Act 2011, Charity Commission and sector regulations, and UK Tax Legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Appropriate audit procedures in response to these risks were carried. These procedures included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reading minutes of meetings of those charged with governance;
- Obtaining and reading correspondence from legal and regulatory bodies including HMRC;
- Identifying and testing journal entries;
- Challenging assumptions and judgements made by management in their significant accounting estimates.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members; and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

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**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE SOCIAL MOBILITY FOUNDATION**  
**(CONTINUED)**

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**Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

*Goodman Jones LLP*

**Goodman Jones LLP**  
Chartered Accountants  
Statutory Auditors  
1st Floor Arthur Stanley House  
40-50 Tottenham Street  
London  
W1T 4RN

Date: 27-06-25

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

**THE SOCIAL MOBILITY FOUNDATION**  
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
<b>Income from:</b>					
Donations and legacies	4	1,754,164	611,553	2,365,717	2,373,339
Charitable activities	5	172,097	671,676	843,773	138,681
Investments	6	29,572	-	29,572	16,850
<b>Total income</b>		<b>1,955,833</b>	<b>1,283,229</b>	<b>3,239,062</b>	<b>2,528,870</b>
<b>Expenditure on:</b>					
Raising funds	7	39,381	15,466	54,847	29,064
Charitable activities	8	2,190,461	1,347,823	3,538,284	3,379,586
<b>Total expenditure</b>		<b>2,229,842</b>	<b>1,363,289</b>	<b>3,593,131</b>	<b>3,408,650</b>
<b>Net movement in funds</b>		<b>(274,009)</b>	<b>(80,060)</b>	<b>(354,069)</b>	<b>(879,780)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		996,745	122,073	1,118,818	1,998,598
Net movement in funds		(274,009)	(80,060)	(354,069)	(879,780)
<b>Total funds carried forward</b>		<b>722,736</b>	<b>42,013</b>	<b>764,749</b>	<b>1,118,818</b>

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

The notes on pages 19 to 37 form part of these financial statements.

**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 05488354**

**BALANCE SHEET**  
**AS AT 30 SEPTEMBER 2024**

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Tangible assets	12	8,837	19,297
		8,837	19,297
<b>Current assets</b>			
Debtors	13	957,124	436,942
Cash at bank and in hand		665,066	1,343,587
		1,622,190	1,780,529
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	14	(866,278)	(681,008)
<b>Net current assets</b>		755,912	1,099,521
<b>Total assets less current liabilities</b>		764,749	1,118,818
<b>Net assets excluding pension asset</b>		764,749	1,118,818
<b>Total net assets</b>		764,749	1,118,818
<b>Charity funds</b>			
Restricted funds	16	42,013	122,073
Unrestricted funds	16	722,736	996,745
<b>Total funds</b>		764,749	1,118,818

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 30 SEPTEMBER 2024**

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The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

*Alan Milburn*

.....  
**Rt Hon Alan Milburn**  
Chair of Trustees

Date: 20-06-25

The notes on pages 19 to 37 form part of these financial statements.

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**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2024**

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	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	<b>(678,521)</b>	<b>(499,516)</b>
	<hr/>	<hr/>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	-	<b>(3,141)</b>
	<hr/>	<hr/>
<b>Net cash provided by/(used in) investing activities</b>	<b>-</b>	<b>(3,141)</b>
	<hr/>	<hr/>
<b>Cash flows from financing activities</b>		
	<hr/>	<hr/>
<b>Net cash provided by financing activities</b>	<b>-</b>	<b>-</b>
	<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>	<b>(678,521)</b>	<b>(502,657)</b>
Cash and cash equivalents at the beginning of the year	<b>1,343,587</b>	<b>1,846,244</b>
	<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the year</b>	<b>665,066</b>	<b>1,343,587</b>
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 19 to 37 form part of these financial statements

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**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2024**

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**1. General information**

The Social Mobility Foundation is a company limited by guarantee, registered in England and Wales, and is registered as a charity with the Charity Commission in England and Wales and with the Office of the Scottish Charity Regulator in Scotland. The objects of the Charity are set out in the Trustees' Report.

The registered office address is Timber Yard, 17 Drysdale Street, London, N1 6ND.

**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 Companies Act 2006.

The Social Mobility 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.

The financial statements are prepared in Sterling, the functional currency of the Charity, and monetary amounts are rounded to the nearest £.

**2.2 Company status**

The Charity is a company limited by guarantee incorporated in England and Wales. The members of the Charity are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

**2.3 Going concern**

Following two previous years in which we generated a surplus and increased our unrestricted reserves, the Trustees agreed to set a deficit budget and draw on our unrestricted reserves to invest in the Charity's digital and operating systems, including a new HR platform, new finance platform, and development of a new website and student application service.

The Trustees are confident that the Charity will be able to continue its operations beyond the next 12 months given a healthy level of free reserves and a number of income sources secured or in the pipeline for future years.

Therefore, 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. The Trustees consider that there is no material uncertainty about the Charity's ability to continue as a going concern based on their review of budgets, cashflow forecasts, reserves, cash balances, and future plans of the Charity.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2024**

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**2. Accounting policies (continued)**

**2.4 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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.

**2.5 Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into Sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2024**

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**2. Accounting policies (continued)**

**2.6 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.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

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.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

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

**2.7 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

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**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2024**

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**2. Accounting policies (continued)**

**2.8 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 raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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

All expenditure is inclusive of irrecoverable VAT.

**2.9 Taxation**

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**2.10 Tangible fixed assets and depreciation**

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Fixtures and fittings	- 25% straight line
Computer equipment	- 33% straight line

**2.11 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.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2024**

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**2. Accounting policies (continued)**

**2.12 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.

**2.13 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.

**2.14 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.

**2.15 Operating leases**

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

**2.16 Pensions**

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year. The pension charge is allocated between funds in accordance with the allocation of wages and salaries. Any pension contributions outstanding at the balance sheet date (and included within creditors) are unrestricted funds.

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**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2024**

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**3. Critical accounting estimates and areas of judgement**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Income recognition - The Charity receives income from contracts and performance grants. These agreements include various quantitative and qualitative milestones and performance conditions to be met in order for the Charity to have entitlement to the funds. The Charity makes various assumptions in determining the stage of completion of these contracts and performance grants.

**4. Income from donations and legacies**

	<b>Unrestricted funds 2024 £</b>	<b>Restricted funds 2024 £</b>	<b>Total funds 2024 £</b>	<i>Total funds 2023 £</i>
Donations and grants	1,651,018	611,553	<b>2,262,571</b>	2,143,497
Gifts in kind	103,146	-	<b>103,146</b>	229,842
	<u>1,754,164</u>	<u>611,553</u>	<u><b>2,365,717</b></u>	<u>2,373,339</u>

**5. Income from charitable activities**

	<b>Unrestricted funds 2024 £</b>	<b>Restricted funds 2024 £</b>	<b>Total funds 2024 £</b>	<i>Total funds 2023 £</i>
Contracts for service	172,097	671,676	<b>843,773</b>	138,681
	<u>172,097</u>	<u>671,676</u>	<u><b>843,773</b></u>	<u>138,681</u>

**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2024**

**6. Investment income**

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>	<i>Total funds 2023 £</i>
Investment income - Bank interest	29,572	<b>29,572</b>	16,850

**7. Expenditure on raising funds**

**Costs of raising voluntary income**

	<b>Unrestricted funds 2024 £</b>	<b>Restricted funds 2024 £</b>	<b>Total funds 2024 £</b>	<i>Total funds 2023 £</i>
Other costs of fundraising	681	-	<b>681</b>	680
Wages and salaries	38,700	13,399	<b>52,099</b>	25,571
National Insurance	-	1,629	<b>1,629</b>	2,216
Pension costs	-	438	<b>438</b>	597
	<u>39,381</u>	<u>15,466</u>	<u><b>54,847</b></u>	<u>29,064</u>
<i>Total 2023</i>	<u>7,880</u>	<u>21,184</u>	<u>29,064</u>	

**THE SOCIAL MOBILITY FOUNDATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2024**

**8. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Unrestricted funds 2024 £</b>	<b>Restricted funds 2024 £</b>	<b>Total 2024 £</b>	<i>Total 2023 £</i>
Student programme	1,986,905	1,347,823	<b>3,334,728</b>	2,795,133
Employer Index	87,133	-	<b>87,133</b>	153,734
Department for Opportunities	116,423	-	<b>116,423</b>	430,719
	<u>2,190,461</u>	<u>1,347,823</u>	<u><b>3,538,284</b></u>	<u>3,379,586</u>
<i>Total 2023</i>	<u>1,649,520</u>	<u>1,730,066</u>	<u>3,379,586</u>	

**9. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2024 £</b>	<b>Support costs 2024 £</b>	<b>Total funds 2024 £</b>	<i>Total funds 2023 £</i>
Student programme	2,997,185	337,543	<b>3,334,728</b>	2,795,133
Employer Index	78,233	8,900	<b>87,133</b>	153,735
Department for Opportunities	76,835	39,588	<b>116,423</b>	430,718
	<u>3,152,253</u>	<u>386,031</u>	<u><b>3,538,284</b></u>	<u>3,379,586</u>
<i>Total 2023</i>	<u>2,804,701</u>	<u>574,885</u>	<u>3,379,586</u>	

**THE SOCIAL MOBILITY FOUNDATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2024**

**9. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	Student programme 2024 £	Employer Index 2024 £	Department for Opportunities 2024 £	Total funds 2024 £	Total funds 2023 £
Depreciation	9,576	-	-	<b>9,576</b>	10,592
Staff costs	79,646	1,975	8,781	<b>90,402</b>	60,049
Printing, postage, and stationery	10,847	-	884	<b>11,731</b>	12,410
Premises costs	155,062	3,755	7,949	<b>166,766</b>	137,741
General and office expenses	3,375	2,468	19,904	<b>25,747</b>	63,656
Legal and professional fees	75,656	422	509	<b>76,587</b>	52,860
Subscriptions	2,922	202	1,561	<b>4,685</b>	62,652
Travel and subsistence	-	73	-	<b>73</b>	63,725
Marketing	459	5	-	<b>464</b>	111,200
	<u>337,543</u>	<u>8,900</u>	<u>39,588</u>	<u><b>386,031</b></u>	<u>574,885</u>
<i>Total 2023</i>	<u>531,950</u>	<u>8,624</u>	<u>34,311</u>	<u>574,885</u>	

**10. Auditors' remuneration**

	2024 £	2023 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<b>19,425</b>	18,500

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**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2024**

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**11. Staff costs**

	<b>2024</b>	<i>2023</i>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>2,154,065</b>	<i>1,793,307</i>
Social security costs	<b>221,800</b>	<i>383,576</i>
Contribution to defined contribution pension schemes	<b>73,399</b>	<i>126,697</i>
	<b><u>2,449,264</u></b>	<i><u>2,303,580</u></i>

The average number of persons employed by the Charity during the year was as follows:

	<b>2024</b>	<i>2023</i>
	<b>No.</b>	<i>No.</i>
Average number of employees	<b><u>66</u></b>	<i><u>62</u></i>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	<b>2024</b>	<i>2023</i>
	<b>No.</b>	<i>No.</i>
In the band £60,001 - £70,000	<b>3</b>	<i>1</i>
In the band £80,001 - £90,000	<b>1</b>	<i>1</i>

The total cost of key management personnel for the year, including employer pension and national insurance contributions, £506,070 (2023: £463,944).

All members of the Senior Management Team are considered to be key management personnel.

No trustee received remuneration or benefits in kind during the current year or prior period. No trustees were reimbursed expenses.

**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2024**

**12. Tangible fixed assets**

	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost or valuation</b>			
At 1 October 2023	8,247	41,602	49,849
At 30 September 2024	<u>8,247</u>	<u>41,602</u>	<u>49,849</u>
<b>Depreciation</b>			
At 1 October 2023	3,962	26,590	30,552
Charge for the year	1,621	8,839	10,460
At 30 September 2024	<u>5,583</u>	<u>35,429</u>	<u>41,012</u>
<b>Net book value</b>			
At 30 September 2024	<u>2,664</u>	<u>6,173</u>	<u>8,837</u>
At 30 September 2023	<u>4,285</u>	<u>15,012</u>	<u>19,297</u>

**13. Debtors**

	2024 £	2023 £
<b>Due within one year</b>		
Trade debtors	863,765	331,129
Other debtors	67,032	68,882
Prepayments and accrued income	26,327	36,931
	<u>957,124</u>	<u>436,942</u>

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**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2024**

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**14. Creditors: Amounts falling due within one year**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Trade creditors	<b>16,444</b>	16,604
Other taxation and social security	<b>60,213</b>	99,491
Accruals and deferred income	<b>789,621</b>	564,913
	<b>866,278</b>	681,008
	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Deferred income at 1 October 2023	<b>517,243</b>	66,225
Resources deferred during the year	<b>757,280</b>	517,243
Amounts released from previous periods	<b>(517,243)</b>	(66,225)
	<b>757,280</b>	517,243

Deferred income relates to income received in advance of the Charity being entitled to it recognise it due to terms and conditions of the grant agreements.

**15. Financial instruments**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Financial assets</b>		
Financial assets measured at fair value through income and expenditure	<b>665,066</b>	1,343,587

Financial assets measured at fair value through income and expenditure comprise cash and short-term deposits.

**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2024**

**16. Statement of funds**

**Statement of funds - current year**

	Balance at 1 October 2023 £	Income £	Expenditure £	Balance at 30 September 2024 £
<b>Unrestricted funds</b>				
<b>Designated funds</b>				
Long Harbour	-	15,000	-	15,000
Newton	-	24,728	-	24,728
The Charles and Elsie Sykes Trust	-	5,000	-	5,000
The Ogden Trust	-	2,500	-	2,500
PwC Foundation	-	60,000	-	60,000
Clarke Willmott	-	12,000	-	12,000
CNX Therapeutics	-	8,500	-	8,500
The Dulverton Trust	-	40,000	-	40,000
	-	167,728	-	167,728
<b>General funds</b>				
General Funds - all funds	996,745	1,788,105	(2,229,842)	555,008
<b>Total Unrestricted funds</b>	<b>996,745</b>	<b>1,955,833</b>	<b>(2,229,842)</b>	<b>722,736</b>

**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2024**

**16. Statement of funds (continued)**

	Balance at 1 October 2023 £	Income £	Expenditure £	Balance at 30 September 2024 £
<b>Restricted funds</b>				
Health Education England	-	256,000	(256,000)	-
JP Morgan Chase Foundation	62,926	264,900	(327,826)	-
The Portal Trust	-	25,000	(25,000)	-
Community Foundation	20,216	43,813	(64,029)	-
Macquarie Group Foundation	-	100,000	(100,000)	-
BP International	17,563	58,149	(75,712)	-
PA Consulting	163	75,000	(75,163)	-
Catalyst for Impact Fund	-	62,000	(62,000)	-
Cognizant Foundation	19,504	252,343	(271,847)	-
Merton College	-	7,500	(7,500)	-
Freshfields	1,701	99,524	(59,212)	42,013
Bursary	-	39,000	(39,000)	-
	<u>122,073</u>	<u>1,283,229</u>	<u>(1,363,289)</u>	<u>42,013</u>
<b>Total funds</b>	<u><u>1,118,818</u></u>	<u><u>3,239,062</u></u>	<u><u>(3,593,131)</u></u>	<u><u>764,749</u></u>

**THE SOCIAL MOBILITY FOUNDATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2024**

**16. Statement of funds (continued)**

**Statement of funds - prior year**

	<i>Balance at 1 October 2022</i>	<i>Income</i>	<i>Expenditure</i>	<i>Balance at 30 September 2023</i>
	£	£	£	£
<b>Unrestricted funds</b>				
General Funds - all funds	1,448,375	1,265,199	(1,716,829)	996,745

	<i>Balance at 1 October 2022</i>	<i>Income</i>	<i>Expenditure</i>	<i>Balance at 30 September 2023</i>
	£	£	£	£
<b>Restricted funds</b>				
PA Consulting	-	57,000	(56,837)	163
Health Education England	98,437	242,000	(340,437)	-
JP Morgan Chase Foundation	115,652	264,900	(317,626)	62,926
Community Foundation	20,216	22,750	(22,750)	20,216
Macquarie Group Foundation	58,147	100,000	(158,147)	-
Generation Foundation	(7,171)	350,000	(342,829)	-
The Robertson Trust	-	8,750	(8,750)	-
BP International	-	53,766	(36,203)	17,563
Linklaters	-	52,884	(52,884)	-
Catalyst for Impact Fund	39,174	62,000	(101,174)	-
Cognizant Foundation	210,944	28,120	(219,560)	19,504
Freshfields	14,824	-	(13,293)	1,531
Merton College	-	3,600	(3,600)	-
Freshfields	-	17,901	(17,731)	170
	<u>550,223</u>	<u>1,263,671</u>	<u>(1,691,821)</u>	<u>122,073</u>
<b>Total funds</b>	<u><u>1,998,598</u></u>	<u><u>2,528,870</u></u>	<u><u>(3,408,650)</u></u>	<u><u>1,118,818</u></u>

**Designated Funds**

Due to differences between income recognition in our accounts and the planned operational spending of funding, the decision was made to designate £167,728 of general unrestricted fund to be spent in 2024/25.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2024**

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**16. Statement of funds (continued)**

**Restricted Funds**

**BP International**

Funding to support students BP Employer Insight/Residential.

**Bursary**

Funds provided for university bursaries for SMF students.

**Catalyst for Impact Fund**

To develop and expand the APP reach in Scotland.

**Cognizant Foundation**

Funding for delivery and development of the Digital Aspiring Professionals programme and to build and develop organisational capacity by funding key salaries and digital infrastructure.

**Community Foundation**

Funding for the SMF Guy Readman Rising Stars in Newcastle.

**Freshfields**

Funding an internship for an SMF student to support delivery of the Freshfields Aspiring Professionals Programme.

**Generation Foundation**

To fund the Department for Opportunities and to support the development of a sustainability offer across the programme.

**Health Education England**

Funding for the Medicine Aspiring Professionals Programme in England.

**JP Morgan Chase Foundation**

Funding for the JP Morgan Aspiring Professional Programme and for projects to support the Charity's development.

**Linklaters**

Funds for the Making Links programme.

**Macquarie Group Foundation**

Funding to support students in Cardiff.

**Merton College**

To fund activities for SMF students to gain insights into applying for and studying at the University of Oxford.

**PA Consulting**

To fund the PA Consulting Aspiring Professionals Programme.

**The Portal Trust**

Funding received for the Aspiring Professionals programme.

**The Robertson Trust**

Funding to support students in Glasgow.

**THE SOCIAL MOBILITY FOUNDATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2024**

**17. Analysis of net assets between funds**

**Analysis of net assets between funds - current period**

	<b>Unrestricted funds 2024 £</b>	<b>Restricted funds 2024 £</b>	<b>Total funds 2024 £</b>
Tangible fixed assets	8,837	-	8,837
Current assets	822,897	799,293	1,622,190
Creditors due within one year	(108,998)	(757,280)	(866,278)
<b>Total</b>	<b>722,736</b>	<b>42,013</b>	<b>764,749</b>

**Analysis of net assets between funds - prior period**

	<i>Unrestricted funds 2023 £</i>	<i>Restricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Tangible fixed assets	19,297	-	19,297
Current assets	1,141,213	639,316	1,780,529
Creditors due within one year	(163,765)	(517,243)	(681,008)
<b>Total</b>	<b>996,745</b>	<b>122,073</b>	<b>1,118,818</b>

**18. Reconciliation of net movement in funds to net cash flow from operating activities**

	<b>2024 £</b>	<b>2023 £</b>
Net expenditure for the period (as per Statement of Financial Activities)	<b>(354,069)</b>	(879,780)
<b>Adjustments for:</b>		
Depreciation charges	<b>10,460</b>	10,592
Increase in debtors	<b>(520,182)</b>	(102,926)
Increase in creditors	<b>185,270</b>	472,598
<b>Net cash used in operating activities</b>	<b>(678,521)</b>	(499,516)

**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2024**

**19. Analysis of cash and cash equivalents**

	<b>2024</b>	<b>2023</b>
	£	£
Cash at bank and in hand	<b>665,066</b>	1,343,587
<b>Total cash and cash equivalents</b>	<b>665,066</b>	1,343,587

**20. Analysis of changes in net debt**

	<b>At 1 October 2023</b>	<b>Cash flows</b>	<b>At 30 September 2024</b>
	£	£	£
Cash at bank and in hand	1,343,587	(678,521)	665,066
	<b>1,343,587</b>	<b>(678,521)</b>	<b>665,066</b>

**21. Pension commitments**

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost represents contributions payable by the Charity to the fund and amounted to £73,399 (2023: £126,697) for the year.

At the balance sheet date, contributions totalling £nil (2023: £63,050) were payable to the fund and are included in creditors.

**22. Operating lease commitments**

At 30 September 2024 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>2024</b>	<b>2023</b>
	£	£
<b>Land and buildings</b>		
Not later than 1 year	<b>26,577</b>	65,019
Later than 1 year and not later than 5 years	-	27,177
	<b>26,577</b>	92,196

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**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2024**

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**23. Related party transactions**

During the year, donations of £nil (2023: £500) were received from trustees. There were no restrictions attached to these donations.

Except as noted elsewhere in these financial statements, there were no related party transactions requiring disclosure in either the current or prior years.

**THE SOCIAL MOBILITY FOUNDATION**

England & Wales - Charity number 1115888

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# Accounts

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Registered number: 05488354  
Charity numbers: 1115888 & SC051842

**THE SOCIAL MOBILITY FOUNDATION**  
(A Company Limited by Guarantee)  
**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**



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**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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<b>Trustees</b>	Rt Hon Alan Milburn, Chair Lee Cain Fiona Dawson Ann Doherty Ruth Owen Namrata Patel Nigel Railton (appointed 5 July 2023) Dr Bandhana Rawal Heider Ridha Tom Rockhill (appointed 5 July 2023) Ben Rodham Lord Stuart Rose (resigned 8 February 2023)
<b>Company registered number</b>	05488354
<b>Charity registered numbers</b>	1115888 and SC051842
<b>Registered office</b>	The Social Mobility Foundation Timber Yard 17 Drysdale Street London N1 6ND
<b>Company secretary</b>	Sarah Atkinson
<b>Chief executive officer</b>	Sarah Atkinson
<b>Independent auditors</b>	Goodman Jones LLP Chartered Accountants 29-30 Fitzroy Square London W1T 6LQ
<b>Bankers</b>	Coutts & Co 440 Strand London WC2R 0QS

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**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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The Trustees (who are also directors of the Charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of The Social Mobility Foundation (the Charity) for the year ending 30 September 2023. The annual report serves the purpose of both a Trustees' report and a directors report under company law. The Trustees confirm that the Annual Report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP), 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 2015).

Since the Charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

**Objectives and activities**

**a. About The Social Mobility Foundation**

Over the last year the Social Mobility Foundation has continued to demonstrate the continued relevance of our work and the difference we make.

