

ALACRITY FOUNDATION

England & Wales · Charity number 1140916

Details

Status	Registered
Legal form	Charitable company
Company number	07554557
Registered	2011-03-30
Register	View on the Charity Commission register

Contact

Address	Alacrity House Kingsway Newport NP20 1HG
Phone	07511700292
Email	kcousins@alacrityfoundation.com
Website	www.alacrityfoundation.co.uk

Activities

Objects: ARTICLE 2:THE OBJECTS OF THE CHARITY ARE SPECIFICALLY RESTRICTED TO THE ADVANCEMENT OF EDUCATION AND LEARNING, IN PARTICULAR BUT NOT LIMITED TO BUSINESS STUDIES, BUSINESS MANAGEMENT PRACTICE AND THE DEVELOPMENT OF ENGINEERING AND TECHNOLOGY FOR THE BENEFIT OF THE PUBLIC.

Activities: The charity has been established with the mandate to mentor and train the brightest and best graduates and create a new generation of British Hi-Tech companies.

Classification

- **How:** Provides Buildings/facilities/open Space, Sponsors Or Undertakes Research, Other Charitable Activities
- **What:** Education/training
- **Who:** Other Defined Groups, The General Public/mankind

Geography

- Newport City

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,732,862	£1,490,097	£1,133,415	5
2024-03-31	£1,370,125	£1,373,613	£861,304	5
2023-03-31	£1,342,273	£1,494,233	£864,792	5
2022-03-31	£1,638,707	£1,378,144	£1,050,972	5
2021-03-31	£1,145,857	£1,202,261	£790,589	5

Trustees

Name	Role	Appointed
David Homer		2023-04-06
Flora Stephanie Legh Coutts		2023-12-07
Gayle Elizabeth Bowen		2025-09-16
PROFESSOR SIMON JOHN GIBSON CBE		2011-03-30

Accounts

Charity registration number 1140916 (England and Wales)

Company registration number 07554557

ALACRITY FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

ALACRITY FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

TRUSTEES	Dr S J Gibson CBE Mr Alan Ockenden, Alan John Mr D Homer Ms F S L Coutts
SECRETARY	Mr M Colcomb
CHARITY NUMBER (ENGLAND AND WALES)	1140916
COMPANY NUMBER	07554557
REGISTERED OFFICE	Alacrity House Moderator Wharf Kingsway Newport NP20 1HG
AUDITOR	Kilsby & Williams LLP Cedar House Hazell Drive Newport South Wales NP10 8FY

ALACRITY FOUNDATION

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ALACRITY FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their trustee's report and financial statements for the year ended 31 March 2025.

The financial statement have been prepared in accordance with the accounting policies set out in notes to the financial statements and comply with the Charities Act 2011 and "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).

OBJECTIVES AND ACTIVITIES

The Alacrity Foundation in the UK is established with the mandate to mentor and train the most suitable graduates and create a new generation of British technology-based companies. The Alacrity scheme is based on a proven methodology for commercialising technology and creating successful entrepreneurs.

The objectives of the Foundation are specifically restricted to the advancement of education and learning, in particular but not limited to business studies, business management practice and the development of engineering and technology for the benefit of the public.

The Alacrity Foundation provides an intensive training environment with mentors and industry partners to prepare graduates for entrepreneurship in the technology sector. During the 12 month Alacrity programme graduates will develop essential product management, commercialisation and entrepreneurial skills. In addition to this applied learning, graduates will be mentored by experts and senior executives in a variety of disciplines. This training will prepare graduates to run a successful scalable high technology company.

The program is experiential in nature, where graduates are assigned to projects that form the basis of a real technology product or service opportunity. The Foundation facilitates industry sponsors bringing known problems from the marketplace to the project teams. The teams then try to build products to solve these real-world business issues. If successful, the project team will have created an opportunity to start a commercial relationship with the industry sponsor. Together they will form a new technology company, with continuing support and funding assistance to give the graduates an invaluable head-start to an entrepreneurial future.

Public benefit

We have referred to the guidance contained in the Charity Commissions' general guidance on public benefit when reviewing our aims and objectives and in planning future activities. In particular the trustees consider how planned activities will contribute to the aims and objectives they have set.

ACHIEVEMENTS AND PERFORMANCE

Significant activities and achievements against objectives

The specific highlights that have occurred since last year include the following;

1. Continued the incremental development of the programme core programme and inclusion of the Cyber Innovation Hub.
2. Enrolled 22 graduate recruits on to the 2024-2025 programme.
3. Successfully delivered two five-week bootcamps, one in coding and the other in business.
4. Continued to develop Alacrity Foundation's network of project and mentoring partners.
5. Maintained the financial viability of operations through sound fiscal management.

ALACRITY FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

FINANCIAL REVIEW

The Foundation made a surplus of £242,765 (2024 - £25,858) during the year. Included in the income and expenditure account for the year is an impairment loss on investments of £27,200 (2024 - £65,246).

As at 31 March 2025, the Foundation reported retained funds of £1,133,415 (2024 - £890,650). Surplus funds will be allocated to the recruitment of additional graduates (over the projected 18 per cohort) and other improvements to the programme delivery as the current funding round moves towards completion.

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Investment policy

Under the Memorandum and Articles of Association the charity has the power to invest for the furtherance of the charity's principle activity. All investments comply with the Charity Commission guidelines.

The Trustees, having regard to the liquidity requirements of the charity have operated a policy of keeping surplus cash balances as liquid as possible and any surplus balances will be invested in fixed term deposit accounts that can be accessed easily when needed.

PLANS FOR FUTURE PERIODS

The objectives going forward into the next year are:

1. To further develop and implement the Alacrity Foundation programme.
2. To continue to enhance the breadth and quality of entrepreneurship training for the teams.
3. To develop a network of strategic partners for team projects.
4. Maintain relationships with Higher Education providers.
5. To expand the operations of the Foundation in terms of its range of programmes and geographic coverage in the UK.
6. To further develop the Cyber Innovation Hub programme.
7. To be a catalyst in connecting businesses to create a community hub within Newport.
8. Develop a more focussed and intentional stakeholder network linked to mentors and investment.

ALACRITY FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Alacrity Foundation ('the Foundation') is a registered charity and is governed by a Board of Trustees that oversees the following activities of the Foundation;

1. To agree and regularly monitor the Foundation's strategic directions and ensure that it pursues its stated objectives.
2. Ensure that the organisation functions within the legal, charitable and financial requirements of a charitable organisation.
3. Setting overall policy, defining goals, setting targets, and evaluating performance against agreed targets.
4. To ensure the financial stability of the organisation and the proper investment of funds in accordance with the Foundation's stated aims and objectives and relevant legislation.

The executive team's purpose is to implement strategies and conduct activities in accordance with the overall objectives of the Foundation and appropriate steer and governance from the Board of Trustees.

As Chairman, Simon Gibson is a founding member of the Board of Trustees with responsibility for overseeing the executive team of the Foundation and providing strategic and operational support for its activities. He is also responsible for stakeholder relationships and developing funding streams for the Foundation. graduates and create a new generation of British technology-based companies. The Alacrity scheme is based on a proven methodology for commercialising technology and creating successful entrepreneurs.

The trustees for the year are as follows:

Dr S J Gibson CBE

Ms M D Evans

(Resigned 9 May 2025)

Mr Alan Ockenden, Alan John

Mr D Homer

Dr D E Evans-Williams

(Resigned 6 April 2024)

Ms F S L Coutts

Recruitment and appointment of trustees

Complying with the statement of recommended practice (SORP) (2015), Trustees are appointed, inducted and trained transparently, effectively and efficiently.

The Articles of Association state that there shall not be more than seven Trustees and they shall be appointed as follows:

- one may be appointed from time to time by Wesley Clover (for as long as Wesley Clover remains a Member);
- one may be appointed from time to time by the Welsh Ministers (for as long as the Welsh Ministers remain a Member);
- one may be appointed from time to time by the Trustees of The Waterloo Foundation (for as long as the Trustees of The Waterloo Foundation remain a Member); and
- The Trustees may, with the prior written approval of Wesley Clover and the Welsh Ministers (in each case for as long as such party shall remain a Member), appoint any other person as a Trustee.

ALACRITY FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

The Articles of Association also require that there are not less than three Trustees at all times and the Trustees shall from time to time, subject to the consent of Wesley Clover and the Welsh Ministers (in each case for as long as such party shall remain a Member), appoint one of their number as Chairman.

Where an annual general meeting is held it shall note the retirement of those Trustees who have retired during the previous financial year and the appointment of replacement or additional Trustees. There were no changes in the composition of the Board of Trustees in the period.

Care is taken to ensure that the Trustees should have the diverse range of skills, experience and knowledge needed to run an organisation effectively and Trustees ensure that they receive the necessary induction, training and on-going support they need to discharge their duties.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees, who are also the directors of Alacrity Foundation for the purpose 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 which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that 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.

AUDITOR

In accordance with the company's articles, a resolution proposing that Kilsby & Williams LLP be reappointed as auditor of the company will be put at a General Meeting.

ALACRITY FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

The trustees report was approved by the Board of Trustees.



Dr S J Gibson CBE

Trustee

Date: 4.12.2025

ALACRITY FOUNDATION

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF ALACRITY FOUNDATION

Opinion

We have audited the financial statements of Alacrity Foundation (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 31 March 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

ALACRITY FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF ALACRITY FOUNDATION

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the statement of trustees responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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.

