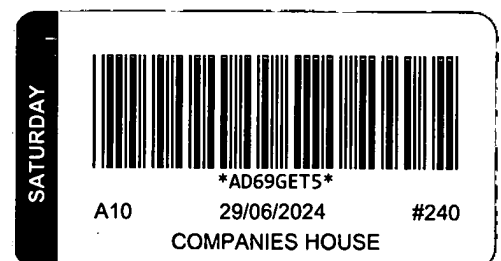


THE SOCIAL MOBILITY FOUNDATION
(A Company Limited by Guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023



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 CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

Trustees	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)
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 29-30 Fitzroy Square London W1T 6LQ
Bankers	Coutts & Co 440 Strand London WC2R 0QS

THE SOCIAL MOBILITY FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2023

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.

THE SOCIAL MOBILITY FOUNDATION
(A Company Limited by Guarantee)

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

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)'.

THE SOCIAL MOBILITY FOUNDATION
(A Company Limited by Guarantee)

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

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.

THE SOCIAL MOBILITY FOUNDATION
(A Company Limited by Guarantee)

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

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.

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

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.

THE SOCIAL MOBILITY FOUNDATION
(A Company Limited by Guarantee)

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

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.

THE SOCIAL MOBILITY FOUNDATION
(A Company Limited by Guarantee)

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

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.

THE SOCIAL MOBILITY FOUNDATION
(A Company Limited by Guarantee)

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

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

THE SOCIAL MOBILITY FOUNDATION
(A Company Limited by Guarantee)

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

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.

THE SOCIAL MOBILITY FOUNDATION
(A Company Limited by Guarantee)

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

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.

THE SOCIAL MOBILITY FOUNDATION
(A Company Limited by Guarantee)

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

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 noncompliance 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. This description forms part of our Auditors' Report.

THE SOCIAL MOBILITY FOUNDATION
(A Company Limited by Guarantee)

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

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 £
Income from:					
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
Total income		1,265,199	1,263,671	2,528,870	2,813,387
Expenditure on:					
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
Total expenditure		1,716,829	1,691,821	3,408,650	2,559,520
Net movement in funds		(451,630)	(428,150)	(879,780)	253,867
Reconciliation of funds:					
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
Total funds carried forward		996,745	122,073	1,118,818	1,998,598

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 £
Fixed assets			
Tangible assets	13	19,297	26,748
		<u>19,297</u>	<u>26,748</u>
Current assets			
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)
Net current assets		<u>1,099,521</u>	<u>2,038,075</u>
Total assets less current liabilities		<u>1,118,818</u>	<u>2,064,823</u>
Creditors: amounts falling due after more than one year	16	-	(66,225)
Net assets excluding pension asset		<u>1,118,818</u>	<u>1,998,598</u>
Total net assets		<u><u>1,118,818</u></u>	<u><u>1,998,598</u></u>
Charity funds			
Restricted funds	18	122,073	550,223
Unrestricted funds	18	996,745	1,448,375
Total funds		<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.

THE SOCIAL MOBILITY FOUNDATION
(A Company Limited by Guarantee)

BALANCE SHEET (CONTINUED)
AS AT 30 SEPTEMBER 2023

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.

THE SOCIAL MOBILITY FOUNDATION
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2023

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

The notes on pages 18 to 36 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 2023

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.

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

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.

THE SOCIAL MOBILITY FOUNDATION
(A Company Limited by Guarantee)

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

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.

THE SOCIAL MOBILITY FOUNDATION
(A Company Limited by Guarantee)

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

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

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Donations and grants	879,826	1,263,671	2,143,497
Gifts in kind	229,842	-	229,842
	<u>1,109,668</u>	<u>1,263,671</u>	<u>2,373,339</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

	Unrestricted funds 2023 £	Total funds 2023 £
Income from charitable activities - Contracts for service	138,681	138,681

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

6. Investment income

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

7. Other incoming resources

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

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

Costs of raising voluntary income

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
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

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
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
	531,149	8,855	34,884	574,888

	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
	285,074	25,089	43,941	354,104

THE SOCIAL MOBILITY FOUNDATION
(A Company Limited by Guarantee)

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

11. Auditors' remuneration

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

12. Staff costs

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

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

	2023 No.	2022 No.
Average number of employees	62	48

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

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

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 £
Cost or valuation			
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>
Depreciation			
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>
Net book value			
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 £
Due after more than one year		
Other debtors	-	8,490
	<u>-</u>	<u>8,490</u>
Due within one year		
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>

THE SOCIAL MOBILITY FOUNDATION
(A Company Limited by Guarantee)

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

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

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 £
Financial assets		
Financial assets measured at fair value through income and expenditure	<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 £
Unrestricted funds				
General Funds - all funds	1,448,375	1,265,199	(1,716,829)	996,745
Restricted funds				
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
	550,223	1,263,671	(1,691,821)	122,073
Total funds	1,998,598	2,528,870	(3,408,650)	1,118,818

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>
Unrestricted funds				
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>
Restricted funds				
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>
Total funds	<u>1,744,731</u>	<u>2,813,387</u>	<u>(2,559,520)</u>	<u>1,998,598</u>

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

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 secondee to support the Medicine Aspiring Professionals Programme.

The Roberston 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 2023

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
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)
Total	996,745	122,073	1,118,818

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)
Total	1,448,375	550,223	1,998,598

THE SOCIAL MOBILITY FOUNDATION
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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
Adjustments for:		
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)
Net cash provided by/(used in) operating activities	(516,366)	148,208

21. Analysis of cash and cash equivalents

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

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
	1,846,244	(502,657)	1,343,587

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.

THE SOCIAL MOBILITY FOUNDATION
(A Company Limited by Guarantee)

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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:

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