Moving up the social ladder in Britain is harder now than it has been for half a century, with this difficulty compounded by overall earnings stagnation, and growing wealth gaps between different parts of the UK. More young people are living in poverty, and the gap in educational outcomes between them and their better-off peers is growing. We see first-hand the negative effects on our student cohort of the continuing effects of the Covid 19 pandemic followed by the cost of living crisis in reducing access to careers and enrichment activities, and there is growing evidence of the long-term impact on their mental health and on their confidence and social skills.

Against this backdrop, and a difficult operating environment for charities, we have continued to support thousands of young people directly on our programmes, influenced employers and policymakers to take action on social mobility, and strengthened our advocacy and campaigns work to amplify the voices and experiences of young people and create change.

As we look ahead, the trustees are committed to building on these successes and keep increasing the impact of our three strategic interventions: our student programmes, our work influencing employers and our campaigns for systemic change. Trustees are also keen to ensure the sustainable growth of the charity, supporting the wellbeing and development of our skilled staff and continuing to invest in our operational infrastructure and digital services.

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**THE SOCIAL MOBILITY FOUNDATION**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**Objectives and activities (continued)**

**b. Policies and objectives**

The Social Mobility Foundation is a charity, registered in 2006, to advance the life chances of bright but financially disadvantaged young people.

Our vision is of a society where talent from all backgrounds is nurtured, harnessed and rewarded. Our mission as a charity is to unlock potential, broaden horizons and create opportunities with and for ambitious young people who face structural barriers in education and work because of where they grew up, went to school, or the jobs of their parents/guardians.

We undertake our mission through three strategic interventions:

Directly supporting young people: we nurture the knowledge, confidence and networks of high-achieving young people through our Aspiring Professionals programmes.

Influencing employers: we influence employers to ensure people from working-class backgrounds can get in and get on in professional life.

Advocating for social mobility: we campaign on structural social mobility issues and amplify the voices of young people from working-class backgrounds.

The eligibility criteria for our student programme are:

Socio-economic: young people are eligible for free school meals, and/or are care experienced, and/or meet at least two of the following: low income household, main household earner is in a low-skilled job, first generation to go to university.

Academic: have obtained 4 A/7 grades at GCSE or 4 A/B grades at National 5. We take socio-economic context into account when considering academic eligibility.

In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

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**THE SOCIAL MOBILITY FOUNDATION**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**Objectives and activities (continued)**

**c. Aspiring Professionals Programme**

The Aspiring Professionals Programme helps talented young people reach their full potential. Students on our programmes gain new skills, networks and opportunities to help them access and thrive in higher education and highly skilled careers.

We work with people who face structural barriers to accessing opportunities in education and work because of where they grew up, went to school or the occupation of their parents/guardians.

Students join the programme in Year 12 (England and Wales)/S5 (Scotland)/Year 13 (NI) and our support continues until they gain their first professional role.

**APP City** - For students living in and near Birmingham, Cardiff, Glasgow, Leeds, Liverpool, London, Manchester, and Newcastle.

**APP Employer Insights** - For students anywhere in the UK offering in-depth support with a top employer like Akin Gump, BP, Freshfields, Herbert Smith Freehills, J.P. Morgan, Linklaters, NHS England, PA Consulting, and White & Case.

**APP Reach** - For all other young people across the UK eligible for our support.

School-age students on the programme are offered:

- Mentoring from a volunteer working in their chosen career sector
- Tailored support for university applications, including visits, guidance and support with making informed choices, and help with personal statements
- Careers advice and work experience placements in employers within their chosen sector
- Workshops to develop skills including confidence, networking, public speaking and commercial awareness

We also offer a tailored programme for undergraduates with mentoring, skills and careers workshops, internships and graduate recruitment pipeline support.

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**THE SOCIAL MOBILITY FOUNDATION**  
(A Company Limited by Guarantee)

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**Achievements and performance**

**a. Main achievements of the Charity**

2022/23 programme highlights

We launched a new student application service for 2023 which made it much easier for students to understand and apply for our programmes; a new eligibility questionnaire and integration with our Salesforce CRM meant big time savings for staff and students

In March we began a pilot programme of support for SMF alumni in their early careers, based on insights from research with The Bridge Group into early careers experiences of first generation professionals

For the first time since the pandemic we were able to deliver an in-person medicine summer school for 50 students at James Cook University Hospital; we also ran a new technology summer residential at JP Morgan in Glasgow

We created a new guide on preparing for results day and clearing, which was accessed by over 700 Y13/S6 students; on results days in August 2023 we gave individual support to 30 students who needed immediate advice

Outcomes and impact

- 78% of students in the 2022 cohort accepted a university place, 54% at a high tariff university
- 96% of students who graduated in 2022 are now in full time employment or further study, 86% in highly-skilled employment (2021: 98%, 88%)
- 76% of students who graduated in 2022 say that the support of the SMF has been beneficial to their career
- 77% of students who graduated in 2022 say that through the SMF they heard about job opportunities that they otherwise would not have known about

*"The SMF was integral to my personal development and helped give me confidence in my abilities and a peer network of similar like-minded people, many of whom I'm still friends with to this date. I could not have asked for a better experience"* – 2022 graduate, now in a highly skilled role in the technology sector

*"Without the SMF's support, I am confident that I would not have received all my university offers. The internship gave me plenty to talk about in my personal statement and my mentor really helped me to become more confident."* – 2023 APP student

Social Mobility Employer Index

The Social Mobility Employer Index benchmarks employers on the actions they are already taking to improve social mobility and encourages them to take further action to ensure they are open to accessing and progressing talent from all backgrounds. The Index encourages firms to share their initiatives and progress in becoming more inclusive employers and provides organisations with a comprehensive feedback report to inform their social mobility strategy.

Each year we publish the top 75 employers and share key data, trends and case studies across all aspects of employer-led social mobility. We draw on the insights from the Index to develop and improve our student programme and to inform our advocacy and campaigns through the Department for Opportunities.

143 employers, collectively employing over 1 million people, entered the Index in 2023. Returning entrants scored twice as high as first time entrants, and 94% of returning entrants told us they enter the Index because the feedback helps them improve their organisation.

### **Achievements and performance (continued)**

In 2023 for the first time we introduced a charge for employers to enter the Index, with exemptions for charities and SMEs. This change enables us to generate unrestricted income as well as building influence and insights.

#### **The Department for Opportunities**

The Department for Opportunities is SMF's campaign and advocacy arm; we aim to influence and inform decision-makers to drive systemic change, amplify the views and voices of young people and connect them with those who can drive change, and raise awareness of the problems and negative consequences of low levels of social mobility to build our advocacy base and drive change.

Our flagship campaign in 2023 was on the class pay gap. We undertook research on the UK's class pay gap and published it alongside a guide for employers wanting to measure their class pay gap co-produced with The Bridge Group. We have campaigned for mandatory class pay gap reporting for big employers, with an FCA/Bank of England consultation on reporting launched in autumn 2023. We have continued to use our short film, 'Stay Down', to raise awareness and generate discussion with showings in the UK Parliament, Scottish Parliament and Welsh Senedd as well as with a number of employers.

Other advocacy and campaign activities have included Unheard Voices, our annual survey of over 2,000 young people including 1,000 from low-income backgrounds; and Flexible Futures, a social media campaign timed to coincide with summer exam results to highlight different routes to career success.

We have continued to take every opportunity to amplify the voice and influence of disadvantaged young people, securing media opportunities including interviews on Sky News, BBC Radio 1 Newsbeat and BBC Radio 4, with three front page media stories on results day in England and Wales. We co-hosted an event at the political party conferences with the Co-op featuring an SMF student on the panel.

#### **Other 2022/23 highlights**

Working with New Philanthropy Capital, we developed our first organisational theory of change, which sets out our activities and intended outcomes and impact for our direct programme work and our work seeking to influence systems. This will guide development of our strategy, evaluation and impact framework and business planning and priorities across all our work.

Following a period in which we experienced rapid growth in our staff team, and keen to invest in staff development and retention, we created our first dedicated HR function in 2023 with two HR staff, a new HR platform and a new online training provider. We established an Employee Assistance Programme for staff and have made significant improvements to staff pay and benefits, including increases to sickness and maternity benefits.

We launched a new website in September 2023, co-designed with students, teachers, funders and civil society partners through interviews and workshops. As well as significantly improved design and content, the changes meet the latest accessibility and user experience standards and means content is optimised for mobile as well as desktop. We also made a number of back-office process changes and technology updates including a new forms and file-sharing solution, and development of our Salesforce CRM, in order to create efficiencies and get better quality data.

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**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**Achievements and performance (continued)**

**b. Fundraising**

No professional fundraisers were used in the period, nor does the Charity have plans to engage any in the foreseeable future, and so no monitoring of fundraising activities by third parties is currently undertaken (nor does the Charity currently subscribe to any fundraising standards or schemes). No complaints were received regarding fundraising and fundraising practices during the period. The Trustees seek to protect all individuals, especially those considered vulnerable, when raising funds using its existing safeguarding policies.

**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. 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 Trustees are pleased to report that total funds at 30 September 2023 amount to £1,118,818 of which unrestricted reserves amount to £996,745 and restricted funds amount to £122,073.

The Trustees aim to maintain a level of unrestricted reserves sufficient to cover 6 months running costs of the charity – at the current operating budget this is approximately £900,000. This policy was met throughout the year.

Following two previous years in which we generated a surplus and increased our unrestricted reserves, the Trustees agreed to set a deficit budget in 2022/23 and draw on our unrestricted reserves to invest in the Charity's digital and operating systems, including a new HR platform, new finance platform and development of a new website and student application service.

The Trustees are confident that the Charity will be able to continue its operations beyond the next 12 months given a healthy level of free reserves and a number of income sources secured or in the pipeline for future years.

**c. Financial summary**

Income for the year totalled £2,528,870 (2022: £2,813,387). Expenditure in the year totalled £3,408,650 (2022: £2,559,520). As noted above, the Trustees agreed to a deficit budget for FY23 following two years of surpluses and increases to our unrestricted funds. This has resulted in a deficit for the year of £879,780 compared to a surplus of £253,867 in 2022. Reserves remain healthy and in line with the reserves' policy as noted above.

**d. Principal risks and uncertainties**

The Trustees will continue to monitor and review the risk assessment process on an ongoing basis. In the opinion of the Trustees there are adequate internal controls in place to cover any significant risks to the Foundation.

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**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**Structure, governance and management**

**a. Constitution**

The SMF is a company limited by guarantee. In the event of a winding up the members' liability is restricted to contributing an amount not exceeding £10 each.

The Company was incorporated on 22 June 2005; the governing document is the Memorandum and Articles of Association, as amended by special resolutions dated 16 July 2006, 8 November 2006, 30 April 2020 and 6 July 2022. The Company was registered as a charity in England & Wales on 22 August 2006 and in Scotland on 13 July 2022.

**b. Methods of appointment or election of Trustees**

Trustees are appointed only by resolutions passed by existing Trustees to co-opt new Trustees. This is carried out in accordance with clauses 3.9 and 4.5 of the Articles. Trustees are appointed for 2 terms of three years, with a third term of three years possible under exceptional circumstances.

**c. Organisational structure and decision-making policies**

The Charity is administered by the board of Trustees, who are also directors of the Charitable Company and are listed on page 1. The board meets at least 4 times a year to ensure the proper administration of the Charity and application of its resources.

The day-to-day management of the Charity is delegated by the Trustees to the Chief Executive who reports to the Trustees on a regular basis.

**d. Policies adopted for the induction and training of Trustees**

The training needs of each Trustee are assessed on an individual basis and access to training is offered where necessary. On appointment each new Trustee is given the opportunity to meet with the staff of the Charity and is provided with a copy of the Charity Commission's Essential Trustee guidance, the charity's governing document, latest accounts and recent board papers and minutes.

**Plans for future periods**

The trustees are committed to building on the successes of 2023 by continuing to carry out activities with the intention of continuing to increase the impact of our three strategic interventions: our student programmes, our work influencing employers, and our campaigns for systemic change. Trustees are also keen to ensure the sustainable growth of the Charity, supporting the wellbeing and development of our skilled staff and continuing to invest in our operational infrastructure and digital services.

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**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**Statement of Trustees' responsibilities**

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 judgements 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 Companies Act 2006. 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 auditors**

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 auditors are 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 auditors are aware of that information.

**Auditors**

The auditors, Goodman Jones LLP, were appointed during the year and have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

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

*Alan Milburn*

.....  
**Rt Hon Alan Milburn**  
Chair of Trustees

Date: 27-06-24

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**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE SOCIAL MOBILITY FOUNDATION**

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**Opinion**

We have audited the financial statements of The Social Mobility Foundation (the 'charitable company') for the year ended 30 September 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE SOCIAL MOBILITY FOUNDATION**  
**(CONTINUED)**

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**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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 where the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 (as amended) 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 and proper 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 Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE SOCIAL MOBILITY FOUNDATION**  
**(CONTINUED)**

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**Auditors' responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to industry sector regulations and unethical and prohibited business practices, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Charities Act 2011, Charity Commission and sector regulations, and UK Tax Legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Appropriate audit procedures in response to these risks were carried. These procedures included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reading minutes of meetings of those charged with governance;
- Obtaining and reading correspondence from legal and regulatory bodies including HMRC;
- Identifying and testing journal entries;
- Challenging assumptions and judgements made by management in their significant accounting estimates.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members; and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

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**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE SOCIAL MOBILITY FOUNDATION**  
**(CONTINUED)**

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**Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

*Goodman Jones LLP*

**Goodman Jones LLP**  
Chartered Accountants  
Statutory Auditor  
29-30 Fitzroy Square  
London  
W1T 6LQ

Date: 27-06-24

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

**THE SOCIAL MOBILITY FOUNDATION**  
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>Income from:</b>					
Donations and legacies	4	1,109,668	1,263,671	2,373,339	2,738,131
Charitable activities	5	138,681	-	138,681	67,075
Investments	6	16,850	-	16,850	-
Other income	7	-	-	-	8,181
<b>Total income</b>		<b>1,265,199</b>	<b>1,263,671</b>	<b>2,528,870</b>	<b>2,813,387</b>
<b>Expenditure on:</b>					
Raising funds	8	7,880	21,184	29,064	21,374
Charitable activities	9	1,708,949	1,670,637	3,379,586	2,538,146
<b>Total expenditure</b>		<b>1,716,829</b>	<b>1,691,821</b>	<b>3,408,650</b>	<b>2,559,520</b>
<b>Net movement in funds</b>		<b>(451,630)</b>	<b>(428,150)</b>	<b>(879,780)</b>	<b>253,867</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		1,448,375	550,223	1,998,598	1,744,731
Net movement in funds		(451,630)	(428,150)	(879,780)	253,867
<b>Total funds carried forward</b>		<b>996,745</b>	<b>122,073</b>	<b>1,118,818</b>	<b>1,998,598</b>

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

The notes on pages 18 to 36 form part of these financial statements.

**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 05488354**

**BALANCE SHEET**  
**AS AT 30 SEPTEMBER 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	13	19,297	26,748
		<u>19,297</u>	<u>26,748</u>
<b>Current assets</b>			
Debtors	14	463,515	360,589
Cash at bank and in hand		1,343,587	1,846,244
		<u>1,807,102</u>	<u>2,206,833</u>
Creditors: amounts falling due within one year	15	(707,581)	(168,758)
<b>Net current assets</b>		<u>1,099,521</u>	<u>2,038,075</u>
<b>Total assets less current liabilities</b>		<u>1,118,818</u>	<u>2,064,823</u>
Creditors: amounts falling due after more than one year	16	-	(66,225)
<b>Net assets excluding pension asset</b>		<u>1,118,818</u>	<u>1,998,598</u>
<b>Total net assets</b>		<u><u>1,118,818</u></u>	<u><u>1,998,598</u></u>
<b>Charity funds</b>			
Restricted funds	18	122,073	550,223
Unrestricted funds	18	996,745	1,448,375
<b>Total funds</b>		<u><u>1,118,818</u></u>	<u><u>1,998,598</u></u>

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 30 SEPTEMBER 2023**

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The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

*Alan Milburn*

.....  
**Rt Hon Alan Milburn**  
Chair of Trustees

Date: 27-06-24

The notes on pages 18 to 36 form part of these financial statements.

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**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	<b>(516,366)</b>	<b>148,208</b>
	<hr/>	<hr/>
<b>Cash flows from investing activities</b>		
Dividends, interests and rents from investments	<b>16,850</b>	<b>-</b>
Purchase of tangible fixed assets	<b>(3,141)</b>	<b>(27,663)</b>
	<hr/>	<hr/>
<b>Net cash provided by/(used in) investing activities</b>	<b>13,709</b>	<b>(27,663)</b>
	<hr/>	<hr/>
<b>Cash flows from financing activities</b>		
	<hr/>	<hr/>
<b>Net cash provided by financing activities</b>	<b>-</b>	<b>-</b>
	<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>	<b>(502,657)</b>	<b>120,545</b>
Cash and cash equivalents at the beginning of the year	<b>1,846,244</b>	<b>1,725,699</b>
	<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the year</b>	<b>1,343,587</b>	<b>1,846,244</b>
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 18 to 36 form part of these financial statements

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**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**1. General information**

The Social Mobility Foundation is a company limited by guarantee, registered in England and Wales, and is registered as a charity with the Charity Commission in England and Wales and with the Office of the Scottish Regulator in Scotland. The objects of the Charity are set out in the Trustees' Report.

The registered office address is Timber Yard, 17 Drysdale Street, London, N1 6ND.

**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 Companies Act 2006.

The Social Mobility 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.

The financial statements are prepared in Sterling, the functional currency of the Charity, and monetary amounts are rounded to the nearest £.

**2.2 Company status**

The Charity is a company limited by guarantee incorporated in England and Wales. The members of the Charity are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

**2.3 Going concern**

Following two previous years in which we generated a surplus and increased our unrestricted reserves, the Trustees agreed to set a deficit budget in 2022/23 and draw on our unrestricted reserves to invest in the Charity's digital and operating systems, including a new HR platform, new finance platform, and development of a new website and student application service.

The Trustees are confident that the Charity will be able to continue its operations beyond the next 12 months given a healthy level of free reserves and a number of income sources secured or in the pipeline for future years.

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**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**2. Accounting policies (continued)**

**2.4 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.

**2.5 Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into Sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

**2.6 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.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**2.7 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

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**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**2. Accounting policies (continued)**

**2.8 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 raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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

All expenditure is inclusive of irrecoverable VAT.

**2.9 Taxation**

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**2.10 Tangible fixed assets and depreciation**

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

Fixtures and fittings	- 25% straight line
Computer equipment	- 33% straight line

**2.11 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.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**2. Accounting policies (continued)**

**2.12 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.

**2.13 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.

**2.14 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.

**2.15 Operating leases**

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

**2.16 Pensions**

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year. The pension charge is allocated between funds in accordance with the allocation of wages and salaries. Any pension contributions outstanding at the balance sheet date (and included within creditors) are unrestricted funds.

**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**3. Critical accounting estimates and areas of judgement**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Income Recognition

The Charity receives income from contracts and performance grants. These agreements include various quantitative and qualitative milestones and performance conditions to be met in order for the Charity to have entitlement to the funds. The Charity makes various assumptions in determining the stage of completion of these contracts and performance grants.

**4. Income from donations and legacies**

	<b>Unrestricted funds 2023 £</b>	<b>Restricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Donations and grants	879,826	1,263,671	<b>2,143,497</b>
Gifts in kind	229,842	-	<b>229,842</b>
	<u>1,109,668</u>	<u>1,263,671</u>	<u><b>2,373,339</b></u>
	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Donations and grants	1,005,274	1,504,588	2,509,862
Gifts in kind	228,269	-	228,269
	<u>1,233,543</u>	<u>1,504,588</u>	<u>2,738,131</u>

Gift in kind in both years comprise venue hire, student accommodation, marketing support, and mentoring services that have been provided free of charge to the Charity and have been recognised in accordance with the Charity's accounting policy per note 2.6.

**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**5. Income from charitable activities**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Income from charitable activities - Contracts for service	<u>138,681</u>	<u>138,681</u>
	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Income from charitable activities - Contracts for service	<u>67,075</u>	<u>67,075</u>

**6. Investment income**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Investment income - Bank interest	<u>16,850</u>	<u>16,850</u>	<u>-</u>

**7. Other incoming resources**

		<b>Total funds 2023 £</b>
	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Other income	<u>8,181</u>	<u>8,181</u>

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**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**8. Expenditure on raising funds**

**Costs of raising voluntary income**

	<b>Unrestricted funds 2023 £</b>	<b>Restricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Other costs of fundraising	680	-	680
Costs of raising voluntary income - wages and salaries	7,200	18,371	25,571
Costs of raising voluntary income - NI	-	2,216	2,216
Costs of raising voluntary income - pension costs	-	597	597
	<u>7,880</u>	<u>21,184</u>	<u>29,064</u>

**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**8. Expenditure on raising funds (continued)**

**Costs of raising voluntary income (continued)**

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Other costs of raising funds	1,539	-	1,539
Staff costs on raising funds -wages and salaries	7,725	9,387	17,112
Costs of raising voluntary income - NI	985	1,122	2,107
Costs of raising voluntary income - pension costs	220	396	616
	<u>10,469</u>	<u>10,905</u>	<u>21,374</u>

**9. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Unrestricted funds 2023 £</b>	<b>Restricted funds 2023 £</b>	<b>Total 2023 £</b>
Student programme	1,467,326	1,327,807	2,795,133
Employer Index	53,463	100,271	153,734
Department for Opportunities	188,160	242,559	430,719
	<u>1,708,949</u>	<u>1,670,637</u>	<u>3,379,586</u>

**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**9. Analysis of expenditure on charitable activities (continued)**

**Summary by fund type (continued)**

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total 2022 £</i>
Student programme	867,976	1,039,282	1,907,258
Employer Index	42,617	85,437	128,054
Department for Opportunities	252,439	250,395	502,834
	<u>1,163,032</u>	<u>1,375,114</u>	<u>2,538,146</u>

**10. Analysis of expenditure by activities**

	<i>Activities undertaken directly 2023 £</i>	<i>Support costs 2023 £</i>	<i>Total funds 2023 £</i>
Student programme	2,263,984	531,149	2,795,133
Employer Index	144,879	8,855	153,734
Department for Opportunities	395,835	34,884	430,719
	<u>2,804,698</u>	<u>574,888</u>	<u>3,379,586</u>

	<i>Activities undertaken directly 2022 £</i>	<i>Support costs 2022 £</i>	<i>Total funds 2022 £</i>
Student programme	1,622,184	285,074	1,907,258
Employer Index	102,965	25,089	128,054
Department for Opportunities	458,893	43,941	502,834
	<u>2,184,042</u>	<u>354,104</u>	<u>2,538,146</u>

**THE SOCIAL MOBILITY FOUNDATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**10. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	Student programme 2023 £	Employer Index 2023 £	Department for Opportunities 2023 £	Total funds 2023 £
Depreciation	10,592	-	-	10,592
Staff costs	55,004	1,401	3,663	60,068
Printing, postage, and stationery	12,007	172	573	12,752
Premises costs	121,049	3,852	12,840	137,741
Miscellaneous expenses	54,199	2,100	6,999	63,298
legal and professional fees	48,278	1,057	3,525	52,860
Subscriptions	62,469	42	141	62,652
Travel and subsistence	57,353	-	6,372	63,725
Marketing	110,198	231	771	111,200
	<u>531,149</u>	<u>8,855</u>	<u>34,884</u>	<u>574,888</u>

	Student programme 2022 £	Employer Index 2022 £	Department for Opportunities 2022 £	Total funds 2022 £
Staff costs	66,351	3,903	7,806	78,060
Depreciation	6,153	-	-	6,153
Other staff costs	8,416	1,804	1,804	12,024
Printing, postage and stationary	33,490	1,155	3,850	38,495
Premises costs	82,673	4,863	9,726	97,262
Travel and subsistence	30,133	-	5,318	35,451
Miscellaneous	35,251	2,074	4,147	41,472
Legal and professional	22,580	11,290	11,290	45,160
Loss on disposal of fixed assets	27	-	-	27
	<u>285,074</u>	<u>25,089</u>	<u>43,941</u>	<u>354,104</u>

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**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**11. Auditors' remuneration**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<b>18,500</b>	<b>27,240</b>

**12. Staff costs**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>1,793,307</b>	<b>1,375,827</b>
Social security costs	<b>383,576</b>	<b>135,913</b>
Contribution to defined contribution pension schemes	<b>126,697</b>	<b>41,121</b>
	<b>2,303,580</b>	<b>1,552,861</b>

The average number of persons employed by the Charity during the year was as follows:

	<b>2023</b>	<b>2022</b>
	<b>No.</b>	<b>No.</b>
Average number of employees	<b>62</b>	<b>48</b>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	<b>2023</b>	<b>2022</b>
	<b>No.</b>	<b>No.</b>
In the band £60,001 - £70,000	<b>1</b>	<b>-</b>
In the band £70,001 - £80,000	<b>-</b>	<b>1</b>
In the band £80,001 - £90,000	<b>1</b>	<b>-</b>

The total cost of key management personnel for the year, including employer pension and national insurance contributions, £463,944 (2022: £427,707).