ALACRITY FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF ALACRITY FOUNDATION

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

We gained an understanding of the legal and regulatory framework applicable to the charity and the industry in which it operates, and considered the risk of acts by the charity that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that 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.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Charities Act 2011 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of legal counsel. 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. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
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ALACRITY FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF ALACRITY FOUNDATION

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances; but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

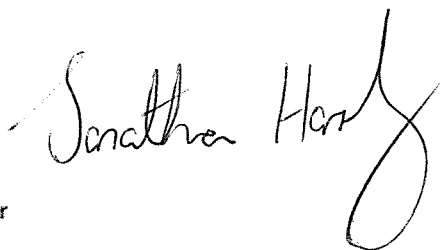
ALACRITY FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF ALACRITY FOUNDATION

Jonathan Harry
Senior Statutory Auditor

for and on behalf of
Kilsby & Williams LLP
Chartered accountants & statutory auditor
Cedar House
Hazell Drive
Newport
South Wales
NP10 8FY



Date: 10/12/25

Kilsby & Williams LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

ALACRITY FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

		Unrestricted funds 2025	Restricted funds 2025	Total 2025	Unrestricted funds 2024 as restated	Restricted funds 2024 as restated	Total 2024 as restated
	Notes	£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM:							
Donations and legacies	3	759,323	958,539	1,717,862	352,960	1,016,167	1,369,127
Charitable activities	4	15,000	-	15,000	-	-	-
Other income	5	-	-	-	998	-	998
TOTAL INCOME		774,323	958,539	1,732,862	353,958	1,016,167	1,370,125
EXPENDITURE ON:							
Charitable activities	6	531,558	958,539	1,490,097	328,100	1,016,167	1,344,267
TOTAL EXPENDITURE		531,558	958,539	1,490,097	328,100	1,016,167	1,344,267
NET INCOME AND MOVEMENT IN FUNDS		242,765	-	242,765	25,858	-	25,858
RECONCILIATION OF FUNDS:							
Fund balances at 1 April 2024		890,650	-	890,650	864,792	-	864,792
FUND BALANCES AT 31 MARCH 2025		1,133,415	-	1,133,415	890,650	-	890,650

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

ALACRITY FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

		2025	2024
	Notes	£	as restated £
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	22	189,626	193,394
INVESTING ACTIVITIES			
Purchase of tangible fixed assets		(34,953)	(9,371)
Proceeds from disposal of tangible fixed assets		-	1,998
NET CASH USED IN INVESTING ACTIVITIES		(34,953)	(7,373)
NET CASH USED IN FINANCING ACTIVITIES		-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS		154,673	186,021
Cash and cash equivalents at beginning of year		492,941	306,920
CASH AND CASH EQUIVALENTS AT END OF YEAR		647,614	492,941

ALACRITY FOUNDATION

BALANCE SHEET

AS AT 31 MARCH 2025

		2025	2024
			as restated
	Notes	£	£
FIXED ASSETS			
Tangible assets	13	58,523	35,359
Mixed motive investments	14	45,000	57,200
TOTAL ASSETS LESS CURRENT LIABILITIES		103,523	92,559
CURRENT ASSETS			
Debtors	15	400,762	539,169
Cash at bank and in hand		647,614	492,941
		1,048,376	1,032,110
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	16	(18,484)	(234,019)
NET CURRENT ASSETS		1,029,892	798,091
TOTAL ASSETS LESS CURRENT LIABILITIES		1,133,415	890,650
NET ASSETS		1,133,415	890,650
THE FUNDS OF THE CHARITY			
Unrestricted funds		1,133,415	890,650
		1,133,415	890,650

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2025.

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

The financial statements were approved by the trustees on



Dr S J Gibson CBE
TRUSTEE

Company registration number 07554557 (England and Wales)

ALACRITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1 ACCOUNTING POLICIES

Charity information

Alacrity Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is Alacrity House, Moderator Wharf, Kingsway, Newport, NP20 1HG.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

ALACRITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 ACCOUNTING POLICIES

(Continued)

1.5 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 are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	15% straight line
Computers	33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

ALACRITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 ACCOUNTING POLICIES

(Continued)

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

2 LIMITED BY GUARENTEE

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £1.

ALACRITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

3 INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Donations and gifts	759,323	958,539	1,717,862	352,960	1,016,167	1,369,127
Donations and gifts						
Wesley Clover Collaboration Agreement	753,316	-	753,316	347,077	-	347,077
Alacrity Cyber and CIH	-	591,737	591,737	-	708,552	708,552
Monmouthshire	-	206,806	206,806	-	123,152	123,152
Media Cymru	-	153,396	153,396	-	176,063	176,063
Coleg Gwent	-	6,600	6,600	-	8,400	8,400
Other donations	6,007	-	6,007	5,883	-	5,883
	759,323	958,539	1,717,862	352,960	1,016,167	1,369,127

4 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
INCOME FROM CHARITABLE ACTIVITIES		
Other income	15,000	-

5 OTHER INCOME

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Net gain on disposal of tangible fixed assets	-	998

ALACRITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

6 EXPENDITURE ON CHARITABLE ACTIVITIES

	Total costs 2025 £	Total costs 2024 £
Direct costs		
Staff costs	316,675	251,821
Depreciation and impairment	38,989	78,141
Light and heat	27,919	8,977
Insurance	2,560	2,369
Motor and travel costs	5,554	2,393
Other office costs	21,050	16,651
Stipends	442,500	322,915
Training	227,039	190,876
Computer expenses	77	333
Advertising and marketing expenses	26,330	26,308
Programme expenses	166,433	240,313
	1,275,126	1,141,097
Share of support and governance costs (see note 7)		
Support	214,971	203,170
	1,490,097	1,344,267
Analysis by fund		
Unrestricted funds	531,558	328,100
Restricted funds	958,539	1,016,167
	1,490,097	1,344,267

ALACRITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

7 SUPPORT COSTS ALLOCATED TO ACTIVITIES

	2025 £	2024 £
Staff costs	108,632	106,660
Premises	49,461	33,056
Communication and IT	14,100	17,566
General office	22,895	5,825
Legal and professional	4,413	16,861
Motor and travel	9,970	17,702
Governance costs	5,500	5,500
	<u>214,971</u>	<u>203,170</u>
Analysed between:		
Total costs	<u>214,971</u>	<u>203,170</u>

	2025 £	2024 £
Governance costs comprise:		
Audit fees	5,500	5,500
	<u>5,500</u>	<u>5,500</u>

8 NET MOVEMENT IN FUNDS

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	5,500	5,500
Depreciation of owned tangible fixed assets	11,789	12,895
Loss/(profit) on disposal of tangible fixed assets	-	(998)
	<u></u>	<u></u>

9 TRUSTEES

None of the trustees received any remuneration or benefits from the charity during the year or previous year.

ALACRITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

10 AUDITOR'S REMUNERATION

Fees payable to the charity's auditor and associates:	2025	2024
	£	£
For audit services		
Audit of the financial statements of the charity	5,500	5,500
	<u>5,500</u>	<u>5,500</u>

11 EMPLOYEES

The average monthly number of employees during the year was:

	2025	2024
	Number	Number
Management	3	3
Administrative	2	2
Total	<u>5</u>	<u>5</u>

Employment costs	2025	2024
	£	£
Wages and salaries	392,260	337,833
Social security costs	33,047	20,648
	<u>425,307</u>	<u>358,481</u>

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2025	2024
	Number	Number
£60,000 to £69,999	2	2
£90,000 to £99,999	1	1
	<u>3</u>	<u>3</u>

12 TAXATION

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

ALACRITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

13 TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computers £	Total £
Cost			
At 1 April 2024	51,287	39,282	90,569
Additions	30,500	4,453	34,953
At 31 March 2025	81,787	43,735	125,522
Depreciation and impairment			
At 1 April 2024	18,126	37,084	55,210
Depreciation charged in the year	9,868	1,921	11,789
At 31 March 2025	27,994	39,005	66,999
Carrying amount			
At 31 March 2025	53,793	4,730	58,523
At 31 March 2024	33,161	2,198	35,359

14 MIXED MOTIVE INVESTMENTS

	£
At 1 April 2024	57,200
Additions	15,000
Impairments	(27,200)
At 31 March 2025	45,000

15 DEBTORS

	2025 £	2024 £
Amounts falling due within one year:		
Prepayments and accrued income	400,762	539,169

ALACRITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

16 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Notes	2025 £	2024 £
Other taxation and social security		8,906	8,968
Deferred income	17	-	208,328
Accruals and deferred income		9,578	16,723
		<u>18,484</u>	<u>234,019</u>

17 DEFERRED INCOME

	2025 £	2024 £
Other deferred income	-	208,328
	<u>-</u>	<u>208,328</u>

Deferred income is included in the financial statements as follows:

	2025 £	2024 £
Deferred income is included within:		
Current liabilities	-	208,328
	<u>-</u>	<u>208,328</u>
Movements in the year:		
Deferred income at 1 April 2024	208,328	-
Released from previous periods	(208,328)	-
Resources deferred in the year	-	208,328
	<u>-</u>	<u>208,328</u>
Deferred income at 31 March 2025	-	208,328
	<u>-</u>	<u>208,328</u>

ALACRITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

18 RESTRICTED FUNDS

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2024	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 March 2025
	£	£	£	£	£	£
Media Cymru	-	153,396	(153,396)	-	-	-
Cyber	-					
Innovation Hub	-	591,737	(591,737)	-	-	-
Monmouth SPF	-	125,406	(125,406)	-	-	-
Monmouth Net	-					
Zero	-	81,400	(81,400)	-	-	-
Coleg Gwent	-	6,600	(6,600)	-	-	-
	-	958,539	(958,539)	-	-	-
Previous year:	At 1 April 2023	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 March 2024
	£	£	£	£	£	£
Media Cymru	-	176,063	(176,063)	-	-	-
Cyber	-					
Innovation Hub	-	708,552	(708,552)	-	-	-
Monmouth SPF	-	93,055	(93,055)	-	-	-
Monmouth Net	-					
Zero	-	30,097	(30,097)	-	-	-
Coleg Gwent	-	8,400	(8,400)	-	-	-
	-	1,016,167	(1,016,167)	-	-	-

ALACRITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

19 UNRESTRICTED FUNDS

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2024 £	Incoming resources £	Resources expended £	At 31 March 2025 £
General funds	890,650	774,323	(531,558)	1,133,415
Previous year:	At 1 April 2023 £	Incoming resources £	Resources expended £	At 31 March 2024 £
General funds	864,792	353,958	(328,100)	890,650

20 PRIOR PERIOD ERROR

During the year, it was identified that there existed an error in the calculation of the impairment charge relating to the mixed motive investments in the prior year. An incorrect methodology has been applied, resulting in an overstatement of the impairment loss of £29,346 in the Statement of Financial Activities for the year end 31 March 2024.

This error has been corrected by retrospectively restating the comparative figures. The effect of this adjustment is to reduce the charitable expenditure in the prior year by £29,346 and increase the carrying value of the investments and total funds by the same amount as at 31 March 2024.

During the year, the Charity identified a classification error relating to the treatment of certain income streams in the prior year. Income totalling £1,016,167 had previously been recognised within unrestricted income, but on review it was determined that the associated funding carried restrictions on its use and should have been classified as restricted income. The related expenditure has also been reclassified as restricted.

As a result, the comparative figures for the prior year have been restated to reflect this correction. This restatement has no impact on the total net movement in funds or the total funds carried forward for the prior year, and no restricted funds were carried forward at the year end. The adjustment affects only the split between restricted and unrestricted income and expenditure.

21 RELATED PARTY TRANSACTIONS

There were no disclosable related party transactions during the year (2024 - none).

ALACRITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

22 CASH GENERATED FROM OPERATIONS	2025 £	2024 £
Surplus for the year	242,765	25,858
Adjustments for:		
Gain on disposal of tangible fixed assets	-	(998)
Depreciation and impairment of tangible fixed assets	38,989	78,141
Non cash income	(15,000)	-
Movements in working capital:		
Decrease/(increase) in debtors	138,407	(117,237)
(Decrease) in creditors	(7,207)	(699)
(Decrease)/increase in deferred income	(208,328)	208,329
Cash generated from operations	<u>189,626</u>	<u>193,394</u>

23 ANALYSIS OF CHANGES IN NET FUNDS

The charity had no material debt during the year.

Accounts

Charity registration number 1140916

Company registration number 07554557 (England and Wales)

ALACRITY FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

ALACRITY FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

TRUSTEES

Simon Gibson CBE
Margaret Evans
Alan Ockenden (Appointed 6 April 2023)
David Homer (Appointed 6 April 2023)
Ms F S L Coutts (Appointed 7 December 2023)

SECRETARY

Mark Colcomb

CHARITY NUMBER

1140916

COMPANY NUMBER

07554557

REGISTERED OFFICE

Alacrity House
Moderator Wharf
Kingsway
Newport
NP20 1HG

AUDITOR

Kilsby & Williams LLP
Cedar House
Hazell Drive
Newport
Gwent
NP10 8FY

ALACRITY FOUNDATION

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Statement of cash flows	13
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ALACRITY FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

The trustees present their trustee's report and financial statements for the year ended 31 March 2024.

The financial statement have been prepared in accordance with the accounting policies set out in notes to the financial statements and comply with the Charities Act 2011 and "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).

OBJECTIVES AND ACTIVITIES

The Alacrity Foundation in the UK is established with the mandate to mentor and train the most suitable graduates and create a new generation of British technology-based companies. The Alacrity scheme is based on a proven methodology for commercialising technology and creating successful entrepreneurs.

The objectives of the Foundation are specifically restricted to the advancement of education and learning, in particular but not limited to business studies, business management practice and the development of engineering and technology for the benefit of the public.

The Alacrity Foundation provides an intensive training environment with mentors and industry partners to prepare graduates for entrepreneurship in the technology sector. During the 12 month Alacrity programme graduates will develop essential product management, commercialisation and entrepreneurial skills. In addition to this applied learning, graduates will be mentored by experts and senior executives in a variety of disciplines. This training will prepare graduates to run a successful scalable high technology company.

The program is experiential in nature, where graduates are assigned to projects that form the basis of a real technology product or service opportunity. The Foundation facilitates industry sponsors bringing known problems from the marketplace to the project teams. The teams then try to build products to solve these real-world business issues. If successful, the project team will have created an opportunity to start a commercial relationship with the industry sponsor. Together they will form a new technology company, with continuing support and funding assistance to give the graduates an invaluable head-start to an entrepreneurial future.

PUBLIC BENEFIT

We have referred to the guidance contained in the Charity Commissions' general guidance on public benefit when reviewing our aims and objectives and in planning future activities. In particular the trustees consider how planned activities will contribute to the aims and objectives they have set.

ACHIEVEMENTS AND PERFORMANCE

Significant activities and achievements against objectives

The specific highlights that have occurred since last year include the following;

1. Continued the incremental development of the programme core programme and inclusion of the Cyber Innovation Hub.
2. Enrolled 20 graduate recruits on to the 2023-2024 programme.
3. Successfully delivered two five-week bootcamps, one in coding and the other in business.
4. Continued to develop Alacrity Foundation's network of project and mentoring partners.
5. Maintained the financial viability of operations through sound fiscal management.

ALACRITY FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

FINANCIAL REVIEW

The Foundation made a deficit of £3,488 (2023 - £186,180) during the year. Included in the income and expenditure account for the year is an impairment loss on investments of £94,592 (2023 - £34,277).

As at 31 March 2024, the Foundation reported retained funds of £861,304 (2023 - £864,792). Surplus funds will be allocated to the recruitment of additional graduates (over the projected 18 per cohort) and other improvements to the programme delivery as the current funding round moves towards completion.

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Investment policy

Under the Memorandum and Articles of Association the charity has the power to invest for the furtherance of the charity's principle activity. All investments comply with the Charity Commission guidelines.

The Trustees, having regard to the liquidity requirements of the charity have operated a policy of keeping surplus cash balances as liquid as possible and any surplus balances will be invested in fixed term deposit accounts that can be accessed easily when needed.

PLANS FOR FUTURE PERIODS

The objectives going forward into the next year are:

1. To further develop and implement the Alacrity Foundation programme.
2. To continue to enhance the breadth and quality of entrepreneurship training for the teams.
3. To develop a network of strategic partners for team projects.
4. To enhance symbiotic work with higher education institutions in the development of the programme and products.
5. To expand the operations of the Foundation in terms of its range of programmes and geographic coverage in the UK.
6. To further develop the Cyber Innovation Hub programme.
7. To be a catalyst in connecting businesses to create a community hub within Newport
8. To be an instrumental part of the She Who group - empowering and connecting females within the workplace.

ALACRITY FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Alacrity Foundation ('the Foundation') is a registered charity and is governed by a Board of Trustees that oversees the following activities of the Foundation;

1. To agree and regularly monitor the Foundation's strategic directions and ensure that it pursues its stated objectives.
2. Ensure that the organisation functions within the legal, charitable and financial requirements of a charitable organisation.
3. Setting overall policy, defining goals, setting targets, and evaluating performance against agreed targets.
4. To ensure the financial stability of the organisation and the proper investment of funds in accordance with the Foundation's stated aims and objectives and relevant legislation.

The executive team's purpose is to implement strategies and conduct activities in accordance with the overall objectives of the Foundation and appropriate steer and governance from the Board of Trustees.

As Chairman, Simon Gibson is a founding member of the Board of Trustees with responsibility for overseeing the executive team of the Foundation and providing strategic and operational support for its activities. He is also responsible for stakeholder relationships and developing funding streams for the Foundation.

The trustees for the year are as follows:

- Simon Gibson CBE
- Margaret Evans
- Debra Elizabeth Evans Williams (Resigned 6 April 2023)
- Hilary Lappin Scott (Resigned 6 April 2023)
- Alan Ockenden (Appointed 6 April 2023)
- David Homer (Appointed 6 April 2023)
- Flora Stephanie Legh Coutts (Appointed 7 December 2023)

RECRUITMENT AND APPOINTMENT OF TRUSTEES

Complying with the statement of recommended practice (SORP) (2015), Trustees are appointed, inducted and trained transparently, effectively and efficiently. The Articles of Association state that there shall not be more than seven Trustees and they shall be appointed as follows:

- one may be appointed from time to time by Wesley Clover (for as long as Wesley Clover remains a Member);
- one may be appointed from time to time by the Welsh Ministers (for as long as the Welsh Ministers remain a Member);
- one may be appointed from time to time by the Trustees of The Waterloo Foundation (for as long as the Trustees of The Waterloo Foundation remain a Member); and
- The Trustees may, with the prior written approval of Wesley Clover and the Welsh Ministers (in each case for as long as such party shall remain a Member), appoint any other person as a Trustee.

ALACRITY FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

The Articles of Association also require that there are not less than three Trustees at all times and the Trustees shall from time to time, subject to the consent of Wesley Clover and the Welsh Ministers (in each case for as long as such party shall remain a Member), appoint one of their number as Chairman.

Where an annual general meeting is held it shall note the retirement of those Trustees who have retired during the previous financial year and the appointment of replacement or additional Trustees. There were no changes in the composition of the Board of Trustees in the period.

Care is taken to ensure that the Trustees should have the diverse range of skills, experience and knowledge needed to run an organisation effectively and Trustees ensure that they receive the necessary induction, training and on-going support they need to discharge their duties.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees, who are also the directors of Alacrity Foundation for the purpose 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 which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that 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.

AUDITOR

In accordance with the company's articles, a resolution proposing that Kilsby & Williams LLP be reappointed as auditor of the company will be put at a General Meeting.

ALACRITY FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

The trustees report was approved by the Board of Trustees.



Simon Gibson CBE

TRUSTEE

Date: 3 DEC 2024

ALACRITY FOUNDATION

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF ALACRITY FOUNDATION

Opinion

We have audited the financial statements of Alacrity Foundation (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 31 March 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

ALACRITY FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF ALACRITY FOUNDATION

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the statement of trustees responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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.