All members of Senior Management Team are considered to be key management personnel.

No trustee received remuneration or benefits in kind during the current year or prior period. No trustees were reimbursed travel expenses.

**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**13. Tangible fixed assets**

	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost or valuation</b>			
At 1 October 2022	7,612	39,096	46,708
Additions	635	2,506	3,141
At 30 September 2023	<u>8,247</u>	<u>41,602</u>	<u>49,849</u>
<b>Depreciation</b>			
At 1 October 2022	2,357	17,603	19,960
Charge for the year	1,605	8,987	10,592
At 30 September 2023	<u>3,962</u>	<u>26,590</u>	<u>30,552</u>
<b>Net book value</b>			
At 30 September 2023	<u>4,285</u>	<u>15,012</u>	<u>19,297</u>
At 30 September 2022	<u>5,255</u>	<u>21,493</u>	<u>26,748</u>

**14. Debtors**

	2023 £	2022 £
<b>Due after more than one year</b>		
Other debtors	-	8,490
	<u>-</u>	<u>8,490</u>
<b>Due within one year</b>		
Trade debtors	331,129	-
Other debtors	95,455	14
Prepayments and accrued income	36,931	352,085
	<u>463,515</u>	<u>360,589</u>

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**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**15. Creditors: Amounts falling due within one year**

	2023 £	2022 £
Trade creditors	16,604	-
Other taxation and social security	126,064	49,581
Other creditors	-	8,074
Accruals and deferred income	564,913	111,103
	<u>707,581</u>	<u>168,758</u>
	2023 £	2022 £
Deferred income at 1 October 2022	66,225	113,884
Resources deferred during the year	517,243	66,225
Amounts released from previous periods	(66,225)	(113,884)
	<u>517,243</u>	<u>66,225</u>

Deferred income relates to income received in advance of the Charity being entitled to it recognise it due to terms and conditions of the grant agreements.

**16. Creditors: Amounts falling due after more than one year**

	2023 £	2022 £
Accruals and deferred income	-	66,225
	<u>-</u>	<u>66,225</u>

Deferred income relates to income received in advance of the Charity being entitled to it recognise it due to terms and conditions of the grant agreements. Grant agreement brought forward of £66,225 was released in the year. No income over one year was deferred in the current period.

**17. Financial instruments**

	2023 £	2022 £
<b>Financial assets</b>		
Financial assets measured at fair value through income and expenditure	1,343,587	1,846,244
	<u>1,343,587</u>	<u>1,846,244</u>

**THE SOCIAL MOBILITY FOUNDATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**18. Statement of funds**

**Statement of funds - current year**

	Balance at 1 October 2022 £	Income £	Expenditure £	Balance at 30 September 2023 £
<b>Unrestricted funds</b>				
General Funds - all funds	1,448,375	1,265,199	(1,716,829)	996,745
<b>Restricted funds</b>				
PA Consulting	-	57,000	(56,837)	163
Health Education England	98,437	242,000	(340,437)	-
JP Morgan Chase	115,652	264,900	(317,626)	62,926
Readman Foundation Fund	20,216	22,750	(22,750)	20,216
Macquarie Group Foundation	58,147	100,000	(158,147)	-
Generation Foundation	(7,171)	350,000	(342,829)	-
The Robertson Trust	-	8,750	(8,750)	-
BP International	-	53,766	(36,203)	17,563
Linklaters	-	52,884	(52,884)	-
Catalyst for Impact Fund	39,174	62,000	(101,174)	-
Cognizant Foundation	210,944	28,120	(219,560)	19,504
Freshfields Bruckhaus Deringer	14,824	-	(13,293)	1,531
Merton College	-	3,600	(3,600)	-
Freshfields Internship support	-	17,901	(17,731)	170
	<u>550,223</u>	<u>1,263,671</u>	<u>(1,691,821)</u>	<u>122,073</u>
<b>Total funds</b>	<u><u>1,998,598</u></u>	<u><u>2,528,870</u></u>	<u><u>(3,408,650)</u></u>	<u><u>1,118,818</u></u>

**THE SOCIAL MOBILITY FOUNDATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**18. Statement of funds (continued)**

**Statement of funds - prior year**

	<i>Balance at 1 October 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 30 September 2022 £</i>
<b>Unrestricted funds</b>				
General Funds - all funds	<u>1,313,077</u>	<u>1,308,799</u>	<u>(1,173,501)</u>	<u>1,448,375</u>
	<i>Balance at 1 October 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 30 September 2022 £</i>
<b>Restricted funds</b>				
Health Education England	101,336	224,000	(226,896)	98,440
JP Morgan Chase (2022-25)	-	264,900	(259,354)	5,546
JP Morgan Chase	198,391	-	(88,285)	110,106
Eurofins	-	17,000	(17,000)	-
Readman Foundation Fund	-	22,750	(2,534)	20,216
Macquarie Group Foundation	-	100,000	(41,853)	58,147
Matthew and Sian Westerman	3,332	113,284	(116,616)	-
Generation Foundation	(17,145)	250,000	(240,028)	(7,173)
Steve Morgan	(27)	25,000	(24,973)	-
The Robertson Trust	(187)	35,000	(34,813)	-
BP International	-	18,100	(18,100)	-
Linklaters	12,114	66,907	(79,021)	-
Catalyst for Impact Fund	67,000	62,000	(89,826)	39,174
Cognizant Foundation	51,572	-	(51,572)	-
Freshfields Bruckhaus Deringer	15,268	57,523	(57,968)	14,823
Cognizant Foundation (2022)	-	244,524	(33,580)	210,944
Merton College	-	3,600	(3,600)	-
	<u>431,654</u>	<u>1,504,588</u>	<u>(1,386,019)</u>	<u>550,223</u>
<b>Total funds</b>	<u><u>1,744,731</u></u>	<u><u>2,813,387</u></u>	<u><u>(2,559,520)</u></u>	<u><u>1,998,598</u></u>

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**THE SOCIAL MOBILITY FOUNDATION**  
(A Company Limited by Guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**18. Statement of funds (continued)**

**BP International**

Funding to support students on the engineering residential programme.

**Catalyst for Impact Fund**

To develop and expand the APP reach in Scotland and fund a six-month internship for an SMF student.

**Cognizant Foundation**

Funding for delivery and development of the Digital Aspiring Professionals programme for the Department of Opportunities and for the salaries of the data, evaluation and impact lead and the campaigns officer.

**Generation Foundation**

To fund the Department for Opportunities and to support the development of a sustainability offer across the programme.

**Freshfields Bruckhaus Deringer**

Funding an internship for an SMF student to support delivery of the Freshfields Aspiring Professionals Programme.

**Health Education England**

Funding for the Medicine Aspiring Professionals Programme in England.

**JP Morgan Chase Foundation**

Funding for the JP Morgan Aspiring Professional Programme and for projects to support the charity's development.

**Linklaters**

To fund the Making Links programme.

**Macquarie Group Foundation**

Funding to support students in Birmingham.

**Merton College**

To fund activities for SMF students to gain insights into applying for and studying at the University of Oxford.

**Readman Foundation Fund**

Funding for the SMF Guy Readman Rising Stars in Newcastle.

**The Mullany Fund**

Funding for the second year to support the Medicine Aspiring Professionals Programme.

**The Roberston Trust**

Funding to support students in Glasgow.

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**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**19. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	<b>Unrestricted funds 2023 £</b>	<b>Restricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Tangible fixed assets	19,297	-	19,297
Current assets	1,167,786	639,316	1,807,102
Creditors due within one year	(190,338)	(517,243)	(707,581)
<b>Total</b>	<b>996,745</b>	<b>122,073</b>	<b>1,118,818</b>

**Analysis of net assets between funds - prior year**

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	26,748	-	26,748
Debtors due after more than one year	8,490	-	8,490
Current assets	1,515,670	682,673	2,198,343
Creditors due within one year	(102,533)	(66,225)	(168,758)
Creditors due in more than one year	-	(66,225)	(66,225)
<b>Total</b>	<b>1,448,375</b>	<b>550,223</b>	<b>1,998,598</b>

**THE SOCIAL MOBILITY FOUNDATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**20. Reconciliation of net movement in funds to net cash flow from operating activities**

	2023 £	2022 £
Net income/expenditure for the year (as per Statement of Financial Activities)	(879,780)	253,867
<b>Adjustments for:</b>		
Depreciation charges	10,592	6,152
Dividends, interests and rents from investments	(16,850)	-
Loss on the sale of fixed assets	-	27
Increase in debtors	(102,926)	(74,206)
Increase/(decrease) in creditors	472,598	(37,632)
<b>Net cash provided by/(used in) operating activities</b>	<b>(516,366)</b>	<b>148,208</b>

**21. Analysis of cash and cash equivalents**

	2023 £	2022 £
Cash at bank and in hand	1,343,587	1,846,244
<b>Total cash and cash equivalents</b>	<b>1,343,587</b>	<b>1,846,244</b>

**22. Analysis of changes in net debt**

	At 1 October 2022 £	Cash flows £	At 30 September 2023 £
Cash at bank and in hand	1,846,244	(502,657)	1,343,587
	<b>1,846,244</b>	<b>(502,657)</b>	<b>1,343,587</b>

**23. Pension commitments**

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost represents contributions payable by the Charity to the fund and amounted to £63,050 (2022: £41,121) for the year.

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**THE SOCIAL MOBILITY FOUNDATION**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**23. Pension commitments (continued)**

At the balance sheet date, contributions totalling £12,305 (2022: £7,032) were payable to the fund and are included in creditors.

**24. Operating lease commitments**

At 30 September 2023 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>2023</b>	<b>2022</b>
	£	£
<b>Land and buildings</b>		
Not later than 1 year	<b>65,019</b>	<b>58,940</b>
Later than 1 year and not later than 5 years	<b>27,177</b>	<b>89,275</b>
	<u><b>92,196</b></u>	<u><b>148,215</b></u>

**25. Related party transactions**

During the year, donations of £500 were received from trustees. There were no restrictions attached to these donations.

Except as noted elsewhere in these financial statements, there were no related party transactions requiring disclosure in either the current or prior years.

**THE SOCIAL MOBILITY FOUNDATION**

England & Wales - Charity number 1115888

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# Accounts

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**Registered number: 05488354  
Charity numbers: 1115888 and  
SC051842**

**THE SOCIAL MOBILITY FOUNDATION  
FINANCIAL STATEMENTS  
YEAR ENDED 30 SEPTEMBER 2022**

**LUBBOCK FINE LLP  
Chartered Accountants  
Paternoster House  
65 St Paul's Churchyard  
London EC4M 8AB**

**THE SOCIAL MOBILITY FOUNDATION**  
**(A company limited by guarantee)**

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**THE SOCIAL MOBILITY FOUNDATION**

**(A company limited by guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND ADVISERS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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<b>Trustees</b>	Rt Hon Alan Milburn, Chairman Namrata Patel Ann Doherty Lee Cain Fiona Dawson Dr Bandhana Rawal Heider Ridha Ben Rodham Ruth Owen
<b>Company registered number</b>	05488354
<b>Charity registered numbers</b>	1115888 and SC051842
<b>Registered office</b>	The Timber Yard 17 Drysdale Street London N1 6ND
<b>Chief Executive</b>	Sarah Atkinson
<b>Independent auditors</b>	Lubbock Fine LLP Chartered Accountants & Statutory Auditors Paternoster House 65 St Paul's Churchyard London EC4M 8AB
<b>Bankers</b>	Coutts & Co 440 Strand London WC2R 0QS
<b>Legal Advisors</b>	Baker & McKenzie 100 New Bridge Street London EC4V 6JA

## THE SOCIAL MOBILITY FOUNDATION

(A company limited by guarantee)

### TRUSTEES' REPORT

#### FOR THE YEAR ENDED 30 SEPTEMBER 2022

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The Trustees (who are also directors of the Charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of The Social Mobility Foundation (the Charity) for the year ending 30 September 2022. The annual report serves the purpose of both a Trustees' report and a directors report under company law. The Trustees confirm that the Annual Report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP), 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).

Since the Charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

#### **About the Social Mobility Foundation**

Over the last year the Social Mobility Foundation has continued to grow and develop, able to demonstrate the continued relevance of our work and the difference we make.

The impact of the Covid 19 pandemic on the young people we exist to support has been profound and long-lasting. More young people are living in poverty, and the attainment gap between them and their better-off peers is growing. We see first-hand the negative effects on our student cohort of reduced access to careers and enrichment activities, and there is growing evidence of the long-term impact on their mental health and on their confidence and social skills. The cost of living crisis further compounds the barriers they face, meaning they are priced out of many opportunities.

We have continued to support thousands of young people directly on our programmes, influenced employers and policymakers to take action on social mobility, and strengthened our advocacy and campaigns work to amplify the voices and experiences of young people and create change.

As we look ahead, the trustees are committed to building on these successes and keep increasing the impact of our three strategic interventions: our student programmes, our work influencing employers and our campaigns for systemic change. Trustees are also keen to ensure the sustainable growth of the charity, supporting the wellbeing and development of our skilled staff and investing in our operational infrastructure and digital services.

#### **Aspiring Professionals Programme (APP)**

The Aspiring Professionals Programme helps talented young people reach their full potential. Students on the programme gain new skills, networks and opportunities to help them access and thrive in higher education and highly skilled careers.

We work with people who face structural barriers to accessing opportunities in education and work because of where they grew up, went to school or the occupation of their parents/guardians.

Students join the programme in Year 12 (England and Wales)/S5 (Scotland)/Year 13 (NI) and our support continues until they gain their first professional role.

**APP City** - For students living in and near Birmingham, Cardiff, Glasgow, Leeds, Liverpool, London, Manchester, and Newcastle.

**APP Employer Insights** - For students anywhere in the UK wanting in-depth support with a top employer like Akin Gump, BP, Freshfields, Herbert Smith Freehills, J.P. Morgan, Linklaters, NHS England, PA Consulting, and White & Case.

**APP Reach** - For all other young people across the UK eligible for our support..

## THE SOCIAL MOBILITY FOUNDATION

(A company limited by guarantee)

### TRUSTEES' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 30 SEPTEMBER 2022

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School-age students on the programme are offered:

- Mentoring from a volunteer professional in their chosen career sector
- Tailored support for university applications, including visits, guidance and support with making informed choices, and help with personal statements.
- Careers advice and work experience placements in employers within their chosen sector
- Workshops to develop skills including confidence, networking, public speaking and commercial awareness

We also offer a tailored programme for undergraduates with mentoring, skills and careers workshops, internships and graduate recruitment pipeline support.

#### **2022 student programme activities**

##### Mentoring

- 2524 volunteer mentors recruited from 639 organisations
- 1066 mentoring pairs attended an in-person mentor meet-up
- We were honoured with the Queen Elizabeth II Platinum Jubilee Volunteering Award in 2022

##### University support

- 22 university visits, workshops and events facilitated
- 295 students matched with volunteers who reviewed their personal statements
- 19 university advice and guidance events delivered

##### Work experience

- 1064 school age students offered work placements
- 42% of work placements were in person, 43% entirely online, and 15% hybrid
- 244 undergraduate students offered internships or work placements

##### Skills sessions

- 533 school age students and 188 undergraduate students attended 40 skills sessions and workshops in 2022
- 100% of Recruitment Success attendees said it helped them to gain the skills to succeed in assessment centres
- 98% of Skills for Success attendees said it helped them to recognise and utilise their personal brand
- 95% of All About Interviews attendees said it taught them how to be successful in various types of interviews

##### Graduate recruitment pipeline

- 448 students were supported through some or all stages of graduate applications
- 104 students were matched with volunteer buddies to support them through applications
- 45 students were offered graduate jobs or internships

##### Programme outcomes and impact

- 2020 students joined our 2022 programme cohort
- 99% of students said they could not have obtained the work placements they did without the SMF (2021: 99%)
- 92% of students increased their confidence in making a professional impression (2021: 92%)
- 93% of employers working with SMF said they found young people they don't see through their traditional channels (2021: 93%)
- 81% of students in the 2021 cohort went to university, 55% to a Russell Group institution (2020: 66%)
- 98% of students who graduated in 2021 are now in full time employment or further study, 88% in highly-skilled employment (2019: 95%, 75%)

## **THE SOCIAL MOBILITY FOUNDATION**

**(A company limited by guarantee)**

### **TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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#### **Social Mobility Employer Index**

The Social Mobility Employer Index launched in 2017. The Index benchmarks employers on the actions they are already taking to improve social mobility and encourages them to take further action to ensure they are open to accessing and progressing talent from all backgrounds. The Index encourages firms to share their initiatives and progress in becoming more inclusive employers and provides organisations with a comprehensive feedback report to inform their social mobility strategy.

Each year we publish a list of the top 75 employers and an insights report to share key data, trends and case studies across all aspects of employer-led social mobility. We draw on the insights from the Index to develop and improve our student programme and to inform our advocacy and campaigns through the Department for Opportunities.

In 2022 149 employers from 25 different sectors, collectively employing 1 million people, entered the Index and received detailed feedback and advice on improving their social mobility practice. Returning entrants scored twice as high as first time entrants.

The Social Mobility Employer Index continues to be the leading authority on employer-led social mobility, regularly cited by the media, policy makers and academic researchers as a source of data, insight and case studies. Benchmarks and insights from the Index have been used by the Social Mobility Commission in developing their employer toolkits, and by the Government-commissioned City of London taskforce on socioeconomic diversity in financial services which recommended in its final report that employers should participate in the Index.

Our pilot with third sector membership body ACEVO meant that seven charities entered the Index for the first time in 2022; ACEVO also collected socioeconomic background data on its membership for the first time in 2022 and will do so again in 2023.

We also worked with UK Music, the representative body for the UK music industry, to collect socioeconomic background data on the music industry workforce for the first time in 2022.

#### **The Department for Opportunities**

The Department for Opportunities (DO) is SMF's campaign and advocacy arm; we aim to influence and inform decision-makers to drive systemic change, amplify the views and voices of young people and connect them with those who can drive change, and raise awareness of the problems and negative consequences of low levels of social mobility to build our advocacy base and drive change.

Our flagship campaign in 2022 was on the class pay gap. We undertook research on the UK's class pay gap and published it with a call to action for employers to measure their class pay gap and policymakers to support mandatory class pay gap reporting. Working in partnership with creative agency Creature, we created a short film, 'Stay Down', which used modern horror film techniques to explore the barriers faced by working class people in the workplace. To date the film has been watched by over 196,000 unique viewers and has had special showings at the Camden Roundhouse, in Parliament and at the BBC Studios. The research report and film have generated almost 100 pieces of media coverage, including a front page story in The Observer and 7 other national news stories.

Other advocacy and campaign activities have included Unheard Voices, our annual survey of over 2,000 young people including 1,000 from low-income backgrounds; and Flexible Futures, a social media campaign timed to coincide with summer exam results to highlight different routes to career success.

We have continued to take every opportunity to amplify the voice and influence of disadvantaged young people, securing media opportunities including interviews on Sky News, BBC Radio 1 Newsbeat and BBC Radio 4, and hosting round table events on higher education access and participation, socioeconomic diversity in the tech industry, and opportunities for work in think tanks and public policy campaigning. We were asked by the Office for Students to host the launch of their major consultation on university access and participation plans.

## THE SOCIAL MOBILITY FOUNDATION

(A company limited by guarantee)

### TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

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#### **Structure Governance and Management**

The SMF is a company limited by guarantee. In the event of a winding up the members' liability is restricted to contributing an amount not exceeding £10 each.

The Company was incorporated on 22 June 2005; the governing document is the Memorandum and Articles of Association, as amended by special resolutions dated 16 July 2006, 8 November 2006, 30 April 2020 and 6 July 2022. The Company was registered as a charity in England & Wales on 22 August 2006 and in Scotland on 13 July 2022.

The Charity is administered by the board of Trustees, who are also directors of the Charitable Company and are listed on page 1. The board meets 5 times a year to ensure the proper administration of the Charity and application of its resources.

The day-to-day management of the Charity is delegated by the Trustees to the Chief Executive who reports to the Trustees on a regular basis.

Trustees are appointed only by resolutions passed by existing Trustees to co-opt new Trustees. This is carried out in accordance with clauses 3.9 and 4.5 of the Articles. Trustees are appointed for 2 terms of three years, with a third term of three years possible under exceptional circumstances.

The training needs of each Trustee are assessed on an individual basis and access to training is offered where necessary. On appointment each new Trustee is given the opportunity to meet with the staff of the Charity and is provided with a copy of the Charity Commission's Essential Trustee guidance, the charity's governing document, latest accounts and recent board papers and minutes.