ALACRITY FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF ALACRITY FOUNDATION

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We gained an understanding of the legal and regulatory framework applicable to the company and the industry, considered the risk of acts by the company that were contrary to applicable laws and regulations, including procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than for one resulting from error, as fraud may involve deliberate concealment by, for example, misrepresentations, or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statements to supporting documentation, enquiries with management and enquiries of legal counsel. There are inherent limitations to the procedures described above and, the further removed non-compliance with laws and regulations is from the financial statements, the less likely we would become aware of it. We did not identify any known irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional skepticism. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

ALACRITY FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF ALACRITY FOUNDATION

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

ALACRITY FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF ALACRITY FOUNDATION

Kilsby & Williams LLP
Chartered accountants & statutory auditor
Cedar House
Hazell Drive
Newport
Gwent
NP10 8FY

Date:

ALACRITY FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

		Unrestricted funds 2024 £	Unrestricted funds 2023 £
	Notes		
INCOME AND ENDOWMENTS FROM:			
Donations and legacies	3	1,369,127	1,342,273
Investments	4	-	57
Other income	5	998	(316)
TOTAL INCOME		1,370,125	1,342,014
EXPENDITURE ON:			
Charitable activities	6	1,373,613	1,528,194
TOTAL EXPENDITURE		1,373,613	1,528,194
NET EXPENDITURE AND MOVEMENT IN FUNDS		(3,488)	(186,180)
RECONCILIATION OF FUNDS:			
Fund balances at 1 April 2023		864,792	1,050,972
FUND BALANCES AT 31 MARCH 2024		861,304	864,792

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

ALACRITY FOUNDATION

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	2023 £
FIXED ASSETS			
Tangible assets	13	35,359	39,883
Mixed motive investments	14	27,854	122,447
TOTAL ASSETS LESS CURRENT LIABILITIES		63,213	162,330
CURRENT ASSETS			
Debtors	15	539,169	421,932
Cash at bank and in hand		492,941	306,920
		1,032,110	728,852
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	16	(234,019)	(26,390)
NET CURRENT ASSETS		798,091	702,462
TOTAL ASSETS LESS CURRENT LIABILITIES		861,304	864,792
NET ASSETS		861,304	864,792
THE FUNDS OF THE CHARITY			
Unrestricted funds		861,304	864,792
		861,304	864,792

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

The financial statements were approved by the trustees on 30 DEC 2024.



Simon Gibson CBE

TRUSTEE

Company registration number 07554557 (England and Wales)

ALACRITY FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	2023 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from/ (absorbed by) operations	20	193,394	(183,217)
INVESTING ACTIVITIES			
Purchase of tangible fixed assets		(9,371)	(4,114)
Proceeds from disposal of tangible fixed assets		1,998	-
Investment income received		-	57
NET CASH USED IN INVESTING ACTIVITIES		(7,373)	(4,057)
NET CASH USED IN FINANCING ACTIVITIES		-	-
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS		186,021	(187,274)
Cash and cash equivalents at beginning of year		306,920	494,194
CASH AND CASH EQUIVALENTS AT END OF YEAR		492,941	306,920

ALACRITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 ACCOUNTING POLICIES

Charity information

Alacrity Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is Alacrity House, Moderator Wharf, Kingsway, Newport, NP20 1HG.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

ALACRITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 ACCOUNTING POLICIES

(Continued)

1.5 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 are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	15% straight line
Computers	33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

ALACRITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 ACCOUNTING POLICIES

(Continued)

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

2 LIMITED BY GUARENTEE

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £1.

ALACRITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

3 INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Donations and gifts	1,369,127	1,342,273
Donations and gifts		
Wesley Clover Collaboration Agreement	347,077	-
Alacrity Cyber and CIH	708,552	412,874
Monmouthshire	123,152	30,837
Media Cymru	176,063	332,761
Grow Digital	-	16,000
I2I	-	130,629
DCAR Monmouthshire	-	416,672
Other donations	14,283	2,500
	<u>1,369,127</u>	<u>1,342,273</u>

4 INCOME FROM INVESTMENTS

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	-	57
	<u>-</u>	<u>57</u>

5 OTHER INCOME

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Net gain on disposal of tangible fixed assets	998	(316)
	<u>998</u>	<u>(316)</u>

ALACRITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

6 EXPENDITURE ON CHARITABLE ACTIVITIES

	Total costs 2024 £	Total costs 2023 £
Direct costs		
Staff costs	251,821	333,167
Depreciation and impairment	107,487	48,369
Light and heat	8,977	16,197
Insurance	2,369	588
Other establishments	-	1,794
Motor and Travel costs	2,393	15,163
Other office costs	16,651	68,026
Stipends	322,915	308,192
Training	190,876	356,448
Computer expenses	333	559
Advertising and marketing expenses	26,308	16,104
Programme expenses	240,313	62,444
	<u>1,170,443</u>	<u>1,227,051</u>
Share of support and governance costs (see note 7)		
Support	203,170	301,143
	<u>1,373,613</u>	<u>1,528,194</u>
Analysis by fund		
Unrestricted funds	<u>1,373,613</u>	<u>1,528,194</u>

ALACRITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

7 SUPPORT COSTS ALLOCATED TO ACTIVITIES

	2024 £	2023 £
Staff costs	106,660	154,563
Premises	33,056	58,868
Communication and IT	17,566	50,085
General office	5,825	15,246
Legal and professional	16,861	11,820
Motor and travel	17,702	5,061
Governance costs	5,500	5,500
	<u>203,170</u>	<u>301,143</u>
Analysed between:		
Total costs	<u>203,170</u>	<u>301,143</u>

	2024 £	2023 £
Governance costs comprise:		
Audit fees	5,500	5,500
	<u>5,500</u>	<u>5,500</u>

8 NET MOVEMENT IN FUNDS

The net movement in funds is stated after charging/(crediting):

Fees payable for the audit of the charity's financial statements	5,500	5,500
Depreciation of owned tangible fixed assets	12,895	14,092
(Profit)/loss on disposal of tangible fixed assets	(998)	316
	<u></u>	<u></u>

9 AUDITOR'S REMUNERATION

Fees payable to the charity's auditor and associates:	2024 £	2023 £
For audit services		
Audit of the financial statements of the charity	<u>5,500</u>	<u>5,500</u>

ALACRITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

10 TRUSTEES

None of the trustees received any remuneration or benefits from the charity during the year or previous year.

11 EMPLOYEES

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Management	3	4
Administrative	2	2
Total	5	6

Employment costs

	2024 £	2023 £
Wages and salaries	337,833	464,326
Social security costs	20,648	23,404
	358,481	487,730

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2024 Number	2023 Number
£60,000 to £69,999	2	1
£90,000 to £99,999	1	1

12 TAXATION

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

ALACRITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

13 TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computers £	Total £
Cost			
At 1 April 2023	43,015	39,820	82,835
Additions	8,272	1,099	9,371
Disposals	-	(1,637)	(1,637)
At 31 March 2024	51,287	39,282	90,569
Depreciation and impairment			
At 1 April 2023	11,309	31,643	42,952
Depreciation charged in the year	6,817	6,078	12,895
Eliminated in respect of disposals	-	(637)	(637)
At 31 March 2024	18,126	37,084	55,210
Carrying amount			
At 31 March 2024	33,161	2,198	35,359
At 31 March 2023	31,706	8,177	39,883

14 MIXED MOTIVE INVESTMENTS

	£
At 1 April 2023	122,446
Impairments	(94,592)
At 31 March 2024	27,854

15 DEBTORS

	2024 £	2023 £
Amounts falling due within one year:		
Prepayments and accrued income	539,169	421,932

ALACRITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

16 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Notes	2024 £	2023 £
Other taxation and social security		8,968	8,624
Deferred income	17	208,328	-
Trade creditors		-	1
Accruals and deferred income		16,723	17,766
		<u>234,019</u>	<u>26,391</u>

17 DEFERRED INCOME

	2024 £	2023 £
Other deferred income	<u>208,328</u>	<u>-</u>

Deferred income is included in the financial statements as follows:

	2024 £	2023 £
Deferred income is included within:		
Current liabilities	<u>208,328</u>	<u>-</u>
Movements in the year:		
Deferred income at 1 April 2023	-	266,667
Released from previous periods	-	(266,667)
Resources deferred in the year	<u>208,328</u>	<u>-</u>
Deferred income at 31 March 2024	<u>208,328</u>	<u>-</u>

ALACRITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

18 UNRESTRICTED FUNDS

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2023 £	Incoming resources £	Resources expended £	At 31 March 2024 £
General funds	864,792	1,370,125	(1,373,613)	861,304

Previous year:	At 1 April 2022 £	Incoming resources £	Resources expended £	At 31 March 2023 £
General funds	1,050,972	1,342,014	(1,528,194)	864,792

19 RELATED PARTY TRANSACTIONS

There were no disclosable related party transactions during the year (2023 - none).

20 CASH GENERATED FROM OPERATIONS	2024 £	2023 £
Deficit for the year	(3,488)	(186,180)
Adjustments for:		
Investment income recognised in statement of financial activities	-	(57)
(Gain)/loss on disposal of tangible fixed assets	(998)	316
Depreciation and impairment of tangible fixed assets	107,487	48,369
Movements in working capital:		
(Increase)/decrease in debtors	(117,237)	219,539
(Decrease)/increase in creditors	(699)	1,463
Increase/(decrease) in deferred income	208,329	(266,667)
Cash generated from/(absorbed by) operations	193,394	(183,217)

21 ANALYSIS OF CHANGES IN NET FUNDS

The charity had no material debt during the year.

Accounts

COMPANY REGISTRATION NUMBER: 07554557
CHARITY REGISTRATION NUMBER: 1140916

ALACRITY FOUNDATION
Company Limited by Guarantee
FINANCIAL STATEMENTS
31 MARCH 2023

ALACRITY FOUNDATION
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
Year ended 31 March 2023

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ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)

Year ended 31 March 2023

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2023.

Reference and administrative details

Registered charity name Alacrity Foundation

Charity registration number 1140916

Company registration number 07554557

Principal office and registered office Alacrity House
Moderator Wharf
Kingsway
Newport
NP20 1HG

The trustees	Prof S J Gibson CBE	
	Mrs D E Evans-Williams	(Resigned 6 April 2023)
	Mrs H M Lappin-Scott	(Resigned 6 April 2023)
	Ms M D Evans	
	Mr D Homer	(Appointed 6 April 2023)
	Mr A J Ockenden	(Appointed 6 April 2023)

Company secretary Mr M Colcomb

Auditor Kilsby & Williams LLP
Chartered accountants & statutory auditor
Cedar House
Hazell Drive
Newport
NP10 8FY

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT) *(continued)*

Year ended 31 March 2023

Structure, governance and management

The Alacrity Foundation ('the Foundation') is a registered charity and is governed by a Board of Trustees that oversees the following activities of the Foundation;

1. To agree and regularly monitor the Foundation's strategic directions and ensure that it pursues its stated objectives.
2. Ensure that the organisation functions within the legal, charitable and financial requirements of a charitable organisation.
3. Setting overall policy, defining goals, setting targets, and evaluating performance against agreed targets.
4. To ensure the financial stability of the organisation and the proper investment of funds in accordance with the Foundation's stated aims and objectives and relevant legislation.

The executive team's purpose is to implement strategies and conduct activities in accordance with the overall objectives of the Foundation and appropriate steer and governance from the Board of Trustees.

As Chairman, Simon Gibson is a founding member of the Board of Trustees with responsibility for overseeing the executive team of the Foundation and providing strategic and operational support for its activities. He is also responsible for stakeholder relationships and developing funding streams for the Foundation.

Appointment, Induction and Training of New Trustees

Complying with the statement of recommended practice (SORP) (2015), Trustees are appointed, inducted and trained transparently, effectively and efficiently.

The Articles of Association state that there shall not be more than seven Trustees and they shall be appointed as follows:

- one may be appointed from time to time by Wesley Clover (for as long as Wesley Clover remains a Member);
- one may be appointed from time to time by the Welsh Ministers (for as long as the Welsh Ministers remain a Member);
- one may be appointed from time to time by the Trustees of The Waterloo Foundation (for as long as the Trustees of The Waterloo Foundation remain a Member); and
- the Trustees may, with the prior written approval of Wesley Clover and the Welsh Ministers (in each case for as long as such party shall remain a Member), appoint any other person as a Trustee.

The Articles of Association also require that there are not less than three Trustees at all times and the Trustees shall from time to time, subject to the consent of Wesley Clover and the Welsh Ministers (in each case for as long as such party shall remain a Member), appoint one of their number as Chairman.

Where an annual general meeting is held it shall note the retirement of those Trustees who have retired during the previous financial year and the appointment of replacement or additional Trustees. There were no changes in the composition of the Board of Trustees in the period.

Care is taken to ensure that the Trustees should have the diverse range of skills, experience and knowledge needed to run an organisation effectively and Trustees ensure that they receive the necessary induction, training and on-going support they need to discharge their duties.

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT) *(continued)*

Year ended 31 March 2023

Objectives and activities

The Alacrity Foundation in the UK is established with the mandate to mentor and train the most suitable graduates and create a new generation of British technology-based companies. The Alacrity scheme is based on a proven methodology for commercialising technology and creating successful entrepreneurs.

The objectives of the Foundation are specifically restricted to the advancement of education and learning, in particular but not limited to business studies, business management practice and the development of engineering and technology for the benefit of the public.

The Alacrity Foundation provides an intensive training environment with mentors and industry partners to prepare graduates for entrepreneurship in the technology sector. During the 15 month Alacrity programme graduates will develop essential product management, commercialisation and entrepreneurial skills. In addition to this applied learning, graduates will be mentored by experts and senior executives in a variety of disciplines. This training will prepare graduates to run a successful scalable high technology company.

The program is experiential in nature, where graduates are assigned to projects that form the basis of a real technology product or service opportunity. The Foundation facilitates industry sponsors bringing known problems from the marketplace to the project teams. The teams then try to build products to solve these real-world business issues. If successful, the project team will have created an opportunity to start a commercial relationship with the industry sponsor. Together they will form a new technology company, with continuing support and funding assistance to give the graduates an invaluable head-start to an entrepreneurial future.

Public benefit

We have referred to the guidance contained in the Charity Commissions' general guidance on public benefit when reviewing our aims and objectives and in planning future activities. In particular the trustees consider how planned activities will contribute to the aims and objectives they have set.

Achievements and performance

The specific highlights that have occurred since last year include the following;

1. Continued the incremental development of the programme core programme and inclusion of the Cyber Innovation Hub set out for 2023.
2. Enrolled 20 graduate recruits on to the 2022-2023 programme.
3. Successfully delivered two five-week bootcamps, one in coding and the other in business.
4. Continued to develop Alacrity Foundation's network of project and mentoring partners.
5. Alacrity delivered a cutting-edge, bespoke, package of training and mentoring in digital customer acquisition and retention to 50+ growth businesses in Monmouth, with Community Renewal Fund from the Monmouthshire County council.
6. Maintained the financial viability of operations through sound fiscal management.

Financial review

The Foundation made a loss of £186,180 (2022 - £260,383 profit) during the year. Included in the profit/loss for the year is an impairment loss on investments of £34,277 (2022 - £180).

As at 31 March 2023, the Foundation reported retained funds of £864,792 (2022 - £1,050,972). Surplus funds will be allocated to the recruitment of additional graduates (over the projected 18 per cohort) and other improvements to the programme delivery as the current funding round moves towards completion.

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT) *(continued)*

Year ended 31 March 2023

Financial review *(continued)*

Investment policy

Under the Memorandum and Articles of Association the charity has the power to invest for the furtherance of the charity's principle activity. All investments comply with the Charity Commission guidelines.

The Trustees, having regard to the liquidity requirements of the charity have operated a policy of keeping surplus cash balances as liquid as possible and any surplus balances will be invested in fixed term deposit accounts that can be accessed easily when needed.

Plans for future periods

The objectives going forward into the next year are:

1. To further develop and implement the Alacrity Foundation programme.
2. To continue to enhance the breadth and quality of entrepreneurship training for the teams.
3. To develop a network of strategic partners for team projects.
4. To enhance symbiotic work with higher education institutions in the development of the programme and products.
5. To expand the operations of the Foundation in terms of its range of programmes and geographic coverage in the UK.
6. To be a catalyst in connecting businesses to create a community hub within Newport.

Trustees' responsibilities statement

The trustees, who are also directors 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the 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 in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- 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.

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT) *(continued)*

Year ended 31 March 2023

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 30/01/2024 and signed on behalf of the board of trustees by:



Prof S J Gibson CBE
Trustee



**KILSBY
WILLIAMS**
Chartered Accountants

COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALACRITY FOUNDATION

Year ended 31 March 2023

Opinion

We have audited the financial statements of Alacrity Foundation (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, 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 FRS 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 charity's affairs as at 31 March 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;
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

COMPANY LIMITED BY GUARANTEE

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALACRITY
FOUNDATION *(continued)***

Year ended 31 March 2023

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the 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 the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 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 directors' report and from the requirement to prepare a strategic report.



COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALACRITY FOUNDATION *(continued)*

Year ended 31 March 2023

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

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

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

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that 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.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of legal counsel. 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. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

COMPANY LIMITED BY GUARANTEE

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALACRITY
FOUNDATION** *(continued)*

Year ended 31 March 2023

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALACRITY FOUNDATION *(continued)*

Year ended 31 March 2023

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jonathan Harray (Senior Statutory Auditor)

For and on behalf of
Kilsby & Williams LLP
Chartered accountants & statutory auditor
Cedar House
Hazell Drive
Newport
NP10 8FY

Kilsby & Williams LLP
30 January 2024

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

Year ended 31 March 2023

		2023	2022
		Unrestricted funds	Total funds
	Note	£	£
Income and endowments			
Donations and legacies	5	1,342,273	1,342,273
Charitable activities	6	–	–
Investment income	7	57	57
Total income		<u>1,342,330</u>	<u>1,342,330</u>
Expenditure			
Expenditure on charitable activities	8,9	(1,494,233)	(1,494,233)
Total expenditure		<u>(1,494,233)</u>	<u>(1,494,233)</u>
Net losses on investments	11	(34,277)	(34,277)
Net (expenditure)/income and net movement in funds		<u>(186,180)</u>	<u>(186,180)</u>
Reconciliation of funds			
Total funds brought forward		1,050,972	1,050,972
Total funds carried forward		<u>864,792</u>	<u>1,050,972</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 14 to 22 form part of these financial statements.

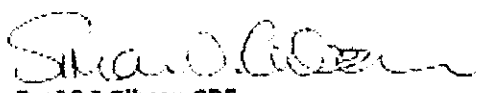
ALACRITY FOUNDATION
COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL POSITION

31 March 2023

	Note	2023 £	2022 £
FIXED ASSETS			
Tangible fixed assets	16	39,683	50,177
Mixed motive investments	17	122,446	156,724
		<u>162,329</u>	<u>206,901</u>
CURRENT ASSETS			
Debtors	18	421,931	641,471
Cash at bank and in hand		306,920	494,194
		<u>728,851</u>	<u>1,135,665</u>
CREDITORS: amounts falling due within one year	19	(76,388)	(291,594)
NET CURRENT ASSETS		<u>702,463</u>	<u>844,071</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>864,792</u>	<u>1,050,972</u>
NET ASSETS		<u>864,792</u>	<u>1,050,972</u>
FUNDS OF THE CHARITY			
Unrestricted funds		864,792	1,050,972
Total charity funds	21	<u>864,792</u>	<u>1,050,972</u>

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

These financial statements were approved by the board of trustees and authorised for issue on ~~30/01/2024~~, and are signed on behalf of the board by:


Prof S J Gibson CBE
Trustee

The notes on pages 14 to 22 form part of these financial statements.