The Trustees serving during the year and to the date of this report are as follows:

Rt Hon Alan Milburn (Chairman)  
Lee Cain  
Ann Doherty  
Theresa Loar (retired 31 December 2021)  
Namrata Patel  
Dr Bandhana Rawal  
Heider Ridha  
Ben Rodham  
Lord Stuart Rose (retired 8 February 2023)  
Fiona Dawson  
Ruth Owen (appointed 23 February 2022)

#### **Risk Assessment**

The Trustees will continue to monitor and review the risk assessment process on an ongoing basis. In the opinion of the Trustees there are adequate internal controls in place to cover any significant risks to the Foundation.

#### **Charitable Objects, Vision and Objectives**

The Social Mobility Foundation is a charity, registered in 2006, to advance the life chances of bright but financially disadvantaged young people.

Our vision is of a society where talent from all backgrounds is nurtured, harnessed and rewarded. Our mission as a charity is to unlock potential, broaden horizons and create opportunities with and for ambitious young people who face structural barriers in education and work because of where they grew up, went to school, or the jobs of their parents/guardians.

## THE SOCIAL MOBILITY FOUNDATION

(A company limited by guarantee)

### TRUSTEES' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 30 SEPTEMBER 2022

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We undertake our mission through three strategic interventions:

- Directly supporting young people: we nurture the knowledge, confidence and networks of high-achieving young people through our Aspiring Professionals programmes
- Influencing employers: we influence employers to ensure people from working-class backgrounds can get in and get on in professional life
- Advocating for social mobility: we campaign on structural social mobility issues and amplify the voices of young people from working-class backgrounds

The eligibility criteria for our student programme are:

- Socio-economic: young people are eligible for free school meals, and/or will be the first generation in their families to attend university, having attended a school with a significant proportion of pupils on free school meals, and/or are care experienced.
- Academic: typically predicted ABB at A-Level or ABBB at Highers and have obtained at least 4 A/7 grades at GCSE or 4 A/B grades at National 5. We take socio-economic context into account when considering academic eligibility.

In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

#### **Reserves policy and going concern**

The Trustees are pleased to report that total funds at 30 September 2022 amount to £1,998,598 (2021: £1,744,341) of which unrestricted reserves amount to £1,448,375 (2021: £1,313,077) and restricted funds amount to £550,223 (2021: £431,654).

The Trustees aim to maintain a level of unrestricted reserves sufficient to cover 6 months running costs of the charity – at the current operating budget this is approximately £900,000.

In the last two years, our strong income performance combined with temporarily reduced expenditure from reduced in person activities has meant that we have been able to increase our unrestricted reserves. The Trustees plan to draw on these unrestricted reserves over the next 2 years to support the charity's strategic priorities and in particular to invest in the charity's IT and operating systems and digital development.

The Trustees are confident that the Charity will be able to continue its operations beyond the next 12 months given a healthy level of free reserves and a number of income sources secured or in the pipeline for future years.

#### **TRUSTEES' RESPONSIBILITIES STATEMENT**

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

## THE SOCIAL MOBILITY FOUNDATION

(A company limited by guarantee)

### TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

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

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

#### DISCLOSURE OF INFORMATION TO AUDITORS

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 charitable company's auditors are 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 charitable company's auditors are aware of that information.

The auditors, Lubbock Fine, have indicated their willingness to accept re-appointment under section 487(2) of the Companies Act 2006 and a resolution to reappoint them will be proposed at the Annual General Meeting.

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

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

*Alan Milburn*

**Rt Hon Alan Milburn, Chairman**

Trustee

Date: 13 June 2023

**THE SOCIAL MOBILITY FOUNDATION**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND THE TRUSTEES OF THE SOCIAL  
MOBILITY FOUNDATION**

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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**OPINION**

We have audited the financial statements of The Social Mobility Foundation (the 'charitable company') for the year ended 30 September 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

**BASIS FOR OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

## **THE SOCIAL MOBILITY FOUNDATION**

**(A company limited by guarantee)**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND THE TRUSTEES OF THE SOCIAL MOBILITY FOUNDATION (CONTINUED)**

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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#### **OTHER INFORMATION**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

#### **OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

#### **MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

#### **RESPONSIBILITIES OF TRUSTEES**

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## **THE SOCIAL MOBILITY FOUNDATION**

**(A company limited by guarantee)**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND THE TRUSTEES OF THE SOCIAL MOBILITY FOUNDATION (CONTINUED)**

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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#### **AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- Enquiries of management, including obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance of laws and regulations; and
- Discussions among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. The engagement team includes audit partners and staff who have extensive experience of working with charities in similar sectors and this experience was relevant to the discussion about where fraud risks might arise.

We also obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on provisions of those laws and regulations that had direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, UK Charities Act and Charities SORP 2019.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty. These included health and safety regulations, employment law and environmental regulations.

As a result of these procedures, we considered the particular areas that were susceptible to misstatement due to irregularities, including fraud were in respect of revenue recognition and classification, management override, non-compliance with grant terms and conditions, erroneous or fraudulent staff or student expense claims included in the charity's records as charitable expenditure and the incorrect allocation of expenditure between restricted funds. Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;

## THE SOCIAL MOBILITY FOUNDATION

(A company limited by guarantee)

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND THE TRUSTEES OF THE SOCIAL MOBILITY FOUNDATION (CONTINUED)

#### FOR THE YEAR ENDED 30 SEPTEMBER 2022

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- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance;
- agreeing income recognition and classification to supporting grant contract or supporting documentation on a sample basis;
- reviewing grant terms and conditions and obtaining evidence of compliance with key terms.
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the rationale of any significant transactions that are unusual or outside the normal course of the charity's operations.
- reviewing the allocation of expenditure between funds on a sample basis.
- agreeing expenditure to invoice and supporting documentation on a sample basis to verify validity.
- for charitable expenditure derived from a staff or student expense claim, agreeing on a sample basis the amount and classification to both the expense claim form and the underlying supporting documentation.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

#### USE OF OUR REPORT

This report is made solely to the Charitable Company's members, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008 and to the Charitable Company's Trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the Charitable Company's members and Trustees those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company, the Charitable Company's members as a body and the Charitable Company's Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

*Lee Facey*

**Lee Facey (Senior Statutory Auditor)**

for and on behalf of

**Lubbock Fine LLP**

Chartered Accountants & Statutory Auditors

Paternoster House

65 St Paul's Churchyard

London

EC4M 8AB

Date: 20 June 2023

**THE SOCIAL MOBILITY FOUNDATION**  
**(A company limited by guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>INCOME FROM:</b>					
Donations and grants	3	1,233,543	1,504,588	2,738,131	2,457,547
Charitable activities	4	67,075	-	67,075	45,690
Investments		-	-	-	159
Other income	6	8,181	-	8,181	2,429
<b>TOTAL INCOME</b>		<b>1,308,799</b>	<b>1,504,588</b>	<b>2,813,387</b>	<b>2,505,825</b>
<b>EXPENDITURE ON:</b>					
Raising funds	7	10,469	10,905	21,374	13,570
Charitable activities	8	1,163,032	1,375,114	2,538,146	1,782,097
<b>TOTAL EXPENDITURE</b>		<b>1,173,501</b>	<b>1,386,019</b>	<b>2,559,520</b>	<b>1,795,667</b>
<b>NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS</b>		<b>135,298</b>	<b>118,569</b>	<b>253,867</b>	<b>710,158</b>
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		1,313,077	431,654	1,744,731	1,034,573
Net movement in funds		135,298	118,569	253,867	710,158
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>1,448,375</b>	<b>550,223</b>	<b>1,998,598</b>	<b>1,744,731</b>

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

The notes on pages 15 to 34 form part of these financial statements.

**BALANCE SHEET**

**AS AT 30 SEPTEMBER 2022**

	Note	2022 £	2021 £
<b>FIXED ASSETS</b>			
Tangible assets	12	26,748	5,264
<b>CURRENT ASSETS</b>			
Debtors: amounts falling due after more than one year	13	8,490	8,490
Debtors: amounts falling due within one year	13	352,099	277,893
Cash at bank and in hand		1,846,244	1,725,699
		<u>2,206,833</u>	<u>2,012,082</u>
Creditors: amounts falling due within one year	14	(168,758)	(272,615)
<b>NET CURRENT ASSETS</b>		<u>2,038,075</u>	<u>1,739,467</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,064,823</u>	<u>1,744,731</u>
Creditors: amounts falling due after more than one year	15	(66,225)	-
<b>TOTAL NET ASSETS</b>		<u><u>1,998,598</u></u>	<u><u>1,744,731</u></u>
<b>CHARITY FUNDS</b>			
Restricted funds	20	550,223	431,654
Unrestricted funds	20	1,448,375	1,313,077
<b>TOTAL FUNDS</b>		<u><u>1,998,598</u></u>	<u><u>1,744,731</u></u>

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

*Alan Milburn*

**Rt Hon Alan Milburn, Chairman**  
Trustee

Date: 13 June 2023

The notes on pages 15 to 34 form part of these financial statements.

**THE SOCIAL MOBILITY FOUNDATION**  
**(A company limited by guarantee)**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

	<b>Note</b>	<b>2022 £</b>	<b>2021 £</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net cash used in operating activities	22	148,208	549,818
		<hr/>	<hr/>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest from investments		-	159
Purchase of tangible fixed assets		(27,663)	(2,564)
		<hr/>	<hr/>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		(27,663)	(2,405)
		<hr/>	<hr/>
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR</b>		120,545	547,413
Cash and cash equivalents at the beginning of the year		1,725,699	1,178,286
		<hr/>	<hr/>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	23	1,846,244	1,725,699
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 15 to 34 form part of these financial statements

**THE SOCIAL MOBILITY FOUNDATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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**1. ACCOUNTING POLICIES**

**1.1 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), the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006.

The Social Mobility 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.

**1.2 Company status**

The Charity is a company limited by guarantee incorporated in England and Wales. The members of the Charity are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

The registered office address and principal place of business is The Timber Yard, 17 Drysdale Street, London, N1 6ND.

**1.3 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 Charitable Company 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 Charitable Company 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.

**1.4 Income**

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

Donated services and facilities are included at the value to the Charity where this can be quantified and reliably estimated.

Contract income from charitable activities is accounted for when receivable.

Revenue and capital grants are accounted for gross when notification is received and conditions are met. Where the grants specify the time period they relate to, they are recognised as income in that period.

Donation and fundraising income is recognised at the point at which the pledge is made.

**1.5 Interest receivable**

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

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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**1. ACCOUNTING POLICIES (CONTINUED)**

**1.6 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 is included on an accruals basis and all costs related to each charitable activity have been allocated directly to that activity. When costs cannot be directly attributed to an activity they have been allocated on a basis consistent with the use of resources. The vast majority of support costs comprise office related costs and professional fees.

Costs of raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activity costs are costs incurred on the Charity's operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

**1.7 Going concern**

The Charity's focus and level of operations is dependent on the availability of working capital provided by grants and donations. The Board of Trustees are continuously monitoring the activities carried out by the Charity in order to ensure that sufficient working capital is available to cover the running expenses.

The Board of Trustees have prepared detailed forecasts for the year ended 30 September 2023 and preliminary incoming forecast results for year ended 30 September 2024 which confirm that the Charity is expected to have the resources to continue as a going concern. On this basis, the Trustees considers it appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustment which would result if there were insufficient funds available in respect of the Charity's operations.

**1.8 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. The costs of minor additions or those costing below £500 are not capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings	- 25.00% per annum straight line
Computer equipment	- 33.33% per annum straight line

**1.9 Operating leases**

Rentals under operating leases are charged to the Statement of Financial Activities incorporating Income and Expenditure Account on a straight line basis over the lease term.

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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**1. ACCOUNTING POLICIES (CONTINUED)**

**1.10 Taxation**

There is no charge to corporation tax due to the nature of the activities carried out by the organisation.

The Charity's expenditure is inclusive of input VAT which cannot be recovered.

**1.11 Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities incorporating Income and Expenditure Account.

**1.12 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.

**1.13 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.

**1.14 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.

Trade and other creditors are recognised at the settlement amount after any trade discount received. Accruals are valued based on the estimated amount to be paid.

**1.15 Financial instruments**

The Charitable Company 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.

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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

**1. ACCOUNTING POLICIES (CONTINUED)**

**1.16 Pensions**

The Charitable Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charitable Company to the fund in respect of the year.

The pensions expense is allocated between funds in accordance with the wages allocation. The creditor is unrestricted.

**2. NET INCOME/(EXPENDITURE)**

This is stated after charging:

	<b>2022</b>	<b>2021</b>
	£	£
Depreciation of tangible fixed assets	6,152	4,766
Auditors remuneration	27,840	14,953
Operating lease expense	52,200	45,147
	<u>52,200</u>	<u>45,147</u>

**3. INCOME FROM DONATIONS AND GRANTS**

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total funds</b>
	<b>2022</b>	<b>2022</b>	<b>2022</b>
	£	£	£
Donations and grants	1,005,274	1,504,588	2,509,862
Gifts in Kind	228,269	-	228,269
<b>Total 2022</b>	<u>1,233,543</u>	<u>1,504,588</u>	<u>2,738,131</u>

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total funds</b>
	<b>2021</b>	<b>2021</b>	<b>2021</b>
	£	£	£
Donations and grants	957,805	1,280,001	2,237,806
Gifts in Kind	219,741	-	219,741
<b>Total 2021</b>	<u>1,177,546</u>	<u>1,280,001</u>	<u>2,457,547</u>

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**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

**INCOME FROM DONATIONS AND GRANTS (continued)**

**Gifts in Kind**

Gifts in Kind are split as follows:

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Pro bono legal fees	5,278	5,278
Marketing	184,254	184,254
Venue hire	1,737	1,737
Mentoring	37,000	37,000
<b>Total 2022</b>	<u>228,269</u>	<u>228,269</u>

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Pro bono legal fees	36,596	36,596
Marketing	183,145	183,145
<b>Total 2021</b>	<u>219,741</u>	<u>219,741</u>

During the year, the Charity also received Gifts in Kind which have not been included within the accounts on the basis that a value could not be reliably estimated.

**4. INCOME FROM CHARITABLE ACTIVITIES**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Income from charitable activities - Contracts for services	67,075	67,075
	<u>67,075</u>	<u>67,075</u>

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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

**4. INCOME FROM CHARITABLE ACTIVITIES (CONTINUED)**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Income from charitable activities - Contracts for services	45,690	45,690
	<u>45,690</u>	<u>45,690</u>

**5. INVESTMENT INCOME**

	<b>Total funds 2022 £</b>
Investment income	-
	<u>-</u>

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Investment income	159	159
	<u>159</u>	<u>159</u>

**6. OTHER INCOMING RESOURCES**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Other income	8,181	8,181
	<u>8,181</u>	<u>8,181</u>

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Other income	2,429	2,429
	<u>2,429</u>	<u>2,429</u>

**THE SOCIAL MOBILITY FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

**7. COSTS OF RAISING FUNDS**

**Costs of raising voluntary income**

	<b>Unrestricted funds 2022 £</b>	<b>Restricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Staff costs of raising funds - wages and salaries	7,725	9,387	17,112
Staff costs of raising funds - NI	985	1,122	2,107
Staff costs of raising funds - pension costs	220	396	616
Other costs of raising funds	1,539	-	1,539
<b>Total 2022</b>	<u>10,469</u>	<u>10,905</u>	<u>21,374</u>

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Staff costs of raising funds - wages and salaries	7,500	3,983	11,483
Staff costs of raising funds - NI	913	428	1,341
Staff costs of raising funds - pension costs	219	83	302
Other costs of raising funds	444	-	444
<b>Total 2021</b>	<u>9,076</u>	<u>4,494</u>	<u>13,570</u>

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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

**8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES**

**Summary by fund type**

	<b>Unrestricted funds 2022 £</b>	<b>Restricted funds 2022 £</b>	<b>Total 2022 £</b>
Student programme	867,976	1,039,282	1,907,258
Employer Index	42,617	85,437	128,054
Department for Opportunities	252,439	250,395	502,834
<b>Total 2022</b>	<u>1,163,032</u>	<u>1,375,114</u>	<u>2,538,146</u>

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total 2021 £</b>
Student programmes	163,083	1,014,308	1,177,391
Employer Index	15,928	55,677	71,605
Department for Opportunities	210,467	322,634	533,101
<b>Total 2021</b>	<u>389,478</u>	<u>1,392,619</u>	<u>1,782,097</u>

**9. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

	<b>Activities undertaken directly 2022 £</b>	<b>Support costs 2022 £</b>	<b>Total funds 2022 £</b>
Student programmes	1,622,183	285,075	1,907,258
Employer Index	102,965	25,089	128,054
Department for Opportunities	458,893	43,941	502,834
<b>Total 2022</b>	<u>2,184,041</u>	<u>354,105</u>	<u>2,538,146</u>

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**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

**9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

	<b>Activities undertaken directly 2021 £</b>	<b>Support costs 2021 £</b>	<b>Total funds 2021 £</b>
Student programmes	1,031,171	146,220	1,177,391
Employer Index	66,763	4,842	71,605
Department for Opportunities	516,865	16,236	533,101
<b>Total 2021</b>	<u><u>1,614,799</u></u>	<u><u>167,298</u></u>	<u><u>1,782,097</u></u>

**ANALYSIS OF SUPPORT COSTS**

	<b>Student programmes 2022 £</b>	<b>Employer Index 2022 £</b>	<b>Department for Opportunities 2022 £</b>	<b>Total funds 2022 £</b>
Staff costs	66,351	3,903	7,806	78,060
Depreciation	6,152	-	-	6,152
Other staff costs	8,416	1,804	1,804	12,024
Printing, postage and stationery	33,490	1,155	3,850	38,495
Premises costs	82,673	4,863	9,726	97,262
Travel and subsistence	30,133	-	5,318	35,451
Miscellaneous	35,252	2,074	4,147	41,473
Legal and professional	22,581	11,290	11,290	45,161
Loss on disposal of fixed assets	27	-	-	27
<b>Total 2022</b>	<u><u>285,075</u></u>	<u><u>25,089</u></u>	<u><u>43,941</u></u>	<u><u>354,105</u></u>

Included within support costs of £354,105 (2021 - £167,298) are Gifts in Kind for legal and professional fees of £5,278 (2021 - £36,596).

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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

**9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**ANALYSIS OF SUPPORT COSTS (continued)**

	<b>Student programmes 2021 £</b>	<b>Employer Index 2021 £</b>	<b>Department for Opportunities 2021 £</b>	<b>Total funds 2021 £</b>
Staff costs	11,681	403	1,342	13,426
Depreciation	4,766	-	-	4,766
Other Staff costs	4,663	166	536	5,365
Printing, postage and stationery	8,539	294	981	9,814
Premises costs	48,767	1,682	5,605	56,054
Travel and subsistence	1,040	-	116	1,156
Miscellaneous	17,623	608	2,025	20,256
Legal and professional	48,988	1,689	5,631	56,308
Loss on disposal of fixed assets	153	-	-	153
<b>Total 2021</b>	<b>146,220</b>	<b>4,842</b>	<b>16,236</b>	<b>167,298</b>

**10. AUDITORS' REMUNERATION**

	<b>2022 £</b>	<b>2021 £</b>
Fees payable to the Charitable Company's auditor for the audit of the Charitable Company's annual accounts	27,240	14,820
Fees payable to the Charitable Company's auditor in respect of: All non-audit services not included above	600	133

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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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**11. STAFF COSTS**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	1,375,827	1,015,648
Social security costs	135,913	93,496
Other pension costs	41,121	32,969
	<u>1,552,861</u>	<u>1,142,113</u>

The average number of persons employed by the Charitable Company during the year was as follows:

	<b>2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
Average number of employees	48	37

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	<b>2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
In the band £70,001 - £80,000	1	1

The total employee benefits, including salary, pensions and employer national insurance, of the key management personnel of the Charity was £427,707 (2021 - £86,328).

From 1 October 2021 all members of Senior Management Team are considered to be key management personnel.

No trustee received remuneration or benefits in kind during the current year or prior period. No trustees were reimbursed travel expenses.

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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

**12. TANGIBLE FIXED ASSETS**

	<b>Fixtures and fittings £</b>	<b>Computer equipment £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
At 1 October 2021	2,701	16,474	19,175
Additions	5,041	22,622	27,663
Disposals	(130)	-	(130)
	<u>7,612</u>	<u>39,096</u>	<u>46,708</u>
At 30 September 2022	<u>7,612</u>	<u>39,096</u>	<u>46,708</u>
<b>Depreciation</b>			
At 1 October 2021	1,974	11,937	13,911
Charge for the year	486	5,666	6,152
On disposals	(103)	-	(103)
	<u>2,357</u>	<u>17,603</u>	<u>19,960</u>
At 30 September 2022	<u>2,357</u>	<u>17,603</u>	<u>19,960</u>
<b>Net book value</b>			
At 30 September 2022	<u>5,255</u>	<u>21,493</u>	<u>26,748</u>
At 30 September 2021	<u>727</u>	<u>4,537</u>	<u>5,264</u>

**13. DEBTORS**

	<b>2022 £</b>	<b>2021 £</b>
<b>Due after more than one year</b>		
Other debtors	8,490	8,490
	<u>8,490</u>	<u>8,490</u>
<b>Due within one year</b>		
Other debtors	14	14
Prepayments and accrued income	352,085	277,879
	<u>352,099</u>	<u>277,893</u>
	<u>352,099</u>	<u>277,893</u>

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**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

**14. CREDITORS: amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Other taxation and social security	49,580	31,089
Other creditors	8,074	2,472
Accruals and deferred income	111,104	239,054
	<u>168,758</u>	<u>272,615</u>

Deferred income relates to grant income which was deferred in line with grant agreements. Brought forward deferred income of £113,884 was released in the year with additional deferred income introduced in the year of £66,225.

**15. CREDITORS: amounts falling due after more than one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Accruals and deferred income	66,225	-
	<u>66,225</u>	<u>-</u>

Deferred income relates to grant income which was deferred in line with grant agreements. Brought forward deferred income of £Nil was released in the year with additional deferred income introduced in the year of £66,225.

**16. PENSION COMMITMENTS**

The Charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £41,121 (2021 - £32,969). Contributions totalling £7,032 (2021 - £4,941) were payable to the fund at the balance sheet date and are included in creditors.

**17. OPERATING LEASE COMMITMENTS**

At 30 September 2022 the Charitable Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Within 1 year	58,940	31,892
Between 1 and 5 years	89,275	-
<b>Total</b>	<u>148,215</u>	<u>31,892</u>

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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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**18. FINANCIAL INSTRUMENTS**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Financial assets</b>		
Financial assets measured at amortised cost	449,069	252,149
	<u>449,069</u>	<u>252,149</u>
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	52,953	127,642
	<u>52,953</u>	<u>127,642</u>

Financial assets measured at amortised cost comprise other debtors and accrued income.

Financial liabilities measured at amortised cost comprise of accruals and other creditors.

**19. RELATED PARTY TRANSACTIONS**

There were no related party transactions in the year (2021 - none).