ALACRITY FOUNDATION
COMPANY LIMITED BY GUARANTEE
STATEMENT OF CASH FLOWS

Year ended 31 March 2023

	2023	2022
	£	£
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (expenditure)/income	(186,180)	260,383
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	14,092	9,680
Net losses on investments	34,278	179
Other interest receivable and similar income	(57)	(20)
Loss on disposal of heritage assets	316	–
Accrued expenses/(income)	227,834	(427,338)
<i>Changes in:</i>		
Trade and other debtors	(3,654)	(782)
Trade and other creditors	(269,846)	(11,699)
Cash generated from operations	(183,217)	(169,597)
Interest received	57	20
Net cash used in operating activities	<u>(183,160)</u>	<u>(169,577)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible assets	(4,114)	(30,608)
Net cash used in investing activities	<u>(4,114)</u>	<u>(30,608)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(187,274)	(200,185)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	494,194	694,379
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>306,920</u>	<u>494,194</u>

The notes on pages 14 to 22 form part of these financial statements.

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2023

1. GENERAL INFORMATION

The charity is a public benefit entity and a private company limited by guarantee, registered in and a registered charity in England and Wales. The address of the registered office is Alacrity House, Moderator Wharf, Kingsway, Newport, NP20 1HG.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 March 2023

3. ACCOUNTING POLICIES *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 March 2023

3. ACCOUNTING POLICIES *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures, fittings and equipment	-	15% straight line
Computer equipment	-	33% straight line

Mixed motive investments

Mixed motive investments are held to provide funding to individuals or organisations in order to generate a financial return, as well as contributing to the charity's purposes through the activities funded by the investment. Equity instruments are measured at their fair value at the reporting date if this can be measured reliably, or at cost less impairment. Concessionary loans are either initially measured at the amount received and paid and then adjusted in subsequent years to reflect repayments, interest and any impairment, or they are initially measured at the fair value and subsequently at their amortised cost using the effective interest method.

Mixed motive investments that are measured at cost or amortised cost are assessed for objective evidence of impairment at the end of each reporting period. Any impairment losses are recognised immediately as an investment impairment within 'gains/(losses) on investments' line in the statement of financial activities.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 March 2023

3. ACCOUNTING POLICIES *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

4. LIMITED BY GUARANTEE

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £1.

5. DONATIONS AND LEGACIES

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
DONATIONS				
Donations	2,500	2,500	882,544	882,544
Donations - Alacrity Cyber	266,667	266,667	500,000	500,000
Donations - DCAR Monmouthshire	416,672	416,672	170,143	170,143
Donations - Grow Digital	16,000	16,000	16,000	16,000
Donations - I2I	130,629	130,629	25,000	25,000
Donations - Media C	332,761	332,761	–	–
Donations - Cyber Innovation Hub	146,207	146,207	–	–
Donations - SPF Monmouthshire	30,837	30,837	–	–
	<u>1,342,273</u>	<u>1,342,273</u>	<u>1,593,687</u>	<u>1,593,687</u>

6. CHARITABLE ACTIVITIES

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Other income from charitable activities	–	–	45,000	45,000

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 March 2023

7. INVESTMENT INCOME

	Unrestricted Funds	Total Funds 2023	Unrestricted Funds	Total Funds 2022
	£	£	£	£
Bank interest receivable	57	57	20	20

8. EXPENDITURE ON CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds	Total Funds 2023	Unrestricted Funds	Total Funds 2022
	£	£	£	£
Direct costs	1,178,681	1,178,681	986,169	986,169
Support costs	315,552	315,552	391,975	391,975
	<u>1,494,233</u>	<u>1,494,233</u>	<u>1,378,144</u>	<u>1,378,144</u>

9. EXPENDITURE ON CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly	Support costs	Total funds 2023	Total fund 2022
	£	£	£	£
Direct costs	1,178,681	310,049	1,488,730	1,373,848
Governance costs	–	5,503	5,503	4,296
	<u>1,178,681</u>	<u>315,552</u>	<u>1,494,233</u>	<u>1,378,144</u>

10. ANALYSIS OF SUPPORT COSTS

	Bootcamp £	Total 2023 £	Total 2022 £
Staff costs	154,563	154,563	205,139
Premises	58,868	58,868	53,401
Communications and IT	50,085	50,085	79,463
General office	15,246	15,246	23,057
Legal and professional	17,321	17,321	17,911
Motor and travel	5,061	5,061	3,323
Depreciation	14,091	14,091	9,681
	<u>315,235</u>	<u>315,235</u>	<u>391,975</u>

11. NET LOSSES ON INVESTMENTS

	Unrestricted Funds	Total Funds 2023	Unrestricted Funds	Total Funds 2022
	£	£	£	£
Gains/(losses) on other investment assets	(34,277)	(34,277)	(180)	(180)

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 March 2023

12. NET (EXPENDITURE)/INCOME

Net (expenditure)/income is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation of tangible fixed assets	14,092	9,680
Loss on disposal of heritage assets	315	—
	<u>14,407</u>	<u>9,680</u>

13. AUDITORS REMUNERATION

	2023	2022
	£	£
Fees payable for the audit of the financial statements	5,500	4,300
	<u>5,500</u>	<u>4,300</u>

14. STAFF COSTS

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023	2022
	£	£
Wages and salaries	449,832	357,235
Social security costs	37,898	32,677
	<u>487,730</u>	<u>389,912</u>

The average head count of employees during the year was 6 (2022: 6). The average number of full-time equivalent employees during the year is analysed as follows:

	2023	2022
	No.	No.
Number of staff - management	4	4
Number of staff - administrative	2	2
	<u>6</u>	<u>6</u>

The number of employees whose remuneration for the year fell within the following bands, were:

	2023	2022
	No.	No.
£60,000 to £69,999	1	1
£90,000 to £99,999	1	1
	<u>2</u>	<u>2</u>

15. TRUSTEE REMUNERATION AND EXPENSES

No trustees received reimbursement of expenses or remuneration in the current or previous year.

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 March 2023

16. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Equipment £	Total £
Cost			
At 1 April 2022	42,972	38,416	81,388
Additions	155	3,959	4,114
Disposals	(112)	(2,555)	(2,667)
At 31 March 2023	<u>43,015</u>	<u>39,820</u>	<u>82,835</u>
Depreciation			
At 1 April 2022	5,007	26,204	31,211
Charge for the year	6,369	7,723	14,092
Disposals	(67)	(2,284)	(2,351)
At 31 March 2023	<u>11,309</u>	<u>31,643</u>	<u>42,952</u>
Carrying amount			
At 31 March 2023	<u>31,706</u>	<u>8,177</u>	<u>39,883</u>
At 31 March 2022	<u>37,965</u>	<u>12,212</u>	<u>50,177</u>

17. MIXED MOTIVE INVESTMENTS

	Spin-off investments £
Cost	
At 1 April 2022	210,000
Disposals	(15,000)
At 31 March 2023	<u>195,000</u>
Impairment	
At 1 April 2022	(53,276)
Disposals	15,000
Impairment losses	(37,587)
Reversal of impairments	3,309
At 31 March 2023	<u>(72,554)</u>
Carrying amount	
At 31 March 2023	<u>122,446</u>

18. DEBTORS

	2023 £	2022 £
Prepayments and accrued income	<u>421,931</u>	<u>641,471</u>

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 March 2023

19. CREDITORS: amounts falling due within one year

	2023	2022
	£	£
Accruals and deferred income	17,766	279,793
Social security and other taxes	8,622	11,801
	<u>26,388</u>	<u>291,594</u>

20. DEFERRED INCOME

	2023	2022
	£	£
At 1 April 2022	266,667	266,667
Amount released to income	(266,667)	(266,667)
Amount deferred In year	—	266,667
At 31 March 2023	<u>—</u>	<u>266,667</u>

21. ANALYSIS OF CHARITABLE FUNDS

Unrestricted funds

	At 1 April 2022	Income	Expenditure	Gains and losses	At 31 March 2023
	£	£	£	£	£
General funds	<u>1,050,972</u>	<u>1,342,330</u>	<u>(1,494,233)</u>	<u>(34,277)</u>	<u>864,792</u>

	At 1 April 2021	Income	Expenditure	Gains and losses	At 31 March 2022
	£	£	£	£	£
General funds	<u>790,589</u>	<u>1,638,707</u>	<u>(1,378,144)</u>	<u>(180)</u>	<u>1,050,972</u>

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 March 2023

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Total Funds 2023
	£	£
Tangible fixed assets	39,883	39,883
Investments	122,446	122,446
Current assets	728,852	728,852
Creditors less than 1 year	(26,389)	(26,389)
Net assets	864,792	864,792

	Unrestricted Funds	Total Funds 2022
	£	£
Tangible fixed assets	50,177	50,177
Investments	156,724	156,724
Current assets	1,135,665	1,135,665
Creditors less than 1 year	(291,594)	(291,594)
Net assets	1,050,972	1,050,972

23. ANALYSIS OF CHANGES IN NET DEBT

	At 1 Apr 2022	Cash flows	At 31 Mar 2023
	£	£	£
Cash at bank and in hand	494,194	(187,274)	306,920

24. RELATED PARTIES

During the year, the company recharged costs of £- (2022 - £18,952) to parties where the company has a participating interest.

During the year, the company purchased goods and services totalling £148,560 (2022 - £62,941) from parties where the company has a participating interest.

Accounts

COMPANY REGISTRATION NUMBER: 07554557
CHARITY REGISTRATION NUMBER: 1140916

ALACRITY FOUNDATION
Company Limited by Guarantee
FINANCIAL STATEMENTS
31 MARCH 2022

ALACRITY FOUNDATION
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
Year ended 31 March 2022

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ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)

Year ended 31 March 2022

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2022.

Reference and administrative details

Registered charity name	Alacrity Foundation
Charity registration number	1140916
Company registration number	07554557
Principal office and registered office	Alacrity House Moderator Wharf Kingsway Newport NP20 1HG
The trustees	Prof S J Gibson CBE Dr D E Evans-Williams Prof H M Lappin-Scott Ms M D Evans
Company secretary	Mr M Colcomb
Auditor	Kilsby & Williams LLP Chartered accountants & statutory auditor Cedar House Hazell Drive Newport NP10 8FY

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT) *(continued)*

Year ended 31 March 2022

Structure, governance and management

The Alacrity Foundation ('the Foundation') is a registered charity and is governed by a Board of Trustees that oversees the following activities of the Foundation;

1. To agree and regularly monitor the Foundation's strategic directions and ensure that it pursues its stated objectives.
2. Ensure that the organisation functions within the legal, charitable and financial requirements of a charitable organisation.
3. Setting overall policy, defining goals, setting targets, and evaluating performance against agreed targets.
4. To ensure the financial stability of the organisation and the proper investment of funds in accordance with the Foundation's stated aims and objectives and relevant legislation.

The executive team's purpose is to implement strategies and conduct activities in accordance with the overall objectives of the Foundation and appropriate steer and governance from the Board of Trustees.

As Chairman, Simon Gibson is a founding member of the Board of Trustees with responsibility for overseeing the executive team of the Foundation and providing strategic and operational support for its activities. He is also responsible for stakeholder relationships and developing funding streams for the Foundation.

Appointment, Induction and Training of New Trustees

Complying with the statement of recommended practice (SORP) (2015), Trustees are appointed, inducted and trained transparently, effectively and efficiently.

The Articles of Association state that there shall not be more than seven Trustees and they shall be appointed as follows:

- one may be appointed from time to time by Wesley Clover (for as long as Wesley Clover remains a Member);
- one may be appointed from time to time by the Welsh Ministers (for as long as the Welsh Ministers remain a Member);
- one may be appointed from time to time by the Trustees of The Waterloo Foundation (for as long as the Trustees of The Waterloo Foundation remain a Member); and
- the Trustees may, with the prior written approval of Wesley Clover and the Welsh Ministers (in each case for as long as such party shall remain a Member), appoint any other person as a Trustee.

The Articles of Association also require that there are not less than three Trustees at all times and the Trustees shall from time to time, subject to the consent of Wesley Clover and the Welsh Ministers (in each case for as long as such party shall remain a Member), appoint one of their number as Chairman.

Where an annual general meeting is held it shall note the retirement of those Trustees who have retired during the previous financial year and the appointment of replacement or additional Trustees. There were no changes in the composition of the Board of Trustees in the period.

Care is taken to ensure that the Trustees should have the diverse range of skills, experience and knowledge needed to run an organisation effectively and Trustees ensure that they receive the necessary induction, training and on-going support they need to discharge their duties.

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT) *(continued)*

Year ended 31 March 2022

Objectives and activities

The Alacrity Foundation in the UK is established with the mandate to mentor and train the most suitable graduates and create a new generation of British technology-based companies. The Alacrity scheme is based on a proven methodology for commercialising technology and creating successful entrepreneurs.

The objectives of the Foundation are specifically restricted to the advancement of education and learning, in particular but not limited to business studies, business management practice and the development of engineering and technology for the benefit of the public.

The Alacrity Foundation provides an intensive training environment with mentors and industry partners to prepare graduates for entrepreneurship in the technology sector. During the 15 month Alacrity programme graduates will develop essential product management, commercialisation and entrepreneurial skills. In addition to this applied learning, graduates will be mentored by experts and senior executives in a variety of disciplines. This training will prepare graduates to run a successful scalable high technology company.

The program is experiential in nature, where graduates are assigned to projects that form the basis of a real technology product or service opportunity. The Foundation facilitates industry sponsors bringing known problems from the marketplace to the project teams. The teams then try to build products to solve these real-world business issues. If successful, the project team will have created an opportunity to start a commercial relationship with the industry sponsor. Together they will form a new technology company, with continuing support and funding assistance to give the graduates an invaluable head-start to an entrepreneurial future.

Public benefit

We have referred to the guidance contained in the Charity Commissions' general guidance on public benefit when reviewing our aims and objectives and in planning future activities. In particular the trustees consider how planned activities will contribute to the aims and objectives they have set.

Achievements and performance

The specific highlights that have occurred since last year include the following;

1. Continued the incremental development of the programme.
2. Implemented an effective graduate recruitment strategy with a remit to attract a diverse cohort.
3. Effectively delivered the technology-focused entrepreneurship education programme with in excess of 60 mentoring sessions.
4. Enrolled a minimum of 20 graduate recruits on to the 2021-22 programme.
5. Successfully delivered two five-week bootcamps, one in coding and the other in business.
6. Continued to develop Alacrity Foundation's network of project and mentoring partners.
7. Delivered additional support to stakeholders and the digital ecosystem in Wales and the UK.
8. Maintained the financial viability of operations through sound fiscal management.

Financial review

The Foundation made a profit of £260,383 (2021 - £109,501 loss) during the year. Included in the profit/loss for the year is an impairment loss on investments of £180 (2021 - 53,097).

As at 31 March 2022, the Foundation reported retained funds of £1,050,972 (2021 - £790,589). Surplus funds will be allocated to the recruitment of additional graduates (over the projected 18 per cohort) and other improvements to the programme delivery as the current funding round moves towards completion.

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT) *(continued)*

Year ended 31 March 2022

Financial review *(continued)*

Investment policy

Under the Memorandum and Articles of Association the charity has the power to invest for the furtherance of the charity's principle activity. All investments comply with the Charity Commission guidelines.

The Trustees, having regard to the liquidity requirements of the charity have operated a policy of keeping surplus cash balances as liquid as possible and any surplus balances will be invested in fixed term deposit accounts that can be accessed easily when needed.

Plans for future periods

The objectives going forward into the next year are:

1. To further develop and implement the Alacrity Foundation programme.
2. To continue to enhance the breadth and quality of entrepreneurship training for the teams.
3. To develop a network of strategic partners for team projects.
4. To enhance symbiotic work with higher education institutions in the development of the programme and products.
5. To expand the operations of the Foundation in terms of its range of programmes and geographic coverage in the UK.

Trustees' responsibilities statement

The trustees, who are also directors 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the 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 in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- 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.

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT) *(continued)*

Year ended 31 March 2022

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 17 OCT 22 and signed on behalf of the board of trustees by:



Prof S J Gibson CBE
Trustee



**KILSBY
WILLIAMS**
Chartered Accountants

COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALACRITY FOUNDATION

Year ended 31 March 2022

Opinion

We have audited the financial statements of Alacrity Foundation (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, 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 FRS 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 charity's affairs as at 31 March 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;
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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



**KILSBY
WILLIAMS**
Chartered Accountants

COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALACRITY FOUNDATION *(continued)*

Year ended 31 March 2022

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the 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 the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 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 directors' report and from the requirement to prepare a strategic report.



COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALACRITY FOUNDATION *(continued)*

Year ended 31 March 2022

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

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

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

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that 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.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of legal counsel. 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. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.



**KILSBY
WILLIAMS**
Chartered Accountants

COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALACRITY FOUNDATION *(continued)*

Year ended 31 March 2022

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



**KILSBY
WILLIAMS**
Chartered Accountants

COMPANY LIMITED BY GUARANTEE

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALACRITY
FOUNDATION** *(continued)*

Year ended 31 March 2022

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jonathan HARRY (Senior Statutory Auditor)

For and on behalf of

Kilsby & Williams LLP
Chartered accountants & statutory auditor
Cedar House
Hazell Drive
Newport
NP10 8FY

Kilsby & Williams LLP
20 December 2022

ALACRITY FOUNDATION**COMPANY LIMITED BY GUARANTEE****STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)****Year ended 31 March 2022**

		2022	2021
		Unrestricted funds	Total funds
	Note	£	£
Income and endowments			
Donations and legacies	5	1,593,687	1,593,687
Charitable activities	6	45,000	45,000
Investment Income	7	20	20
Total income		<u>1,638,707</u>	<u>1,638,707</u>
Expenditure			
Expenditure on charitable activities	8,9	(1,378,144)	(1,378,144)
Total expenditure		<u>(1,378,144)</u>	<u>(1,378,144)</u>
Net losses on investments	11	(180)	(180)
Net income/(expenditure) and net movement in funds		<u>260,383</u>	<u>260,383</u>
Reconciliation of funds			
Total funds brought forward		790,589	790,589
Total funds carried forward		<u>1,050,972</u>	<u>790,589</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 14 to 22 form part of these financial statements.

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL POSITION

31 March 2022

	Note	2022 £	2021 £
FIXED ASSETS			
Tangible fixed assets	16	50,177	29,249
Mixed motive investments	17	156,724	111,903
		<u>206,901</u>	<u>141,152</u>
CURRENT ASSETS			
Debtors	18	641,471	252,689
Cash at bank and in hand		494,194	694,379
		<u>1,135,665</u>	<u>947,068</u>
CREDITORS: amounts falling due within one year	19	(291,594)	(297,631)
NET CURRENT ASSETS		<u>844,071</u>	<u>649,437</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,050,972</u>	<u>790,589</u>
NET ASSETS		<u>1,050,972</u>	<u>790,589</u>
FUNDS OF THE CHARITY			
Unrestricted funds		1,050,972	790,589
Total charity funds	21	<u>1,050,972</u>	<u>790,589</u>

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

These financial statements were approved by the board of trustees and authorised for issue on 11.7.19/22, and are signed on behalf of the board by:



Prof S J Gibson CBE
Trustee

The notes on pages 14 to 22 form part of these financial statements.

ALACRITY FOUNDATION
COMPANY LIMITED BY GUARANTEE
STATEMENT OF CASH FLOWS

Year ended 31 March 2022

	2022	2021
	£	£
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income/(expenditure)	260,383	(109,501)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	9,680	3,868
Net losses on investments	179	53,097
Other interest receivable and similar income	(20)	(24)
Loss on disposal of heritage assets	–	476
Accrued income	(427,338)	(284,121)
<i>Changes in:</i>		
Trade and other debtors	(782)	(451)
Trade and other creditors	(11,699)	(218,714)
Cash generated from operations	(169,597)	(555,370)
Interest received	20	24
Net cash used in operating activities	<u>(169,577)</u>	<u>(555,346)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible assets	(30,608)	(28,014)
Net cash used in investing activities	<u>(30,608)</u>	<u>(28,014)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(200,185)	(583,360)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	694,379	1,277,739
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>494,194</u>	<u>694,379</u>

The notes on pages 14 to 22 form part of these financial statements.