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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

**20. STATEMENT OF FUNDS**

**STATEMENT OF FUNDS - CURRENT YEAR**

	<b>Balance at 1 October 2021 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Balance at 30 September 2022 £</b>
<b>Unrestricted funds</b>				
General funds	1,313,077	1,308,799	(1,173,501)	1,448,375
<b>Restricted funds</b>				
Health Education England	101,336	224,000	(226,896)	98,440
JP Morgan Chase (2017-21)	198,391	-	(88,285)	110,106
JP Morgan Chase (2022-25)	-	264,900	(259,354)	5,546
Eurofins	-	17,000	(17,000)	-
Readman Foundation Fund	-	22,750	(2,534)	20,216
Macquarie Group Foundation (2022)	-	100,000	(41,853)	58,147
Matthew and Sian Westerman	3,332	113,284	(116,616)	-
Generation Foundation	(17,145)	250,000	(240,028)	(7,173)
Steve Morgan	(27)	25,000	(24,973)	-
The Robertson Trust	(187)	35,000	(34,813)	-
BP International	-	18,100	(18,100)	-
Linklaters	12,114	66,907	(79,021)	-
Catalyst for Impact Fund	67,000	62,000	(89,826)	39,174
Cognizant Foundation (2021)	51,572	-	(51,572)	-
Freshfields Bruckhaus Deringer	15,268	57,523	(57,968)	14,823
Cognizant Foundation (2022)	-	244,524	(33,580)	210,944
Merton College	-	3,600	(3,600)	-
	<u>431,654</u>	<u>1,504,588</u>	<u>(1,386,019)</u>	<u>550,223</u>
<b>Total of funds</b>	<u><u>1,744,731</u></u>	<u><u>2,813,387</u></u>	<u><u>(2,559,520)</u></u>	<u><u>1,998,598</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

**20. STATEMENT OF FUNDS (CONTINUED)**

**STATEMENT OF FUNDS - PRIOR YEAR**

	<b>Balance at 1 October 2020 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Balance at 30 September 2021 £</b>
<b>Unrestricted funds</b>				
General funds	485,807	1,225,824	(398,554)	1,313,077
<b>Restricted funds</b>				
Sofronie Foundation	-	50,000	(50,000)	-
Health Education England	136,009	224,000	(258,673)	101,336
JP Morgan Chase (2017-21)	201,548	193,064	(196,221)	198,391
Alstom	1,004	-	(1,004)	-
Credit Suisse (Cardiff)	-	74,423	(74,423)	-
Readman Foundation Fund	584	-	(584)	-
Macquarie Group Foundation (2021)	-	50,000	(50,000)	-
Matthew and Sian Westerman	49,671	124,944	(171,283)	3,332
Generation Foundation	161,176	250,000	(428,321)	(17,145)
Steve Morgan	-	25,000	(25,027)	(27)
The Robertson Trust	(1,226)	35,000	(33,961)	(187)
BP International	-	15,000	(15,000)	-
Linklaters	-	54,132	(42,018)	12,114
Catalyst for Impact Fund	-	67,000	-	67,000
Cognizant Foundation (2021)	-	53,817	(2,245)	51,572
Freshfields Bruckhaus Deringer	-	35,606	(20,338)	15,268
The Mullany Fund	-	18,415	(18,415)	-
Merton College	-	3,600	(3,600)	-
Close Brothers	-	6,000	(6,000)	-
	<u>548,766</u>	<u>1,280,001</u>	<u>(1,397,113)</u>	<u>431,654</u>
<b>Total of funds</b>	<u><u>1,034,573</u></u>	<u><u>2,505,825</u></u>	<u><u>(1,795,667)</u></u>	<u><u>1,744,731</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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**20. STATEMENT OF FUNDS (CONTINUED)**

**RESTRICTED FUNDS:**

**Alstom (2018-21)**

Funding to support students in Liverpool.

**BP International**

To fund various activities for engineering students on the Engineering Aspiring Professionals Programme.

**Catalyst for Impact Fund**

To develop and expand the APP Reach in Scotland and fund a six-month internship for an SMF student.

**Close Brothers**

To fund a summer work experience opportunity for 6 SMF students.

**Cognizant Foundation (2022)**

Funding for delivery and development of the Digital Aspiring Professionals programme, for the Department of Opportunities, and for the salaries of the data, evaluation and impact lead and the campaigns officer.

**Cognizant Foundation (2021)**

Funding for delivery and development of the Digital Aspiring Professionals programme, and for the Department of Opportunities.

**Credit Suisse (Cardiff) (2018-2021)**

Funding to support students in Cardiff.

**Eurofins**

Funding for the STEM Aspiring Professionals Programme.

**Freshfields Bruckhaus Deringer**

Funding an internship for an SMF student to support delivery of the Freshfields Aspiring Professionals Programme.

**Generation Foundation**

To fund the Department for Opportunities and to support the development of a sustainability offer across the programme.

**Health Education England**

Funding for the Medicine Aspiring Professionals Programme in England and development of the Transitions through Medical School programme.

**JP Morgan Chase Foundation (2017-21 and 2022-25)**

Funding for the JP Morgan Aspiring Professionals Programme and for projects to support the charity's development.

**Linklaters**

To fund the Making Links programme

**Macquarie Group Foundation (2022-25)**

Funding to support students in Cardiff.

**Macquarie Group Foundation (2018-21)**

Funding to support students in Birmingham.

**THE SOCIAL MOBILITY FOUNDATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

**Matthew and Sian Westerman (2019-22)**

Funding the SMF Pathfinder Programme.

**Merton College**

To fund activities for SMF students to gain insights into applying for and studying at the University of Oxford.

**Readman Foundation Fund (Community Foundation serving Tyne & Wear and Northumberland)**

Funding for the SMF Guy Readman Rising Stars in Newcastle.

**Sofronie Foundation**

Funding to support students in Manchester.

**Steve Morgan (2018-22)**

Funding to support students in Liverpool.

**The Mullany Fund (2021)**

Funding for a secondee to support the Medicine Aspiring Professionals Programme.

**The Robertson Trust (2019-22)**

Funding to support students in Glasgow.

**21. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	<b>Unrestricted funds 2022 £</b>	<b>Restricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Tangible fixed assets	26,748	-	26,748
Debtors due after more than one year	8,490	-	8,490
Current assets	1,515,670	682,673	2,198,343
Creditors due within one year	(102,533)	(66,225)	(168,758)
Creditors due in more than one year	-	(66,225)	(66,225)
<b>Total 2022</b>	<b>1,448,375</b>	<b>550,223</b>	<b>1,998,598</b>

**THE SOCIAL MOBILITY FOUNDATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

**21. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Tangible fixed assets	5,264	-	5,264
Debtors due after more than one year	8,490	-	8,490
Current assets	1,458,054	545,538	2,003,592
Creditors due within one year	(158,731)	(113,884)	(272,615)
	<u>1,313,077</u>	<u>431,654</u>	<u>1,744,731</u>
<b>Total 2022</b>	<u><u>1,313,077</u></u>	<u><u>431,654</u></u>	<u><u>1,744,731</u></u>

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

	<b>2022 £</b>	<b>2021 £</b>
Net income for the year (as per Statement of Financial Activities)	253,867	710,158
<b>Adjustments for:</b>		
Depreciation charges	6,152	4,766
Dividends, interests and rents from investments	-	(159)
Loss on the sale of fixed assets	27	153
(Increase) in debtors	(74,206)	(105,267)
(Decrease) in creditors	(37,632)	(59,833)
<b>Net cash provided by operating activities</b>	<u><u>148,208</u></u>	<u><u>549,818</u></u>

**23. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	<b>2022 £</b>	<b>2021 £</b>
Cash at bank	<u><u>1,846,244</u></u>	<u><u>1,725,699</u></u>

**THE SOCIAL MOBILITY FOUNDATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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**24. ANALYSIS OF CHANGES IN NET DEBT**

	<b>At 1 October 2021</b>	<b>Cash flows</b>	<b>At 30 September 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	1,725,699	120,545	1,846,244

**THE SOCIAL MOBILITY FOUNDATION**

England & Wales - Charity number 1115888

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# Accounts

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**Registered number: 05488354**  
**Charity number: 1115888**

**THE SOCIAL MOBILITY FOUNDATION**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 30 SEPTEMBER 2021**

**LUBBOCK FINE LLP**  
**Chartered Accountants**  
**Paternoster House**  
**65 St Paul's Churchyard**  
**London EC4M 8AB**

**THE SOCIAL MOBILITY FOUNDATION**  
**(A company limited by guarantee)**

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**THE SOCIAL MOBILITY FOUNDATION**

(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND ADVISERS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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<b>Trustees</b>	Rt Hon Alan Milburn, Chairman Namrata Patel Ann Doherty Lee Cain Fiona Dawson Lord Stuart Rose Dr Bandhana Rawal Heider Ridha Ben Rodham Ruth Owen
<b>Company registered number</b>	05488354
<b>Charity registered number</b>	1115888
<b>Registered office</b>	The Timber Yard 17 Drysdale Street London N1 6ND
<b>Chief Executive</b>	Sarah Atkinson
<b>Independent auditors</b>	Lubbock Fine LLP Chartered Accountants & Statutory Auditors Paternoster House 65 St Paul's Churchyard London EC4M 8AB
<b>Bankers</b>	Coutts & Co 440 Strand London WC2R 0QS
<b>Legal Advisors</b>	Baker & McKenzie 100 New Bridge Street London EC4V 6JA

## THE SOCIAL MOBILITY FOUNDATION

(A company limited by guarantee)

### TRUSTEES' REPORT

#### FOR THE YEAR ENDED 30 SEPTEMBER 2021

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The Trustees (who are also directors of the Charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of The Social Mobility Foundation (the Charity) for the year ending 30 September 2021. The annual report serves the purpose of both a Trustees' report and a directors report under company law. The Trustees confirm that the Annual Report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP), 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).

Since the Charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

#### ACTIVITIES AND KEY ACHIEVEMENTS

Despite the challenging context for charities of the last year The Social Mobility Foundation ("SMF") has continued to grow and develop, demonstrating the continued relevance of our work and the difference we make.

The young people we exist to support were already, before the pandemic, less likely to achieve educational and career success than their better-off peers. Evidence is piling up that the effects of the pandemic on those young people are profound and long-lasting, compounded by the rising cost of living. More young people are living in poverty, and the attainment gap between them and their better-off peers is growing. Our students have experienced three years of disrupted education, and we can see clearly the negative effects on their access to opportunities and their confidence and resilience.

However, the SMF has been able to understand and respond to the developing needs and concerns of our beneficiaries, and continuing to adapt our programme and other activities accordingly. We have continued to support thousands of young people directly on our programmes, influenced employers and policymakers to put socioeconomic diversity on the agenda as part of the economic recovery, and strengthened our advocacy and campaigns work to amplify the voices and experiences of young people and mobilise support for social mobility.

As we look ahead, the Trustees are committed to building on these successes and keep increasing the impact of our three strategic interventions: our student programmes, our work influencing employers and our campaigns for systemic change. Trustees are also keen to ensure the sustainable growth of the charity, supporting the wellbeing and development of our skilled staff and investing in our operational infrastructure including a new website and IT systems.

#### **Aspiring Professionals Programme (APP)**

Our five year student programme, the Aspiring Professionals Programme, continues to grow in scale and impact. Students apply to join the programme aged 16/17 and depending on their home location and career aspirations, are admitted to one of three strands:

**APP City** - For students living in and near Birmingham, Cardiff, Glasgow, Leeds, Liverpool, London, Manchester, and Newcastle.

**APP Residential** - For students anywhere in the UK outside London, offering insight into a specific sector with a top employer - in 20/21 including Arup, Akin Gump, BP, Clifford Chance, Freshfields, Herbert Smith Freehills, J.P. Morgan, KPMG, Linklaters, PA Consulting, and White & Case.

**APP Reach** - For young people across the UK outside our target cities, especially in social mobility 'cold spots'.

## THE SOCIAL MOBILITY FOUNDATION

(A company limited by guarantee)

### TRUSTEES' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 30 SEPTEMBER 2021

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The programme is designed around our competency framework, Building My Future, which is based on the Gatsby Benchmarks for career development set out in 2013 and has been developed and refreshed over the last 9 years in line with emerging research and good practice. Students on the programme are offered:

- Mentoring from a volunteer professional in their chosen career sector
- Tailored support for school students to apply to selective universities, including visits, guidance and support with making informed choices, and help with applications
- Careers advice and work experience placements in employers within their chosen sector
- Workshops to develop skills including confidence, networking, public speaking and commercial awareness
- Tailored support and advice for undergraduates with internship, graduate pipeline and graduate job opportunities including CV advice and pre-interview coaching

We enrolled 2,101 students from 664 schools and colleges on our 2021 programme (a 3.5% increase on 2020) across 11 career sectors: accountancy, architecture, banking & finance, biology & chemistry, business, digital, engineering & physics, law, media & communications, medicine and politics. We are embedding information about sustainability across the programme, with a sustainability careers focus within each sector and a series of events to engage and inspire students, which in 2021 included a lecture by former US Vice President Al Gore.

With the continuation of Covid-19 restrictions the 2021 programme has been delivered entirely online. New activity for 2021 included Breaking Barriers, an event series for white working class boys based on evidence that this group would benefit from a space to discuss negative perceptions and positive role models; tailored university insight webinars delivered in partnership with the Universities of Cambridge, Durham and Oxford to respond to the lack of tailored university online content for first generation students; a webinar on mental health and resilience ahead of summer assessment results in partnership with Minds Ahead, responding to student need across the cohort; and the creation of our Black Students Advisory Group, building on our existing series for students of Black heritage.

Our increased confidence and capability in delivering effective programme content online in partnership with employers meant that we were able to increase the number of internships and work experience placements we offered to students in 2021, including an innovative online medicine work experience programme funded by Health Education England. In total we offered 1,037 virtual internships to sixth form students in 2021, with 78 partner employers.

We have also continued to grow our undergraduate support including paid internships and tailored support for graduate pipeline applications. We were delighted to be chosen to partner with the Houses of Parliament Restoration and Renewal Programme, with 6 SMF students securing 12 month paid internships in the first cohort. We secured a total of 180 paid internships for SMF undergraduate students in 2021, plus places for 52 undergraduate medicine students on Transitions to Medicine and 72 undergraduate law students on the Government Legal Department Diversity Summer School.

Mentoring continues to be a significant part of the APP programme, with all students supported by a volunteer mentor during their first year of the programme, and a further mentoring offer for undergraduate students seeking employment. 2,106 volunteers mentored a school-age student in 2021, and 383 volunteers supported an undergraduate student. We hosted virtual mentor-mentee meet-ups again through 2021 with 745 mentoring pairs attending at least one session.

In 2021 we moved to a new e-mentoring platform, MentorNet, with improved data security and functionality, and this has had excellent feedback from volunteer mentors as well as delivering efficiencies for us in managing the process.

In 2022 we are developing a blended programme of virtual and face to face delivery: online for programme launches, information events and masterclasses, and undergraduate events; face to face where possible for university visits, workshops, and work placements. We are working with some partners to develop new virtual and blended work placements so that we can increase opportunities for students outside our city hubs, and explore the use of virtual collaboration tools, and we are strengthening the emphasis on face to face opportunities to build confidence and networking skills, including for the 2019 and 2020 cohorts who experienced

## THE SOCIAL MOBILITY FOUNDATION

(A company limited by guarantee)

### TRUSTEES' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 30 SEPTEMBER 2021

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so much disruption. We will also scope new content to support students considering graduate apprenticeships, as well as shaping an offer for young people in their early careers.

#### Programme outcomes and impact

The goals and outcomes for the APP are to:

- Raise the aspirations, confidence and skills of high-achieving young people from low-income families across the UK – measured through student evaluation of confidence, knowledge and aspirations
- High-achieving young people from low-income families to improve knowledge and ability to enter top universities – measured through student evaluation of confidence and knowledge, and student outcomes (university offers and admissions)
- High-achieving young people from low-income families to increase their ability to make competitive applications for internships/graduate roles with prestigious employers in their preferred career sector – measured through student evaluation of confidence and knowledge, student evaluation of impact of SMF support, employer evaluation of programme, and student outcomes (internships and graduate pipeline opportunities secured, alumni in full time employment or further study, alumni in highly-skilled employment)

In 2021:

- 99% of students in 2021 said they could not have obtained the work placements they did without the SMF (2020: 99%)
- 92% of students in 2021 increased their confidence in making a professional impression (2020: 92%)
- 93% of employers working with SMF in 2021 said they found young people they don't see through their traditional channels (2020: 92%)
- 66% of students in the 2020 cohort who attended university went to a Russell Group institution (2019: 64%)
- 96% of APP students who graduated in 2020 are now in full time employment or further study, 75% in highly-skilled employment (2019: 95%, 75%)

#### Social Mobility Employer Index

The Social Mobility Employer Index launched in 2017. The Index benchmarks employers on the actions they are already taking to improve social mobility and encourages them to take further action to ensure they are open to accessing and progressing talent from all backgrounds. The Index encourages firms to share their initiatives and progress in becoming more inclusive employers and provides organisations with a comprehensive feedback report to inform their social mobility strategy.

Each year we publish a list of the top 75 employers and an insights report to share key data, trends and case studies across all aspects of employer-led social mobility. We draw on the insights from the Index to develop and improve our student programme and to inform our advocacy and campaigns through the Department for Opportunities.

#### Index outcomes and impact

In 2021 203 employers from 18 sectors, collectively employing 1.35 million people, entered the Index – a 70% increase on 2020. This included 93 employers entering for the first time. The 2021 Index launch saw our highest ever levels of media coverage and engagement including interviews on BBC Radio 4 Today and Sky News.

The Social Mobility Employer Index continues to be the leading authority on employer-led social mobility, regularly cited by the media, policy makers and academic researchers as a source of data, insight and case studies. Benchmarks and insights from the Index have been used by the Social Mobility Commission in developing their employer toolkits, and by the Government-commissioned City of London taskforce on socio-economic diversity in financial services.

## **THE SOCIAL MOBILITY FOUNDATION**

**(A company limited by guarantee)**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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Returning organisations are more likely to demonstrate progress on social mobility. In 2021, employers who had submitted previously were 4 times more likely to be collecting 3 or more socioeconomic background data points, demonstrating the role the Index plays in driving change.

In 2022 we are asking Index participants to make a contribution towards our costs for managing and developing the Index, and will be further developing the Index benchmark and individual feedback reports to ensure they keep abreast of best practice and emerging issues. We will also be scoping the development of new tools and resources to help mobilise employer action on social mobility.

#### **The Department for Opportunities**

The Department for Opportunities (DO) is SMF's campaign and advocacy arm; we aim to influence and inform decision-makers to drive systemic change, amplify the views and voices of young people and connect them with those who can drive change, and raise awareness of the problems and negative consequences of low-levels of social mobility to build our advocacy base and drive change.

#### **DO outcomes and impact**

We launched our flagship research project, Unheard Voices, in 2021. Unheard Voices seeks to amplify the stories and views of young people to engage, inform and assist those in power to create a more equal society; we published the findings of a major survey of over 2,000 young people including 1,000 from low-income backgrounds, along with a Youth Manifesto setting out ambitions and policy asks.

In the summer we once again supported young people wishing to appeal their assessment grades with guidance and template letters, and submitted a number of consultation responses to the Department for Education and Ofqual in England; two of our recommendations were implemented, that young people opting to take autumn exams should not be treated as resitting and should not have to pay, and Ofqual is now directly engaging with our students on the wording of their information.

In October 2021 we ran our biggest campaign yet, 'Class Polish', raising awareness of the existence of the class pay gap and calling on employers to take action. Working in partnership with creative agencies Creature, W Communications and Wavemaker and with advice from Professor Sam Friedman of the LSE, we created a campaign film, featuring comedian Fern Brady, which was shown in cinemas across the UK and on social media, and adverts which ran in the Guardian and City AM. The overall campaign reach was 1.1 million people with extensive print and broadcast media coverage and social media engagement.

We have also taken other opportunities to amplify the voice and influence of disadvantaged young people, securing media opportunities including live interviews on Channel 4, BBC and Sky News and contributing to youth consultations and round table discussions including with the Labour shadow Education team, the Times Education Commission and the Lord Mayor of London.

Plans for 2022 include continuing and developing our Unheard Voices project and running a second campaign on class pay.

#### **Structure Governance and Management**

The SMF is a company limited by guarantee. In the event of a winding up the members' liability is restricted to contributing an amount not exceeding £10 each.

The Company was incorporated on 22 June 2005; the governing document is the Memorandum and Articles of Association, as amended by special resolutions dated 16 July 2006, 8 November 2006 and 30 April 2020. The Company was registered as a charity in England & Wales on 22 August 2006.

The Charity is administered by the board of Trustees, who are also directors of the Charitable Company and are listed on page 1. The board meets 5 times a year to ensure the proper administration of the Charity and application of its resources.

## THE SOCIAL MOBILITY FOUNDATION

(A company limited by guarantee)

### TRUSTEES' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 30 SEPTEMBER 2021

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The day-to-day management of the Charity is delegated by the Trustees to the Chief Executive who reports to the Trustees on a regular basis.

Trustees are appointed only by resolutions passed by existing Trustees to co-opt new Trustees. This is carried out in accordance with clauses 3.9 and 4.5 of the Articles. Trustees are appointed for 2 terms of three years, with a third term of three years possible under exceptional circumstances.

The training needs of each Trustee are assessed on an individual basis and access to training is offered where necessary. On appointment each new Trustee is given the opportunity to meet with the staff of the Charity and is provided with a copy of the Charity Commission's Essential Trustee guidance, the charity's governing document, latest accounts and recent board papers and minutes.

The Trustees serving during the year and to the date of this report are as follows:

Rt Hon Alan Milburn (Chairman)  
Rt Hon Hazel Blears (retired 31 December 2020)  
Lee Cain (appointed 5 May 2021)  
Ann Doherty  
Sir Terry Leahy (retired 31 December 2020)  
Theresa Loar (retired 31 December 2021)  
Fraser Nelson (retired 31 December 2020)  
Nami Patel (appointed 17 February 2021)  
Dr Bina Rawal  
Heider Ridha  
Ben Rodham  
Lord Stuart Rose (appointed 17 February 2021)  
Fiona Dawson (appointed 17 February 2021)  
Ruth Owen (appointed 23 February 2022)

#### **Risk Assessment**

The Trustees will continue to monitor and review the risk assessment process on an ongoing basis. In the opinion of the Trustees there are adequate internal controls in place to cover any significant risks to the Foundation.

#### **Charitable Objects, Vision and Objectives**

The Social Mobility Foundation is a Charity, registered in 2006, to advance the life chances of bright but financially disadvantaged young people.

Our vision is that young people across the UK should be able to achieve their potential regardless of their socio-economic background, benefiting them and making our economy and society stronger. Our mission is to support and champion young people from low socio-economic backgrounds, breaking down the barriers that prevent them achieving their potential and mobilising others to take positive action on social mobility.

The SMF advances its charitable objectives through:

- Providing services to young people, including work experience, mentoring, skills workshops and university visits. Our services are provided entirely free of charge with our programmes open to young people across the UK with eligibility based on socio-economic and academic criteria.
- Providing advocacy, advice and information, including advice and information to young people on our programme about higher education and career pathways, and advice and information to employers and others about effective social mobility practice. Advice and information to young people on our programme is provided entirely free of charge. We advocate for awareness of social mobility and action on social class disadvantage through our campaigns arm, the Department for Opportunities.

## THE SOCIAL MOBILITY FOUNDATION

(A company limited by guarantee)

### TRUSTEES' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 30 SEPTEMBER 2021

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- Undertaking research, particularly into the experiences and perspectives of young people from low socio-economic backgrounds, into the causes and impacts of social class disadvantage, and into employer practice in social mobility. We disseminate the insights and findings from our research through publications, events and engagement with policy makers and the media.

The eligibility criteria for our student programme are:

- Socio-economic: young people are eligible for free school meals, and/or will be the first generation in their families to attend university, having attended a school with a significant proportion of pupils on free school meals, and/or are care experienced.
- Academic: typically predicted ABB at A-Level or ABBB at Highers and have obtained at least 4 A/7 grades at GCSE or 4 A/B grades at National 5. We take socio-economic context into account when considering academic eligibility.

In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

#### **Reserves policy and going concern**

The Trustees are pleased to report that total funds at 30 September 2021 amount to £1,744,731 (2020: £1,034,573) of which unrestricted reserves amount to £1,313,077 (2020: £485,807) and restricted funds amount to £431,654 (2020: £548,766). Over the period of the pandemic, the strong income performance combined with the temporary reduction in expenditure from the suspension of travel and face-to-face events means that the SMF has increased both its restricted and unrestricted reserves.

The Trustees aim to maintain a level of unrestricted reserves sufficient to cover 6 months running costs for the charity - at the current operating budget this is approximately £900,000.

The Trustees have designated unrestricted reserve funds for the following priorities over the next 1-2 years:

- Investment in the charity's IT and operating systems - £200,000
- Investment in the charity's strategic development - £160,000

The Trustees are confident that the Charity will be able to continue its operations beyond the next 12 months given a healthy level of free reserves and a number of income sources secured or in the pipeline for future years.

#### **Financial Review**

The balance sheet remains strong at the 30 September 2021 with total funds of £1,744,731 (2020 - £1,034,573) and cash at bank of £1,725,699 (2020 - £1,178,286).

#### **TRUSTEES' RESPONSIBILITIES STATEMENT**

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

## THE SOCIAL MOBILITY FOUNDATION

(A company limited by guarantee)

### TRUSTEES' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 30 SEPTEMBER 2021

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Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

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

#### DISCLOSURE OF INFORMATION TO AUDITORS

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 charitable company's auditors are 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 charitable company's auditors are aware of that information.

The auditors, Lubbock Fine, have indicated their willingness to accept re-appointment under section 487(2) of the Companies Act 2006 and a resolution to reappoint them will be proposed at the Annual General Meeting.

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

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

*Alan Milburn*

**Rt Hon Alan Milburn, Chairman**  
Trustee

Date: 24 June 2022

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE SOCIAL MOBILITY FOUNDATION**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**OPINION**

We have audited the financial statements of The Social Mobility Foundation (the 'charitable company') for the year ended 30 September 2021 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**BASIS FOR OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

## **THE SOCIAL MOBILITY FOUNDATION**

(A company limited by guarantee)

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE SOCIAL MOBILITY FOUNDATION (CONTINUED)**

**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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#### **OTHER INFORMATION**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

#### **OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustee's report has been prepared in accordance with applicable legal requirements.

#### **MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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

- 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.
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

#### **RESPONSIBILITIES OF TRUSTEES**

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## THE SOCIAL MOBILITY FOUNDATION

(A company limited by guarantee)

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE SOCIAL MOBILITY FOUNDATION (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

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#### AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- The nature of the sector and the impact of Covid-19 on financial and operating performance and policies;
- Enquiries of management, including obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance of laws and regulations; and
- Discussions among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. The engagement team includes audit partners and staff who have extensive experience of working with charities in similar sectors and this experience was relevant to the discussion about where fraud risks might arise.

We also obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on provisions of those laws and regulations that had direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, UK Charities Act and Charities SORP 2019.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty. These included health and safety regulations, employment law and environmental regulations.

As a result of these procedures, we considered the particular areas that were susceptible to misstatement due to irregularities, including fraud were in respect of revenue recognition and classification, management override, non-compliance with grant terms and conditions, erroneous or fraudulent staff or student expense claims included in the charity's records as charitable expenditure and the incorrect allocation of expenditure between restricted funds. Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance;

## THE SOCIAL MOBILITY FOUNDATION

(A company limited by guarantee)

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE SOCIAL MOBILITY FOUNDATION (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

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- agreeing income recognition and classification to supporting grant contract or supporting documentation on a sample basis;
- reviewing grant terms and conditions and obtaining evidence of compliance with key terms.
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the rationale of any significant transactions that are unusual or outside the normal course of the charity's operations.
- reviewing the allocation of expenditure between funds on a sample basis.
- agreeing expenditure to invoice and supporting documentation on a sample basis to verify validity.
- for charitable expenditure derived from a staff or student expense claim, agreeing on a sample basis the amount and classification to both the expense claim form and the underlying supporting documentation.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

#### USE OF OUR REPORT

This report is made solely to the Charitable Company's members, 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 Charitable Company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

*Lee Facey*

**Lee Facey (Senior Statutory Auditor)**

For and on behalf of

**Lubbock Fine LLP**

Chartered Accountants & Statutory Auditors

Paternoster House

65 St Paul's Churchyard

London

EC4M 8AB

Date: 24 June 2022

**THE SOCIAL MOBILITY FOUNDATION**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>INCOME FROM:</b>					
Donations and grants	3	1,177,546	1,280,001	2,457,547	2,204,238
Charitable activities	4	45,690	-	45,690	-
Investments		159	-	159	949
Other income	6	2,429	-	2,429	2,335
<b>TOTAL INCOME</b>		<b>1,225,824</b>	<b>1,280,001</b>	<b>2,505,825</b>	<b>2,207,522</b>
<b>EXPENDITURE ON:</b>					
Raising funds	7	9,076	4,494	13,570	51,829
Charitable activities	8	389,478	1,392,619	1,782,097	1,509,921
<b>TOTAL EXPENDITURE</b>		<b>398,554</b>	<b>1,397,113</b>	<b>1,795,667</b>	<b>1,561,750</b>
<b>NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS</b>		<b>827,270</b>	<b>(117,112)</b>	<b>710,158</b>	<b>645,772</b>
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		485,807	548,766	1,034,573	388,801
Net movement in funds		827,270	(117,112)	710,158	645,772
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>1,313,077</b>	<b>431,654</b>	<b>1,744,731</b>	<b>1,034,573</b>

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

The notes on pages 16 to 35 form part of these financial statements.

**BALANCE SHEET**

**AS AT 30 SEPTEMBER 2021**

	Note	2021 £	2020 £
<b>FIXED ASSETS</b>			
Tangible assets	12	5,264	7,619
<b>CURRENT ASSETS</b>			
Debtors: amounts falling due after more than one year	13	8,490	8,490
Debtors: amounts falling due within one year	13	277,893	172,626
Cash at bank and in hand		1,725,699	1,178,286
		<u>2,012,082</u>	<u>1,359,402</u>
Creditors: amounts falling due within one year	14	(272,615)	(218,564)
<b>NET CURRENT ASSETS</b>		1,739,467	1,140,838
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,744,731</u>	<u>1,148,457</u>
Creditors: amounts falling due after more than one year	15	-	(113,884)
<b>TOTAL NET ASSETS</b>		<u><u>1,744,731</u></u>	<u><u>1,034,573</u></u>
<b>CHARITY FUNDS</b>			
Restricted funds	20	431,654	548,766
Unrestricted funds	20	1,313,077	485,807
<b>TOTAL FUNDS</b>		<u><u>1,744,731</u></u>	<u><u>1,034,573</u></u>

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

*Alan Milburn*

**Rt Hon Alan Milburn, Chairman**  
Trustee

Date: 24 June 2022

The notes on pages 16 to 35 form part of these financial statements.

**THE SOCIAL MOBILITY FOUNDATION**  
**(A company limited by guarantee)**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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	<b>Note</b>	<b>2021 £</b>	<b>2020 £</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net cash used in operating activities	22	549,818	548,250
		<hr/>	<hr/>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest from investments		159	949
Purchase of tangible fixed assets		(2,564)	(2,864)
		<hr/>	<hr/>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		(2,405)	(1,915)
		<hr/>	<hr/>
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR</b>		547,413	546,335
Cash and cash equivalents at the beginning of the year		1,178,286	631,951
		<hr/>	<hr/>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	23	<u>1,725,699</u>	<u>1,178,286</u>

The notes on pages 16 to 35 form part of these financial statements

# THE SOCIAL MOBILITY FOUNDATION

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

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### 1. ACCOUNTING POLICIES

#### 1.1 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 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Social Mobility 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.

#### 1.2 Company status

The Charity is a company limited by guarantee incorporated in England and Wales. The members of the Charity are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

The registered office address and principal place of business is The Timber Yard, 17 Drysdale Street, London, N1 6ND.

#### 1.3 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 Charitable Company 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 Charitable Company 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.

#### 1.4 Income

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

Donated services and facilities are included at the value to the Charity where this can be quantified and reliably estimated.

Contract income from charitable activities is accounted for when receivable.

Revenue and capital grants are accounted for gross when notification is received and conditions are met. Where the grants specify the time period they relate to, they are recognised as income in that period.

Donation and fundraising income is recognised at the point at which the pledge is made.

#### 1.5 Interest receivable

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

# THE SOCIAL MOBILITY FOUNDATION

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

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### 1. ACCOUNTING POLICIES (CONTINUED)

#### 1.6 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 is included on an accruals basis and all costs related to each charitable activity have been allocated directly to that activity. When costs cannot be directly attributed to an activity they have been allocated on a basis consistent with the use of resources. The vast majority of support costs comprise office related costs and professional fees.

Costs of raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activity costs are costs incurred on the Charity's operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

#### 1.7 Going concern

The Charity's focus and level of operations is dependent on the availability of working capital provided by grants and donations. The Board of Trustees are continuously monitoring the activities carried out by the Charity in order to ensure that sufficient working capital is available to cover the running expenses.

The Board of Trustees have prepared detailed forecasts for the year ended 30 September 2022 and preliminary incoming forecast results for year ended 30 September 2023 which confirm that the Charity is expected to have the resources to continue as a going concern. On this basis, the Trustees considers it appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustment which would result if there were insufficient funds available in respect of the Charity's operations.

#### 1.8 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. The costs of minor additions or those costing below £500 are not capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings	- 25.00% per annum straight line
Computer equipment	- 33.33% per annum straight line

#### 1.9 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities incorporating Income and Expenditure Account on a straight line basis over the lease term.

# THE SOCIAL MOBILITY FOUNDATION

(A company limited by guarantee)

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

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### 1. ACCOUNTING POLICIES (CONTINUED)

#### 1.10 Taxation

There is no charge to corporation tax due to the nature of the activities carried out by the organisation.

The Charity's expenditure is inclusive of input VAT which cannot be recovered.

#### 1.11 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities incorporating Income and Expenditure Account.

#### 1.12 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.

#### 1.13 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.

#### 1.14 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.

Trade and other creditors are recognised at the settlement amount after any trade discount received. Accruals are valued based on the estimated amount to be paid.

#### 1.15 Financial instruments

The Charitable Company 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.

**THE SOCIAL MOBILITY FOUNDATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**1. ACCOUNTING POLICIES (CONTINUED)**

**1.16 Pensions**

The Charitable Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charitable Company to the fund in respect of the year.

The pensions expense is allocated between funds in accordance with the wages allocation. The creditor is unrestricted.

**2. NET INCOME/(EXPENDITURE)**

This is stated after charging:

	<b>2021</b>	<b>2020</b>
	£	£
Depreciation of tangible fixed assets	4,766	4,851
Auditors remuneration	10,200	10,200
Operating lease expense	45,147	29,058
	<u>          </u>	<u>          </u>

**3. INCOME FROM DONATIONS AND GRANTS**

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total funds</b>
	<b>2021</b>	<b>2021</b>	<b>2021</b>
	£	£	£
Donations and grants	957,805	1,280,001	2,237,806
Gifts in Kind	219,741	-	219,741
<b>Total 2021</b>	<u>1,177,546</u>	<u>1,280,001</u>	<u>2,457,547</u>

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total funds</b>
	<b>2020</b>	<b>2020</b>	<b>2020</b>
	£	£	£
Donations and grants	690,716	1,249,858	1,940,574
Gifts in Kind	263,664	-	263,664
<b>Total 2020</b>	<u>954,380</u>	<u>1,249,858</u>	<u>2,204,238</u>

**THE SOCIAL MOBILITY FOUNDATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**INCOME FROM DONATIONS AND GRANTS (continued)**

**Gifts in Kind**

Gifts in Kind are split as follows:

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Pro bono legal fees	36,596	36,596
Marketing	183,145	183,145
<b>Total 2021</b>	<u>219,741</u>	<u>219,741</u>

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Pro bono legal fees	112,624	112,624
Use of facilities	25,000	25,000
Office space	13,097	13,097
Consultancy	18,148	18,148
Marketing	94,795	94,795
<b>Total 2020</b>	<u>263,664</u>	<u>263,664</u>

During the year, the Charity also received Gifts in Kind which have not been included within the accounts on the basis that a value could not be reliably estimated.

**4. INCOME FROM CHARITABLE ACTIVITIES**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Income from charitable activities - Contracts for services	45,690	45,690	-
	<u>45,690</u>	<u>45,690</u>	<u>-</u>

**THE SOCIAL MOBILITY FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**5. INVESTMENT INCOME**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Investment income	159	159

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Investment income	949	949

**6. OTHER INCOMING RESOURCES**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Other income	2,429	2,429

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Other income	2,335	2,335

**THE SOCIAL MOBILITY FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**7. COSTS OF RAISING FUNDS**

**Costs of raising voluntary income**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Staff costs of raising funds - wages and salaries	7,500	3,983	11,483
Staff costs of raising funds - NI	913	428	1,341
Staff costs of raising funds - pension costs	219	83	302
Other costs of raising funds	444	-	444
<b>Total 2021</b>	<b>9,076</b>	<b>4,494</b>	<b>13,570</b>

	<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Staff costs of raising funds - wages and salaries	5,114	5,605	10,719
Staff costs of raising funds - NI	658	656	1,314
Staff costs of raising funds - pension costs	112	162	274
Other costs of raising funds	484	39,038	39,522
<b>Total 2020</b>	<b>6,368</b>	<b>45,461</b>	<b>51,829</b>

**THE SOCIAL MOBILITY FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES**

**Summary by fund type**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Student programme	163,083	1,014,308	1,177,391
Employer Index	15,928	55,677	71,605
Department for Opportunities	210,467	322,634	533,101
<b>Total 2021</b>	<b>389,478</b>	<b>1,392,619</b>	<b>1,782,097</b>

	<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Student programmes	490,894	780,547	1,271,441
Employer Index	31,439	2,502	33,941
Department for Opportunities	153,703	50,836	204,539
<b>Total 2020</b>	<b>676,036</b>	<b>833,885</b>	<b>1,509,921</b>

**9. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

	<b>Activities undertaken directly 2021 £</b>	<b>Support costs 2021 £</b>	<b>Total funds 2021 £</b>
Student programmes	1,031,171	146,220	1,177,391
Employer Index	66,763	4,842	71,605
Department for Opportunities	516,865	16,236	533,101
<b>Total 2021</b>	<b>1,614,799</b>	<b>167,298</b>	<b>1,782,097</b>

**THE SOCIAL MOBILITY FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

	<b>Activities undertaken directly 2020 £</b>	<b>Support costs 2020 £</b>	<b>Total funds 2020 £</b>
Student programmes	1,000,165	271,276	1,271,441
Employer Index	29,501	4,440	33,941
Department for Opportunities	195,664	8,875	204,539
<b>Total 2020</b>	<b>1,225,330</b>	<b>284,591</b>	<b>1,509,921</b>

**ANALYSIS OF SUPPORT COSTS**

	<b>Student programmes 2021 £</b>	<b>Employer Index 2021 £</b>	<b>Department for Opportunities 2021 £</b>	<b>Total funds 2021 £</b>
Staff costs	11,681	403	1,342	13,426
Depreciation	4,766	-	-	4,766
Other staff costs	4,663	166	536	5,365
Printing, postage and stationery	8,539	294	981	9,814
Premises costs	48,767	1,682	5,605	56,054
Travel and subsistence	1,040	-	116	1,156
Miscellaneous	17,623	608	2,025	20,256
Legal and professional	48,988	1,689	5,631	56,308
Loss on disposal of fixed assets	153	-	-	153
<b>Total 2021</b>	<b>146,220</b>	<b>4,842</b>	<b>16,236</b>	<b>167,298</b>

Included within support costs of £167,298 (2020 - £284,591) are Gifts in Kind for legal and professional fees of £36,596 (2020 - £112,624).

**THE SOCIAL MOBILITY FOUNDATION****(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 30 SEPTEMBER 2021****9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)****ANALYSIS OF SUPPORT COSTS (continued)**

	<b>Student programmes 2020 £</b>	<b>Employer Index 2020 £</b>	<b>Department for Opportuniti es 2020 £</b>	<b>Total funds 2020 £</b>
Staff costs	11,732	309	309	12,350
Depreciation	4,851	-	-	4,851
Other Staff costs	5,734	151	151	6,036
Printing, postage and stationery	6,983	184	184	7,351
Premises costs	61,597	1,621	1,621	64,839
Travel and subsistence	13,459	-	-	13,459
Miscellaneous	7,452	196	196	7,844
Legal and professional	140,468	1,479	5,914	147,861
Dilapidations expense	19,000	500	500	20,000
<b>Total 2020</b>	<b>271,276</b>	<b>4,440</b>	<b>8,875</b>	<b>284,591</b>

**10. AUDITORS' REMUNERATION**

	<b>2021 £</b>	<b>2020 £</b>
Fees payable to the Charitable Company's auditor for the audit of the Charitable Company's annual accounts	10,200	10,200

**THE SOCIAL MOBILITY FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**11. STAFF COSTS**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Wages and salaries	1,015,648	888,077
Social security costs	93,496	66,246
Other pension costs	32,969	29,212
	<u>1,142,113</u>	<u>983,535</u>

The average number of persons employed by the Charitable Company during the year was as follows:

	<b>2021</b>	<b>2020</b>
	<b>No.</b>	<b>No.</b>
Average number of employees	37	32

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	<b>2021</b>	<b>2020</b>
	<b>No.</b>	<b>No.</b>
In the band £60,001 - £70,000	-	1
In the band £70,001 - £80,000	1	-

The total employee benefits, including salary, pensions and employer national insurance, of the key management personnel of the Charity was £86,328 (2020 - £80,916).

No trustee received remuneration or benefits in kind during the current year or prior period. No trustees were reimbursed travel expenses.

**THE SOCIAL MOBILITY FOUNDATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**12. TANGIBLE FIXED ASSETS**

	<b>Fixtures and fittings £</b>	<b>Computer equipment £</b>	<b>Total £</b>
<b>Cost or valuation</b>			
At 1 October 2020	7,375	27,662	35,037
Additions	-	2,564	2,564
Disposals	(4,674)	(13,752)	(18,426)
At 30 September 2021	<u>2,701</u>	<u>16,474</u>	<u>19,175</u>
<b>Depreciation</b>			
At 1 October 2020	6,002	21,416	27,418
Charge for the year	523	4,243	4,766
On disposals	(4,551)	(13,722)	(18,273)
At 30 September 2021	<u>1,974</u>	<u>11,937</u>	<u>13,911</u>
<b>Net book value</b>			
At 30 September 2021	<u>727</u>	<u>4,537</u>	<u>5,264</u>
At 30 September 2020	<u>1,373</u>	<u>6,246</u>	<u>7,619</u>

**13. DEBTORS**

	<b>2021 £</b>	<b>2020 £</b>
<b>Due after more than one year</b>		
Other debtors	8,490	8,490
	<u>8,490</u>	<u>8,490</u>
<b>Due within one year</b>		
Other debtors	14	33,795
Prepayments and accrued income	277,879	138,831
	<u>277,893</u>	<u>172,626</u>

**THE SOCIAL MOBILITY FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**14. CREDITORS: amounts falling due within one year**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Other taxation and social security	31,089	23,882
Other creditors	2,472	-
Accruals and deferred income	239,054	194,682
	<u>272,615</u>	<u>218,564</u>

Deferred income relates to grant income which was deferred in line with grant agreements. Brought forward deferred income of £124,944 was released in the year with additional deferred income introduced in the year of £113,884.

**15. CREDITORS: amounts falling due after more than one year**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Accruals and deferred income	-	113,884
	<u>-</u>	<u>113,884</u>

Deferred income relates to grant income which was deferred in line with grant agreements. Brought forward deferred income of £113,884 was released in the year and no additional deferred income was introduced.

**16. PENSION COMMITMENTS**

The Charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £32,969 (2020 - £29,212). Contributions totalling £4,941 (2020 - £4,044) were payable to the fund at the balance sheet date and are included in creditors.

**17. OPERATING LEASE COMMITMENTS**

At 30 September 2021 the Charitable Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Within 1 year	31,892	50,484
Between 1 and 5 years	-	31,892
<b>Total</b>	<u>31,892</u>	<u>82,376</u>

**THE SOCIAL MOBILITY FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**18. FINANCIAL INSTRUMENTS**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Financial assets</b>		
Financial assets measured at amortised cost	252,149	179,416
	<u>252,149</u>	<u>179,416</u>
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	127,642	69,738
	<u>127,642</u>	<u>69,738</u>

Financial assets measured at amortised cost comprise other debtors and accrued income.

Financial liabilities measured at amortised cost comprise of accruals and other creditors.

**19. RELATED PARTY TRANSACTIONS**

There were no related party transactions in the year (2020 - none).

**THE SOCIAL MOBILITY FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**20. STATEMENT OF FUNDS**

**STATEMENT OF FUNDS - CURRENT YEAR**

	<b>Balance at 1 October 2020 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Balance at 30 September 2021 £</b>
<b>Unrestricted funds</b>				
General funds	485,807	1,225,824	(398,554)	1,313,077
<b>Restricted funds</b>				
Sofronie Foundation	-	50,000	(50,000)	-
Health Education England	136,009	224,000	(258,673)	101,336
JP Morgan Chase (2017-21)	201,548	193,064	(196,221)	198,391
Alstom (2020-21)	1,004	-	(1,004)	-
Credit Suisse (Cardiff)	-	74,423	(74,423)	-
Readman Foundation Fund (Community Foundation)	584	-	(584)	-
Macquarie Group Foundation	-	50,000	(50,000)	-
Matthew and Sian Westerman	49,671	124,944	(171,283)	3,332
Generation Foundation	161,176	250,000	(428,321)	(17,145)
Steve Morgan	-	25,000	(25,027)	(27)
The Robertson Trust	(1,226)	35,000	(33,961)	(187)
BP International	-	15,000	(15,000)	-
Linklaters	-	54,132	(42,018)	12,114
Catalyst for Impact Fund	-	67,000	-	67,000
Cognizant Foundation	-	53,817	(2,245)	51,572
Freshfields Bruckhaus Deringer	-	35,606	(20,338)	15,268
The Mullany Fund	-	18,415	(18,415)	-
Merton College	-	3,600	(3,600)	-
Close Brothers	-	6,000	(6,000)	-
	<u>548,766</u>	<u>1,280,001</u>	<u>(1,397,113)</u>	<u>431,654</u>
<b>Total of funds</b>	<u><u>1,034,573</u></u>	<u><u>2,505,825</u></u>	<u><u>(1,795,667)</u></u>	<u><u>1,744,731</u></u>

**THE SOCIAL MOBILITY FOUNDATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**20. STATEMENT OF FUNDS (CONTINUED)**

**STATEMENT OF FUNDS - PRIOR YEAR**

	<b>Balance at 1 October 2019 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Balance at 30 September 2020 £</b>
<b>Unrestricted funds</b>				
General funds	210,547	957,664	(682,404)	485,807
<b>Restricted funds</b>				
Health Education England	12,518	255,172	(131,681)	136,009
JP Morgan Chase (2017-21)	78,406	320,000	(196,858)	201,548
Alstom (2020-21)	-	29,540	(28,536)	1,004
Credit Suisse (Cardiff)	13,934	70,000	(83,934)	-
Readman Foundation Fund (Community Foundation)	-	24,280	(23,696)	584
Macquarie Group Foundation	-	50,000	(50,000)	-
Matthew and Sian Westerman	61,165	125,323	(136,817)	49,671
Diversity Project Charity	12,231	-	(12,231)	-
JP Morgan Chase Tech (2020)	-	69,710	(69,710)	-
Generation Foundation	-	250,000	(88,824)	161,176
Steve Morgan	-	20,833	(20,833)	-
The Robertson Trust	-	35,000	(36,226)	(1,226)
	<u>178,254</u>	<u>1,249,858</u>	<u>(879,346)</u>	<u>548,766</u>
<b>Total of funds</b>	<u><u>388,801</u></u>	<u><u>2,207,522</u></u>	<u><u>(1,561,750)</u></u>	<u><u>1,034,573</u></u>

## THE SOCIAL MOBILITY FOUNDATION

(A company limited by guarantee)

### NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

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#### 20. STATEMENT OF FUNDS (CONTINUED)

##### RESTRICTED FUNDS:

###### **Sofronie Foundation**

Funding to support the Social Mobility Foundation's Manchester office.

###### **Health Education England**

Funding for the medical Aspiring Professionals Programme.

###### **JP Morgan Chase Foundation (2017-2021)**

Funding for the residential Banking/Finance strand for young people and an increase in the organisation's capacity.

###### **Alstom**

Funding to open a Liverpool office and mentor professionals.

###### **Credit Suisse**

Funding to work with schools, young people and employers in areas of the UK with the lowest social mobility and funding to support the Social Mobility Foundation's Cardiff office.

###### **Readman Foundation Fund (Community Foundation serving Tyne & Wear and Northumberland)**

To support the "Guy Readman Rising Starts" on the Aspiring Professionals Programme.

###### **Macquarie Group Foundation**

To support SMF's Aspiring Professionals Programme covering 70 participants in Birmingham and 10-15 in London each year.

###### **Matthew and Sian Westerman**

Funding the SMF Pathfinder Programme from 2019-2022.

###### **Generation Foundation**

To launch the Department for Opportunities to mobilise a coalition of different entities to take action within their spheres of influence to improve social mobility, to widen SMF's core offering to the social and environmental sector and support SMF's core offerings.

###### **Steve Morgan**

For support for the Liverpool office, by providing funding towards the salaries of the APP Coordinators in Liverpool.

###### **The Robertson Trust**

Funding towards an Aspiring Professionals Programme Coordinator in Glasgow.

###### **BP International**

To fund various activities for engineering students on the Aspiring Professionals Programme.

###### **Linklaters**

To fund the Making Links initiative, a bespoke 18 month programme to offer students the opportunity to engage with Linklaters.

###### **Catalyst for Impact Fund**

To provide financial and non-financial support over a five year period to carry out research into the barriers faced by students in rural areas and fund a six-month internship for an SMF student.

## THE SOCIAL MOBILITY FOUNDATION

(A company limited by guarantee)

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED 30 SEPTEMBER 2021

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##### **Cognizant Foundation**

The aim of the project is to increase SMF's ability to support talented young people from socioeconomically disadvantaged backgrounds aspiring to technology careers, enabling them to build necessary knowledge, confidence and networks, and increasing the opportunities to access technology career pathways.

##### **Freshfields Bruckhaus Deringer**

To cover the salary costs of an SMF employee seconded to assist with the administration of the Aspiring Professionals Programme.

##### **The Mullany Fund**

To cover the costs associated with the secondment of an SMF employee to assist with the delivery of the Aspiring Professionals Programme.

##### **Merton College**

To fund assistance with Merton College's admissions process and promote the college to sixth form students.

##### **Close Brothers**

To fund a summer work experience opportunity for 6 SMF students.

## 21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

### ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Tangible fixed assets	5,264	-	5,264
Debtors due after more than one year	8,490	-	8,490
Current assets	1,458,054	545,538	2,003,592
Creditors due within one year	(158,731)	(113,884)	(272,615)
<b>Total 2021</b>	<b>1,313,077</b>	<b>431,654</b>	<b>1,744,731</b>

**THE SOCIAL MOBILITY FOUNDATION**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**21. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Tangible fixed assets	7,619	-	7,619
Debtors due after more than one year	8,490	-	8,490
Current assets	563,318	787,594	1,350,912
Creditors due within one year	(93,620)	(124,944)	(218,564)
Creditors due in more than one year	-	(113,884)	(113,884)
<b>Total 2021</b>	<u><u>485,807</u></u>	<u><u>548,766</u></u>	<u><u>1,034,573</u></u>

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

	<b>2021 £</b>	<b>2020 £</b>
Net income for the year (as per Statement of Financial Activities)	710,158	645,772
<b>Adjustments for:</b>		
Depreciation charges	4,766	4,851
Dividends, interests and rents from investments	(159)	(949)
Loss on the sale of fixed assets	153	-
(Increase) in debtors	(105,267)	(12,687)
(Decrease) in creditors	(59,833)	(88,737)
<b>Net cash provided by operating activities</b>	<u><u>549,818</u></u>	<u><u>548,250</u></u>

**23. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	<b>2021 £</b>	<b>2020 £</b>
Cash at bank	<u><u>1,725,699</u></u>	<u><u>1,178,286</u></u>

**THE SOCIAL MOBILITY FOUNDATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**24. ANALYSIS OF CHANGES IN NET DEBT**

	<b>At 1 October 2020</b>	<b>Cash flows</b>	<b>At 30 September 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	1,178,286	547,413	1,725,699

**THE SOCIAL MOBILITY FOUNDATION**

England & Wales - Charity number 1115888

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# Accounts

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**Registered number: 05488354**  
**Charity number: 1115888**

**THE SOCIAL MOBILITY FOUNDATION**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 30 SEPTEMBER 2020**

**LUBBOCK FINE LLP**  
**Chartered Accountants**  
**Paternoster House**  
**65 St Paul's Churchyard**  
**London EC4M 8AB**

**THE SOCIAL MOBILITY FOUNDATION**  
**(A company limited by guarantee)**

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**THE SOCIAL MOBILITY FOUNDATION**  
**(A company limited by guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND ADVISERS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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<b>Trustees</b>	Rt Hon Alan Milburn, Chairman Namrata Patel Ann Doherty Lee Cain Fiona Dawson Theresa Loar Lord Stuart Rose Dr Bandhana Rawal Heider Ridha Ben Rodham
<b>Company registered number</b>	05488354
<b>Charity registered number</b>	1115888
<b>Registered office</b>	The Timber Yard 17 Drysdale Street London N1 6ND
<b>Chief Executive</b>	David Johnston OBE (resigned 30 November 2019) Sarah Atkinson (appointed 2 January 2020)
<b>Independent auditors</b>	Lubbock Fine LLP Chartered Accountants & Statutory Auditors Paternoster House 65 St Paul's Churchyard London EC4M 8AB
<b>Bankers</b>	Coutts & Co 440 Strand London WC2R 0QS
<b>Legal Advisors</b>	Baker & McKenzie 100 New Bridge Street London EC4V 6JA

**THE SOCIAL MOBILITY FOUNDATION**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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The Trustees (who are also directors of the Charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of The Social Mobility Foundation (the Charity) for the year ending 30 September 2020. The annual report serves the purpose of both a Trustees' report and a directors report under company law. The Trustees confirm that the Annual Report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP), 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 2015).

Since the Charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

**ACTIVITIES AND KEY ACHIEVEMENTS**

The Social Mobility Foundation ("SMF") has undergone significant change in the period since the last report. Planned changes included the appointment of Sarah Atkinson as chief executive, following the resignation of David Johnston OBE after ten years leading the SMF; and the launch of the SMF's new advocacy and campaigns arm, the Department for Opportunities, in early 2020. Major unplanned change was the COVID-19 pandemic in early 2020 and the resulting restrictions on movement, meaning all the SMF's operations and programmes moved online from March 2020 with all staff working from home.

The SMF's beneficiaries, disadvantaged young people, were already less likely to access elite universities and professions than their better-off peers. The barriers they face have been compounded, and new ones created, as a consequence of COVID 19. While no two experiences of the pandemic have been the same, common problems among our beneficiary group have included disrupted schooling compounded by a lack of quiet space to study and inadequate access to technology; significantly reduced provision of extra-curricular activities; and the negative impact on mental health. The pandemic has reversed a decade of progress in closing the attainment gap.

However, the SMF was able to move quickly to understand and respond to the needs and concerns of our beneficiaries, and adapt our programme and other activities accordingly. We redesigned our programme content and activities for online delivery, created new activities and strands of support to meet the emerging needs of our cohort, and refocused our advocacy and campaigns work to focus on the impact of the pandemic on social mobility and ensure the voices and experiences of disadvantaged young people are amplified.

As this report shows, the SMF has demonstrated financial and organisational resilience and flexibility throughout 2019/20 and is able to demonstrate the continued relevance of our work and the difference we make. As we look ahead, the trustees are determined to build on all the learning from this period of change and to ensure the organisation is well placed to ensure socio-economic diversity sits at the heart of the economic recovery from the pandemic and that young people from disadvantaged backgrounds are able to fulfil their potential.

**Aspiring Professionals Programme (APP)**

Our five year student programme, the Aspiring Professionals Programme, continues to grow in scale and impact. Students apply to join the programme aged 16/17 and depending on their home location and career aspirations, are admitted to one of three strands:

**APP City** - For students living in and near Birmingham, Cardiff, Glasgow, Leeds, Liverpool, London, Manchester, and Newcastle.

**APP Residential** - For students anywhere in the UK outside London, offering insight into a specific sector with a top employer - in 19/20 including Arup, Akin Gump, BP, Clifford Chance, Freshfields, Herbert Smith Freehills, J.P. Morgan, KPMG, Linklaters, PA Consulting, and White & Case.

**APP Reach** - For young people across the UK outside our target cities, especially in social mobility 'cold spots'.

**THE SOCIAL MOBILITY FOUNDATION**  
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**TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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The programme is designed around our competency framework, Building My Future, which is based on the Gatsby Benchmarks for career development set out in 2013 and has been developed and refreshed over the last 8 years in line with emerging research and good practice. Students on the programme are offered:

- Mentoring from a volunteer professional in their chosen career sector
- Tailored support for school students to apply to selective universities, including visits, guidance and support with making informed choices, and help with applications
- Careers advice and work experience placements in employers within their chosen sector
- Workshops to develop skills including confidence, networking, public speaking and commercial awareness
- Tailored support and advice for undergraduates with internship, graduate pipeline and graduate job opportunities including CV advice and pre-interview coaching

We enrolled 2029 students from 608 schools and colleges on our 2020 programme (a 10% increase on 2019) across 11 career sectors: accountancy, architecture, banking & finance, biology & chemistry, business, digital, engineering & physics, law, media & communications, medicine and politics.

Adapting the programme for online delivery from April 2020 brought both challenges and benefits. Online delivery allowed us to increase our reach and engagement with students, especially among undergraduates, and gave a more consistent experience to students across the UK; on average 19% more students attended virtual skills sessions compared with previous in-person events. Where employer partners were unable to adapt their planned work placements for virtual delivery, we created SMF-hosted virtual placements offering insights from employers across a career sector; we offered 943 work placements to our 2020 cohort, involving 80 employers.

Mentoring was able to continue since we were already using an e-mentoring platform to enable students and mentors to communicate online; this pillar of the programme was vital in 2020 as it provided students with an insight into the working world from a professional despite the pandemic restrictions. 1971 volunteer professionals mentored SMF students during 2020. We hosted virtual mentor-mentee meet-ups during summer 2020 with 614 mentoring pairs attending at least one session.

With restrictions ongoing we expect to deliver most of the 2021 programme virtually. In the longer term, we will explore a blend of virtual and face-to-face delivery to ensure the best possible support for SMF students and prepare them for the changing world of work.

**Programme outcomes and impact**

The goals and outcomes for the APP are to:

- Raise the aspirations, confidence and skills of high-achieving young people from low-income families across the UK – measured through student evaluation of confidence, knowledge and aspirations
- High-achieving young people from low-income families to improve knowledge and ability to enter top universities – measured through student evaluation of confidence and knowledge, and student outcomes (university offers and admissions)
- High-achieving young people from low-income families to increase their ability to make competitive applications for internships/graduate roles with prestigious employers in their preferred career sector – measured through student evaluation of confidence and knowledge, student evaluation of impact of SMF support, employer evaluation of programme, and student outcomes (internships and graduate pipeline opportunities secured, alumni in full time employment or further study, alumni in highly-skilled employment)

In 2020:

- 99% of students in 2020 said they could not have obtained the work placements they did without the SMF (2019: 95%)
- 92% of students in 2020 increased their confidence in making a professional impression (2019: 95%)
- 92% of employers working with SMF in 2020 said they found young people they don't see through their traditional channels (2019: 92%)

**THE SOCIAL MOBILITY FOUNDATION**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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- 64% of students in the 2019 cohort who attended university went to a Russell Group institution (2018: 63%)
- 95% of APP students who graduated in 2019 are now in full time employment or further study, 75% in highly-skilled employment (2019: 98%, 80%)

**Social Mobility Employer Index**

The Social Mobility Employer Index launched in 2017 and since then 215 employers across 18 different sectors, collectively representing almost 1.7 million employees in the UK, have taken part. The Index benchmarks employers on the actions they are already taking to improve social mobility and encourages them to take further action to ensure they are open to accessing and progressing talent from all backgrounds. The Index encourages firms to share their initiatives and progress in becoming more inclusive employers and provides organisations with a comprehensive feedback report to inform their social mobility strategy.

Each year we publish a list of the top 75 employers and an insights report to share key data, trends and case studies across all aspects of employer-led social mobility. We draw on the insights from the Index to develop and improve our student programme and to inform our advocacy and campaigns through the Department for Opportunities.

**Index outcomes and impact**

The Social Mobility Employer Index continues to be the leading authority on employer-led social mobility, regularly cited by the media, policy makers and academic researchers as a source of data, insight and case studies. 119 employers from 17 sectors, who collectively employ just under one million people, submitted entries to the 2020 Index. In publishing the findings, we highlighted the strong representation from some sectors – particularly law, the public sector, and financial services – and called on those sectors which have continued to grow despite COVID 19 to mobilise around social mobility and participate in the Index – identifying particularly technology, pharmaceuticals and gaming.

In 2020 we worked with the Social Mobility Commission to develop their toolkit for employers on socio-economic background data using benchmarks from the Social Mobility Employer Index.

**The Department for Opportunities**

In February 2020 we launched the Department for Opportunities ("DO") , our campaign and advocacy arm and an exciting new venture for the SMF. Where the student programme works directly with young people, and the Social Mobility Employer Index influences employers to prioritise social mobility and make change, through the Department for Opportunities we aim to raise public awareness of social mobility and mobilise a range of organisations and institutions to take positive action on social class disadvantage. Like all our work, DO is positive and practical. Our advocacy and campaigns are driven by the needs and experience of our beneficiaries and informed by insight from our experience running student programmes and our work with employers including through the Social Mobility Employers Index.

DO launched in February 2020 with “CVs Aren’t working” – a hard hitting billboard and social media campaign around recruitment practices and unconscious bias. As with our other activities, we had to adapt quickly to the impact of the pandemic and reshape our planned campaigns and advocacy work in spring 2020.

**DO outcomes and impact**

Since the launch of DO we have:

- created a short video with young people about the fear of becoming ‘Generation Covid’ which has been viewed over 300,000 times
- run an award-winning campaign on digital poverty in partnership with Revolt, a certified B-Corp creative agency, securing over 2000 donated laptops from employers and the general public which have been distributed to disadvantaged young people

**THE SOCIAL MOBILITY FOUNDATION**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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- amplified the voice and influence of disadvantaged young people impacted by Covid-19, contributing to consultations, round table discussions and Parliamentary hearings and engaging with the Prime Minister's Education Recovery Commissioner, the Secretary of State for Education, the Parliamentary Education Committee and the exams regulator Ofqual
- supported and advocated for young people affected by the flawed system replacing exams in summer 2020: giving up to date information and guidance, working pro bono with Mishcon de Reya to offer students one to one advice with appeals, and enabling students to secure a public platform in the national media

In 2021 we have commissioned major new research into the experiences and perspectives of disadvantaged young people, 'Unheard Voices', which will support and inform future advocacy as well as the development of our student programme and employer Index.

**Structure Governance and Management**

The SMF is a company limited by guarantee. In the event of a winding up the members' liability is restricted to contributing an amount not exceeding £10 each.

The Company was incorporated on 22 June 2005; the governing document is the Memorandum and Articles of Association, which was amended by written resolution on 16 July 2006. The Company was registered as a charity in England & Wales on 22 August 2006.

The Charity is administered by the board of Trustees, who are also directors of the Charitable Company and are listed on page 1. The board meets 5 times a year to ensure the proper administration of the Charity and application of its resources.

The day-to-day management of the Charity is delegated by the Trustees to the Chief Executive who reports to the Trustees on a regular basis.

Trustees are appointed only by resolutions passed by existing Trustees to co-opt new Trustees. This is carried out in accordance with clauses 3.9 and 4.5 of the Articles. Trustees are appointed for 2 terms of three years, with a third term of three years possible under exceptional circumstances.

The training needs of each Trustee are assessed on an individual basis and access to training is offered where necessary. On appointment each new Trustee is given the opportunity to meet with the staff of the Charity and is provided with a copy of the Charity Commission's Essential Trustee guidance, the charity's governing document, latest accounts and recent board papers and minutes.

The Trustees serving during the year and to the date of this report are as follows:

Rt Hon Alan Milburn (Chairman)  
Rt Hon Hazel Blears (retired 31 December 2020)  
Ann Doherty  
Helen Grant MP (resigned 31 July 2020)  
Sir Terry Leahy (retired 31 December 2020)  
Theresa Loar  
Fraser Nelson (retired 31 December 2020)  
Dr Bina Rawal  
Heider Ridha  
Ben Rodham  
Fiona Dawson (appointed 17 February 2021)  
Namrata Patel (appointed 17 February 2021)  
Lord Stuart Rose (appointed 17 February 2021)  
Lee Cain (appointed 5 May 2021)

Helen Grant MP resigned in July 2020 owing to Parliamentary commitments. Three trustees retired at the end of 2020 having completed their terms of office. Four new trustees, selected after an open application process, joined the Board in early 2021.

**THE SOCIAL MOBILITY FOUNDATION**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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**Risk Assessment**

The Trustees will continue to monitor and review the risk assessment process on an ongoing basis. In the opinion of the Trustees there are adequate internal controls in place to cover any significant risks to the Foundation.

**Charitable Objects, Vision and Objectives**

The Social Mobility Foundation is a Charity, registered in 2006, to advance the life chances of bright but financially disadvantaged young people.

Our vision is that young people across the UK should be able to achieve their potential regardless of their socio-economic background, benefiting them and making our economy and society stronger. Our mission is to support and champion young people from low socio-economic backgrounds, breaking down the barriers that prevent them achieving their potential and mobilising others to take positive action on social mobility.

The SMF advances its charitable objectives through:

- Providing services to young people, including work experience, mentoring, skills workshops and university visits. Our services are provided entirely free of charge with our programmes open to young people across the UK with eligibility based on socio-economic and academic criteria.
- Providing advocacy, advice and information, including advice and information to young people on our programme about higher education and career pathways, and advice and information to employers and others about effective social mobility practice. Advice and information to young people on our programme is provided entirely free of charge. We advocate for awareness of social mobility and action on social class disadvantage through our campaigns arm, the Department for Opportunities.
- Undertaking research, particularly into the experiences and perspectives of young people from low socio-economic backgrounds, into the causes and impacts of social class disadvantage, and into employer practice in social mobility. We disseminate the insights and findings from our research through publications, events and engagement with policy makers and the media.

The eligibility criteria for our student programme are:

- Socio-economic: young people are eligible for free school meals, and/or will be the first generation in their families to attend university, having attended a school with a significant proportion of pupils on free school meals, and/or are care experienced.
- Academic: typically predicted ABB at A-Level or ABBB at Highers and have obtained at least 4 A/7 grades at GCSE or 4 A/B grades at National 5. We take socio-economic context into account when considering academic eligibility.

In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

**Reserves policy and going concern**

The Trustees are pleased to report that total funds at 30 September 2020 amount to £1,034,573 (2019: £388,801) of which unrestricted reserves amount to £485,807 (2019: £210,547) and restricted funds amount to £548,766 (2019: £178,254). Whilst the Trustees are satisfied with the level of reserves they are actively seeking more funds to expand the activities of the Charity. The reserves are considered adequate at this stage and will continue to be reviewed during the current year.

**THE SOCIAL MOBILITY FOUNDATION**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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The Trustees are confident that the Charity will be able to continue its operations beyond the next 12 months given a healthy level of free reserves and a number of income sources in the pipeline for future years.

**Financial Review**

The opening of new regional offices during the year has increased costs for the Charity. However, the balance sheet remains strong at the 30 September 2020 with total funds of £1,034,573 (2019 - £388,801) and cash at bank of £1,178,286 (2019 - £631,951).

**TRUSTEES' RESPONSIBILITIES STATEMENT**

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

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

**DISCLOSURE OF INFORMATION TO AUDITORS**

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 charitable company's auditors are 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 charitable company's auditors are aware of that information.

The auditors, Lubbock Fine, have indicated their willingness to accept re-appointment under section 487(2) of the Companies Act 2006 and a resolution to reappoint them will be proposed at the Annual General Meeting.

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

**THE SOCIAL MOBILITY FOUNDATION**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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

*Alan Milburn*

**Rt Hon Alan Milburn**

Trustee  
Date: 29 July 2021

**THE SOCIAL MOBILITY FOUNDATION**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE SOCIAL MOBILITY FOUNDATION**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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**OPINION**

We have audited the financial statements of The Social Mobility Foundation (the 'charitable company') for the year ended 30 September 2020 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**BASIS FOR OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**THE SOCIAL MOBILITY FOUNDATION**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE SOCIAL MOBILITY FOUNDATION**  
**(CONTINUED)**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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**OTHER INFORMATION**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

**THE SOCIAL MOBILITY FOUNDATION**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE SOCIAL MOBILITY FOUNDATION**  
**(CONTINUED)**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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**RESPONSIBILITIES OF TRUSTEES**

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

**USE OF OUR REPORT**

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

*Lee Facey*

**Lee Facey (Senior Statutory Auditor)**  
for and on behalf of  
**Lubbock Fine LLP**  
Chartered Accountants & Statutory Auditors  
Patemoster House  
65 St Paul's Churchyard  
London  
EC4M 8AB

Date: 29 July 2021

**THE SOCIAL MOBILITY FOUNDATION**  
**(A company limited by guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>INCOME FROM:</b>					
Donations and grants	3	954,380	1,249,858	2,204,238	1,992,510
Investments	4	949	-	949	684
Other income	5	2,335	-	2,335	13,641
		<u>957,664</u>	<u>1,249,858</u>	<u>2,207,522</u>	<u>2,006,835</u>
<b>TOTAL INCOME</b>					
<b>EXPENDITURE ON:</b>					
Raising funds	6	6,368	45,461	51,829	14,932
Charitable activities	7	676,036	833,885	1,509,921	1,870,060
		<u>682,404</u>	<u>879,346</u>	<u>1,561,750</u>	<u>1,884,992</u>
<b>TOTAL EXPENDITURE</b>					
<b>NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS</b>					
		275,260	370,512	645,772	121,843
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		210,547	178,254	388,801	266,958
Net movement in funds		275,260	370,512	645,772	121,843
		<u>485,807</u>	<u>548,766</u>	<u>1,034,573</u>	<u>388,801</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>					

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

The notes on pages 15 to 32 form part of these financial statements.

BALANCE SHEET

FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Note	2020 £	2019 £
<b>FIXED ASSETS</b>			
Tangible assets	11	7,619	9,606
<b>CURRENT ASSETS</b>			
Debtors	12	181,116	168,429
Cash at bank and in hand		1,178,286	631,951
		<u>1,359,402</u>	<u>800,380</u>
Creditors: amounts falling due within one year	13	(218,564)	(182,957)
		<u>1,140,838</u>	<u>617,423</u>
<b>NET CURRENT ASSETS</b>			
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,148,457</u>	<u>627,029</u>
Creditors: amounts falling due after more than one year	14	(113,884)	(238,228)
<b>TOTAL NET ASSETS</b>		<u><u>1,034,573</u></u>	<u><u>388,801</u></u>
<b>CHARITY FUNDS</b>			
Restricted funds	19	548,766	178,254
Unrestricted funds	19	485,807	210,547
<b>TOTAL FUNDS</b>		<u><u>1,034,573</u></u>	<u><u>388,801</u></u>

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

*Alan Milburn*

**Rt Hon Alan Milburn, Chairman**  
Trustee

Date: 29 July 2021

The notes on pages 15 to 32 form part of these financial statements.

**THE SOCIAL MOBILITY FOUNDATION**  
**(A company limited by guarantee)**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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	<b>Note</b>	<b>2020</b> <b>£</b>	<b>2019</b> <b>£</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net cash used in operating activities	21	548,250	496,337
		<hr/>	<hr/>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest from investments		949	684
Purchase of tangible fixed assets		(2,864)	(10,096)
		<hr/>	<hr/>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		(1,915)	(9,412)
		<hr/>	<hr/>
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR</b>		546,335	486,925
Cash and cash equivalents at the beginning of the year		631,951	145,026
		<hr/>	<hr/>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	22	1,178,286	631,951
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 15 to 32 form part of these financial statements

**THE SOCIAL MOBILITY FOUNDATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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**1. ACCOUNTING POLICIES**

**1.1 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 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Social Mobility 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.

**1.2 Company status**

The Charity is a company limited by guarantee incorporated in England and Wales. The members of the Charity are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

The registered office address and principal place of business is The Timber Yard, 17 Drysdale Street, London, N1 6ND.

**1.3 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 Charitable Company 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 Charitable Company 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.

**1.4 Income**

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

Donated services and facilities are included at the value to the Charity where this can be quantified and reliably estimated.

Contract income from charitable activities is accounted for when receivable.

Revenue and capital grants are accounted for gross when notification is received and conditions are met. Where the grants specify the time period they relate to, they are recognised as income in that period.

Donation and fundraising income is recognised at the point at which the pledge is made.

**1.5 Interest receivable**

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

**THE SOCIAL MOBILITY FOUNDATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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**1. ACCOUNTING POLICIES (CONTINUED)**

**1.6 Expenditure**

Expenditure is included on an accruals basis and all costs related to each charitable activity have been allocated directly to that activity. When costs cannot be directly attributed to an activity they have been allocated on a basis consistent with the use of resources. The vast majority of support costs comprise office related costs and professional fees.

Costs of raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activity costs are costs incurred on the Charity's operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

**1.7 Going concern**

The Charity's focus and level of operations is dependent on the availability of working capital provided by grants and donations. The Board of Trustees are continuously monitoring the activities carried out by the Charity in order to ensure that sufficient working capital is available to cover the running expenses.

The Board of Trustees have prepared detailed forecasts for the year ended 30 September 2021 and preliminary forecast results for year ended 30 September 2022 which confirm that the Charity is expected to have the resources to continue as a going concern. On this basis, the Trustees considers it appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustment which would result if there were insufficient funds available in respect of the Charity's operations.

**1.8 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. The costs of minor additions or those costing below £500 are not capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings	- 25.00% per annum straight line
Computer equipment	- 33.33% per annum straight line

**1.9 Operating leases**

Rentals under operating leases are charged to the Statement of Financial Activities incorporating Income and Expenditure Account on a straight line basis over the lease term.

**1.10 Taxation**

There is no charge to corporation tax due to the nature of the activities carried out by the organisation.

The Charity's expenditure is inclusive of input VAT which cannot be recovered.

**THE SOCIAL MOBILITY FOUNDATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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**1. ACCOUNTING POLICIES (CONTINUED)**

**1.11 Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities incorporating Income and Expenditure Account.

**1.12 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.

**1.13 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.

**1.14 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.

Trade and other creditors are recognised at the settlement amount after any trade discount received. Accruals are valued based on the estimated amount to be paid.

**1.15 Financial instruments**

The Charitable Company 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.

**1.16 Pensions**

The Charitable Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charitable Company to the fund in respect of the year.

The pensions expense is allocated between funds in accordance with the wages allocation. The creditor is unrestricted.

**THE SOCIAL MOBILITY FOUNDATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**2. NET INCOME/(EXPENDITURE)**

This is stated after charging:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Depreciation of tangible fixed assets	4,851	3,557
Auditors remuneration	10,200	10,200
Operating lease expense	29,058	34,009
	<u>          </u>	<u>          </u>

**3. INCOME FROM DONATIONS AND GRANTS**

	<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Donations and grants	690,716	1,249,858	1,940,574
Gifts in Kind	263,664	-	263,664
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total 2020</b>	<u>954,380</u>	<u>1,249,858</u>	<u>2,204,238</u>

	<b>Unrestricted funds 2019 £</b>	<b>Restricted funds 2019 £</b>	<b>Total funds 2019 £</b>
Donations and grants	622,053	885,847	1,507,900
Gifts in kind	484,610	-	484,610
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total 2019</b>	<u>1,106,663</u>	<u>885,847</u>	<u>1,992,510</u>

**THE SOCIAL MOBILITY FOUNDATION**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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**INCOME FROM DONATIONS AND GRANTS (continued)**

**Gifts in Kind**

Gifts in Kind are split as follows:

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Pro bono legal fees	112,624	112,624
Use of facilities	25,000	25,000
Office space	13,097	13,097
Consultancy	18,148	18,148
Marketing	94,795	94,795
<b>Total 2020</b>	<b>263,664</b>	<b>263,664</b>

	<b>Unrestricted funds 2019 £</b>	<b>Total funds 2019 £</b>
Pro bono legal fees	59,428	59,428
Use of facilities	262,000	262,000
Office space	18,477	18,477
Summer reception	2,050	2,050
Marketing	133,655	133,655
Professional development tool kit	9,000	9,000
<b>Total 2019</b>	<b>484,610</b>	<b>484,610</b>

During the year, the Charity also received Gifts in Kind which have not been included within the accounts on the basis that a value could not be reliably estimated.

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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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**4. INVESTMENT INCOME**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Investment income	949	949

	<b>Unrestricted funds 2019 £</b>	<b>Total funds 2019 £</b>
Investment income	684	684

**5. OTHER INCOMING RESOURCES**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Other income	2,335	2,335

	<b>Unrestricted funds 2019 £</b>	<b>Total funds 2019 £</b>
Other income	13,641	13,641

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**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**6. COSTS OF RAISING FUNDS**

**Costs of raising voluntary income**

	<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Staff costs of raising funds - wages and salaries	5,114	5,605	10,719
Staff costs of raising funds - NI	658	656	1,314
Staff costs of raising funds - pension costs	112	162	274
Other costs of raising funds	484	39,038	39,522
<b>Total 2020</b>	<b>6,368</b>	<b>45,461</b>	<b>51,829</b>

	<b>Unrestricted funds 2019 £</b>	<b>Total funds 2019 £</b>
Staff costs of raising funds - wages and salaries	11,888	11,888
Staff costs of raising funds - NI	1,458	1,458
Staff costs of raising funds - pension costs	316	316
Other costs of raising funds	1,270	1,270
<b>Total 2019</b>	<b>14,932</b>	<b>14,932</b>

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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES**

**Summary by fund type**

	<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Student programme	490,894	780,547	1,271,441
Employer Index	31,439	2,502	33,941
Department for Opportunities	153,703	50,836	204,539
<b>Total 2020</b>	<b>676,036</b>	<b>833,885</b>	<b>1,509,921</b>

	<b>Unrestricted funds 2019 £</b>	<b>Restricted funds 2019 £</b>	<b>Total funds 2019 £</b>
Student programmes	861,425	795,262	1,656,687
Employer Index	26,814	-	26,814
Department for Opportunities	186,559	-	186,559
<b>Total 2019</b>	<b>1,074,798</b>	<b>795,262</b>	<b>1,870,060</b>

**8. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

	<b>Activities undertaken directly 2020 £</b>	<b>Support costs 2020 £</b>	<b>Total funds 2020 £</b>
Student programmes	1,000,165	271,276	1,271,441
Employer Index	29,501	4,440	33,941
Department for Opportunities	195,664	8,875	204,539
<b>Total 2020</b>	<b>1,225,330</b>	<b>284,591</b>	<b>1,509,921</b>

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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

	<b>Activities undertaken directly 2019 £</b>	<b>Support costs 2019 £</b>	<b>Total funds 2019 £</b>
Student programmes	1,425,664	231,023	1,656,687
Employer Index	24,157	2,657	26,814
Department for Opportunities	186,559	-	186,559
<b>Total 2019</b>	<u>1,636,380</u>	<u>233,680</u>	<u>1,870,060</u>

**ANALYSIS OF SUPPORT COSTS**

	<b>Student programmes 2020 £</b>	<b>Employer Index 2020 £</b>	<b>Department for Opportuniti es 2020 £</b>	<b>Total funds 2020 £</b>
Staff costs	11,732	309	309	12,350
Depreciation	4,851	-	-	4,851
Other Staff costs	5,734	151	151	6,036
Printing, postage and stationery	6,983	184	184	7,351
Premises costs	61,597	1,621	1,621	64,839
Travel and subsistence	13,459	-	-	13,459
Miscellaneous	7,452	196	196	7,844
Legal and professional	140,468	1,479	5,914	147,861
Dilapidations expense	19,000	500	500	20,000
<b>Total 2020</b>	<u>271,276</u>	<u>4,440</u>	<u>8,875</u>	<u>284,591</u>

Included within support costs of £284,591 (2019 - £233,680) are Gifts in Kind for legal and professional fees of £112,624 (2019 - £59,428).

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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**ANALYSIS OF SUPPORT COSTS (continued)**

	Student programmes 2019 £	Employer Index 2019 £	Department for Opportuniti es 2019 £	Total funds 2019 £
Staff costs	9,723	-	-	9,723
Depreciation	3,557	-	-	3,557
Other Staff costs	4,248	-	-	4,248
Printing, postage and stationery	26,079	-	-	26,079
Premises costs	85,917	2,657	-	88,574
Travel and subsistence	35,232	-	-	35,232
Miscellaneous	6,881	-	-	6,881
Legal and professional	59,386	-	-	59,386
<b>Total 2019</b>	<u>231,023</u>	<u>2,657</u>	<u>-</u>	<u>233,680</u>

**9. AUDITORS' REMUNERATION**

	2020 £	2019 £
Fees payable to the Charitable Company's auditor for the audit of the Charitable Company's annual accounts	10,200	10,200
	<u>10,200</u>	<u>10,200</u>

**10. STAFF COSTS**

	2020 £	2019 £
Wages and salaries	888,077	849,375
Social security costs	66,246	78,402
Other pension costs	29,212	23,926
	<u>983,535</u>	<u>951,703</u>

The average number of persons employed by the Charitable Company during the year was as follows:

	2020 No.	2019 No.
Average number of employees	32	28

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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**10. STAFF COSTS (CONTINUED)**

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	<b>2020</b>	<b>2019</b>
	<b>No.</b>	<b>No.</b>
In the band £60,001 - £70,000	1	-
In the band £70,001 - £80,000	-	1

The total employee benefits, including salary, pensions and employer national insurance, of the key management personnel of the Charity was £80,916 (2019 - £91,079).

No trustee received remuneration or benefits in kind during the current year or prior period. No trustees were reimbursed travel expenses (2019 - £96).

**11. TANGIBLE FIXED ASSETS**

	<b>Fixtures and fittings</b>	<b>Computer equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost or valuation</b>			
At 1 October 2019	6,508	25,665	32,173
Additions	867	1,997	2,864
At 30 September 2020	<u>7,375</u>	<u>27,662</u>	<u>35,037</u>
<b>Depreciation</b>			
At 1 October 2019	5,381	17,186	22,567
Charge for the year	621	4,230	4,851
At 30 September 2020	<u>6,002</u>	<u>21,416</u>	<u>27,418</u>
<b>Net book value</b>			
At 30 September 2020	<u><u>1,373</u></u>	<u><u>6,246</u></u>	<u><u>7,619</u></u>
At 30 September 2019	<u><u>1,127</u></u>	<u><u>8,479</u></u>	<u><u>9,606</u></u>

**THE SOCIAL MOBILITY FOUNDATION**  
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**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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**12. DEBTORS**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Due after more than one year</b>		
Other debtors	8,490	9,060
<b>Due within one year</b>		
Other debtors	33,795	2,885
Prepayments and accrued income	138,831	156,484
	<u>181,116</u>	<u>168,429</u>

**13. CREDITORS: amounts falling due within one year**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Other taxation and social security	23,882	27,552
Accruals and deferred income	194,682	155,405
	<u>218,564</u>	<u>182,957</u>

Deferred income relates to grant income which was deferred in line with grant agreements. Brought forward deferred income of £125,322 was released in the year with additional deferred income introduced in the year of £124,944.

**14. CREDITORS: amounts falling due after more than one year**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Accruals and deferred income	113,884	238,228

Deferred income relates to grant income which was deferred in line with grant agreements. Brought forward deferred income of £238,228 was released in the year and additional deferred income was introduced in the year of £113,884.

**15. PENSION COMMITMENTS**

The Charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £29,212 (2019 - £23,926). Contributions totalling £4,044 (2019 - £4,220) were payable to the fund at the balance sheet date and are included in creditors.

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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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**16. OPERATING LEASE COMMITMENTS**

At 30 September 2020 the Charitable Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Within 1 year	50,484	26,259
Between 1 and 5 years	31,892	-
<b>Total</b>	<u>82,376</u>	<u>26,259</u>

**17. FINANCIAL INSTRUMENTS**

	2020 £	2019 £
<b>Financial assets</b>		
Financial assets measured at amortised cost	<u>179,416</u>	<u>150,428</u>
	2020 £	2019 £
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>69,738</u>	<u>30,083</u>

Financial assets measured at amortised cost comprise other debtors and accrued income.

Financial liabilities measured at amortised cost comprise of accruals.

**18. RELATED PARTY TRANSACTIONS**

There were no related party transactions in the year (2019 - none).

**THE SOCIAL MOBILITY FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**19. STATEMENT OF FUNDS**

**STATEMENT OF FUNDS - CURRENT YEAR**

	Balance at 1 October 2019 £	Income £	Expenditure £	Balance at 30 September 2020 £
<b>Unrestricted funds</b>				
General funds	210,547	957,664	(682,404)	485,807
<b>Restricted funds</b>				
Health Education England	12,518	255,172	(131,681)	136,009
JP Morgan Chase (2017-20)	78,406	320,000	(196,858)	201,548
Alstom (2020-21)	-	29,540	(28,536)	1,004
Credit Suisse (Cardiff)	13,934	70,000	(83,934)	-
Readman Foundation Fund (Community Foundation)	-	24,280	(23,696)	584
Macquarie Group Foundation	-	50,000	(50,000)	-
Matthew and Sian Westerman	61,165	125,323	(136,817)	49,671
Diversity Project Charity	12,231	-	(12,231)	-
JP Morgan Chase Tech (2020)	-	69,710	(69,710)	-
Generation Foundation	-	250,000	(88,824)	161,176
Steve Morgan	-	20,833	(20,833)	-
The Robertson Trust	-	35,000	(36,226)	(1,226)
	<u>178,254</u>	<u>1,249,858</u>	<u>(879,346)</u>	<u>548,766</u>
<b>Total of funds</b>	<u><u>388,801</u></u>	<u><u>2,207,522</u></u>	<u><u>(1,561,750)</u></u>	<u><u>1,034,573</u></u>

**THE SOCIAL MOBILITY FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**19. STATEMENT OF FUNDS (CONTINUED)**

**STATEMENT OF FUNDS - PRIOR YEAR**

	<b>Balance at 1 October 2018 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Balance at 30 September 2019 £</b>
<b>Unrestricted funds</b>				
General funds	179,289	1,120,988	(1,089,730)	210,547
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Restricted funds</b>				
Sofronie Foundation	-	50,000	(50,000)	-
Health Education England	-	255,172	(242,654)	12,518
JP Morgan Chase (2017-20)	41,136	295,000	(257,730)	78,406
Alstom (2017-18)	45,497	3,549	(49,046)	-
Credit Suisse (Cardiff)	1,036	63,060	(50,162)	13,934
Readman Foundation Fund (Community Foundation)	-	20,385	(20,385)	-
Macquarie Group Foundation	-	50,000	(50,000)	-
Matthew and Sian Westerman	-	136,450	(75,285)	61,165
Diversity Project Charity	-	12,231	-	12,231
	<hr/>	<hr/>	<hr/>	<hr/>
	87,669	885,847	(795,262)	178,254
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total of funds</b>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	266,958	885,847	(1,884,992)	388,801

**THE SOCIAL MOBILITY FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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**19. STATEMENT OF FUNDS (CONTINUED)**

**RESTRICTED FUNDS:**

**Health Education England**

Funding for the medical Aspiring Professionals Programme.

**JP Morgan Chase Foundation (2017-2020)**

Funding for the residential Banking/Finance strand for young people and an increase in the organisation's capacity.

**Alstom**

Funding to open a Liverpool office and mentor professionals.

**Credit Suisse**

Funding to work with schools, young people and employers in areas of the UK with the lowest social mobility and funding to support the Social Mobility Foundation's Cardiff office.

**Readman Foundation Fund (Community Foundation serving Tyne & Wear and Northumberland)**

To support the "Guy Readman Rising Starts" on the Aspiring Professionals Programme.

**Macquarie Group Foundation**

To support SMF'S aspiring professionals program covering 70 participants in Birmingham and 10-15 in London each year.

**Matthew and Sian Westerman**

Funding the SMF Pathfinder Programme from 2019-2022.

**Diversity Project charity**

To conduct research on The Career Aspirations and Experiences of aspirant finance professionals from less advantages socio economic backgrounds.

**JP Morgan Chase Foundation Tech (2020)**

To provide disadvantaged young people who are facing additional hardship in a home learning environment with equipment to enable them to consistently access virtual work experience and mentoring.

**Generation Foundation**

To launch the Department for Opportunities to mobilise a coalition of different entities to take action within their spheres of influence to improve social mobility, to widen SMF's core offering to the social and environmental sector and support SMF's core offerings.

**Steve Morgan**

For support for the Liverpool office, by providing funding towards the salaries of the APP Coordinators in Liverpool.

**The Robertson Trust**

Funding towards an Aspiring Professionals Programme Coordinator in Glasgow.

**Sofronie Foundation**

Funding to support the Social Mobility Foundation's Manchester office.

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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**20. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD**

	<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Total funds 2020 £</b>
Tangible fixed assets	7,619	-	7,619
Debtors due after more than one year	8,490	-	8,490
Current assets	563,318	787,594	1,350,912
Creditors due within one year	(93,620)	(124,944)	(218,564)
Creditors due in more than one year	-	(113,884)	(113,884)
<b>Total 2020</b>	<b>485,807</b>	<b>548,766</b>	<b>1,034,573</b>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD**

	<b>Unrestricted funds 2019 £</b>	<b>Restricted funds 2019 £</b>	<b>Total funds 2019 £</b>
Tangible fixed assets	9,606	-	9,606
Debtors due after more than one year	9,060	-	9,060
Current assets	249,516	541,804	791,320
Creditors due within one year	(57,635)	(125,322)	(182,957)
Creditors due in more than one year	-	(238,228)	(238,228)
<b>Total 2019</b>	<b>210,547</b>	<b>178,254</b>	<b>388,801</b>

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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Net income for the period (as per Statement of Financial Activities)	645,772	121,843
<b>Adjustments for:</b>		
Depreciation charges	4,851	3,556
Dividends, interests and rents from investments	(949)	(684)
(Increase)/decrease in debtors	(12,687)	82,962
(Decrease)/increase in creditors	(88,737)	288,660
<b>Net cash provided by operating activities</b>	<b>548,250</b>	<b>496,337</b>

**22. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Cash at bank	1,178,286	631,951

**23. ANALYSIS OF CHANGES IN NET DEBT**

	<b>At 1</b>		<b>At 30</b>
	<b>October</b>	<b>Cash flows</b>	<b>September</b>
	<b>2019</b>	<b>£</b>	<b>2020</b>
	<b>£</b>		<b>£</b>
Cash at bank and in hand	631,951	546,335	1,178,286