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2022

1. GENERAL INFORMATION

The charity is a public benefit entity and a private company limited by guarantee, registered in and a registered charity in England and Wales. The address of the registered office is Alacrity House, Moderator Wharf, Kingsway, Newport, NP20 1HG.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 March 2022

3. ACCOUNTING POLICIES *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 March 2022

3. ACCOUNTING POLICIES *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures, fittings and equipment	-	15% straight line
Computer equipment	-	33% straight line

Mixed motive investments

Mixed motive investments are held to provide funding to individuals or organisations in order to generate a financial return, as well as contributing to the charity's purposes through the activities funded by the investment. Equity instruments are measured at their fair value at the reporting date if this can be measured reliably, or at cost less impairment. Concessionary loans are either initially measured at the amount received and paid and then adjusted in subsequent years to reflect repayments, interest and any impairment, or they are initially measured at the fair value and subsequently at their amortised cost using the effective interest method.

Mixed motive investments that are measured at cost or amortised cost are assessed for objective evidence of impairment at the end of each reporting period. Any impairment losses are recognised immediately as an investment impairment within 'gains/(losses) on investments' line in the statement of financial activities.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 March 2022

3. ACCOUNTING POLICIES *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

4. LIMITED BY GUARANTEE

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £1.

5. DONATIONS AND LEGACIES

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
DONATIONS				
Donations	882,544	882,544	882,500	882,500
Donations - Alacrity Cyber	500,000	500,000	233,333	233,333
Donations - DCAR Monmouth	170,143	170,143	—	—
Donations - Grow Digital	16,000	16,000	—	—
Donations - I2I	25,000	25,000	—	—
	<u>1,593,687</u>	<u>1,593,687</u>	<u>1,115,833</u>	<u>1,115,833</u>

6. CHARITABLE ACTIVITIES

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Other income from charitable activities	<u>45,000</u>	<u>45,000</u>	<u>30,000</u>	<u>30,000</u>

7. INVESTMENT INCOME

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Bank interest receivable	<u>20</u>	<u>20</u>	<u>24</u>	<u>24</u>

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 March 2022

8. EXPENDITURE ON CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Direct costs	986,169	986,169	904,179	904,179
Support costs	391,975	391,975	298,082	298,082
	<u>1,378,144</u>	<u>1,378,144</u>	<u>1,202,261</u>	<u>1,202,261</u>

9. EXPENDITURE ON CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly £	Support costs £	Total funds 2022 £	Total fund 2021 £
Direct costs	986,169	387,679	1,373,848	1,197,960
Governance costs	–	4,296	4,296	4,301
	<u>986,169</u>	<u>391,975</u>	<u>1,378,144</u>	<u>1,202,261</u>

10. ANALYSIS OF SUPPORT COSTS

	Total 2022 £	Total 2021 £
Staff costs	205,139	172,559
Premises	53,401	42,894
Communications and IT	79,463	27,733
General office	23,057	36,212
Legal and professional	17,911	13,577
Motor and travel	3,323	762
Depreciation	9,681	3,868
(Profit)/Loss on disposal of fixed assets	–	476
	<u>391,975</u>	<u>298,081</u>

11. NET LOSSES ON INVESTMENTS

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Gains/(losses) on other investment assets	(180)	(180)	(53,097)	(53,097)

12. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022 £	2021 £
Depreciation of tangible fixed assets	9,680	3,867
Loss on disposal of heritage assets	–	476

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 March 2022

13. AUDITORS REMUNERATION

	2022	2021
	£	£
Fees payable for the audit of the financial statements	<u>4,300</u>	<u>4,300</u>

14. STAFF COSTS

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2022	2021
	£	£
Wages and salaries	357,235	336,823
Social security costs	<u>32,677</u>	<u>29,760</u>
	<u>389,912</u>	<u>366,583</u>

The average head count of employees during the year was 6 (2021: 6). The average number of full-time equivalent employees during the year is analysed as follows:

	2022	2021
	No.	No.
Number of staff - management	4	4
Number of staff - administrative	<u>2</u>	<u>2</u>
	<u>6</u>	<u>6</u>

The number of employees whose remuneration for the year fell within the following bands, were:

	2022	2021
	No.	No.
£60,000 to £69,999	1	1
£90,000 to £99,999	<u>1</u>	<u>1</u>
	<u>2</u>	<u>2</u>

15. TRUSTEE REMUNERATION AND EXPENSES

No trustees received reimbursement of expenses or remuneration in the current or previous year.

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 March 2022

16. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Equipment £	Total £
Cost			
At 1 April 2021	13,219	37,561	50,780
Additions	29,753	855	30,608
At 31 March 2022	<u>42,972</u>	<u>38,416</u>	<u>81,388</u>
Depreciation			
At 1 April 2021	2,301	19,230	21,531
Charge for the year	2,706	6,974	9,680
At 31 March 2022	<u>5,007</u>	<u>26,204</u>	<u>31,211</u>
Carrying amount			
At 31 March 2022	<u>37,965</u>	<u>12,212</u>	<u>50,177</u>
At 31 March 2021	<u>10,918</u>	<u>18,331</u>	<u>29,249</u>

17. MIXED MOTIVE INVESTMENTS

	Spin-off investments £
Cost	
At 1 April 2021	180,000
Additions	45,000
Disposals	(15,000)
At 31 March 2022	<u>210,000</u>
Impairment	
At 1 April 2021	(68,097)
Disposals	15,000
Impairment losses	(28,378)
Reversal of impairments	28,199
At 31 March 2022	<u>(53,276)</u>
Carrying amount	
At 31 March 2022	<u>156,724</u>

18. DEBTORS

	2022 £	2021 £
Prepayments and accrued income	<u>641,471</u>	<u>252,689</u>

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 March 2022

19. CREDITORS: amounts falling due within one year

	2022 £	2021 £
Trade creditors	—	13,251
Accruals and deferred income	279,793	274,131
Social security and other taxes	11,801	10,249
	<u>291,594</u>	<u>297,631</u>

20. DEFERRED INCOME

	2022 £	2021 £
At 1 April 2021	266,667	500,000
Amount released to income	(266,667)	(233,333)
Amount deferred in year	266,667	—
At 31 March 2022	<u>266,667</u>	<u>266,667</u>

21. ANALYSIS OF CHARITABLE FUNDS

Unrestricted funds

	At 1 April 2021 £	Income £	Expenditure £	Gains and losses £	At 31 March 2022 £
General funds	<u>790,589</u>	<u>1,638,707</u>	<u>(1,378,144)</u>	<u>(180)</u>	<u>1,050,972</u>

	At 1 April 2020 £	Income £	Expenditure £	Gains and losses £	At 31 March 2021 £
General funds	<u>900,090</u>	<u>1,145,857</u>	<u>(1,202,261)</u>	<u>(53,097)</u>	<u>790,589</u>

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 March 2022

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Total Funds 2022
	£	£
Tangible fixed assets	50,177	50,177
Investments	156,724	156,724
Current assets	1,135,665	1,135,665
Creditors less than 1 year	(291,594)	(291,594)
Net assets	1,050,972	1,050,972

	Unrestricted Funds	Total Funds 2021
	£	£
Tangible fixed assets	29,249	29,249
Investments	111,903	111,903
Current assets	947,068	947,068
Creditors less than 1 year	(297,631)	(297,631)
Net assets	790,589	790,589

23. ANALYSIS OF CHANGES IN NET DEBT

	At 1 Apr 2021	Cash flows	At 31 Mar 2022
	£	£	£
Cash at bank and in hand	694,379	(200,185)	494,194

24. RELATED PARTIES

During the year, the company made sales of £18,952 (2021 - £6,861) to parties where the company has a participating interest.

During the year, the company purchased goods and services totalling £62,941 (2021 - £-) from parties where the company has a participating interest.

Accounts

COMPANY REGISTRATION NUMBER: 07554557
CHARITY REGISTRATION NUMBER: 1140916

ALACRITY FOUNDATION
Company Limited by Guarantee
FINANCIAL STATEMENTS
31 MARCH 2021

ALACRITY FOUNDATION
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
Year ended 31 March 2021

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ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)

Year ended 31 March 2021

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2021.

Reference and administrative details

Registered charity name Alacrity Foundation

Charity registration number 1140916

Company registration number 07554557

Principal office and registered office Alacrity House
Moderator Wharf
Kingsway
Newport
NP20 1HG

The trustees

Prof S J Gibson CBE
Mrs D E Williams
Mrs H M Lappin-Scott
Ms M D Evans

Company secretary Mr M Colcomb

Auditor Kilsby & Williams LLP
Chartered accountants & statutory auditor
Cedar House
Hazell Drive
Newport
NP10 8FY

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT) *(continued)*

Year ended 31 March 2021

Structure, governance and management

The Alacrity Foundation ('the Foundation') is a registered charity and is governed by a Board of Trustees that oversees the following activities of the Foundation;

1. To agree and regularly monitor the Foundation's strategic directions and ensure that it pursues its stated objectives.
2. Ensure that the organisation functions within the legal, charitable and financial requirements of a charitable organisation.
3. Setting overall policy, defining goals, setting targets, and evaluating performance against agreed targets.
4. To ensure the financial stability of the organisation and the proper investment of funds in accordance with the Foundation's stated aims and objectives and relevant legislation.

The executive team's purpose is to implement strategies and conduct activities in accordance with the overall objectives of the Foundation and appropriate steer and governance from the Board of Trustees.

As Chairman, Simon Gibson is a founding member of the Board of Trustees with responsibility for overseeing the executive team of the Foundation and providing strategic and operational support for its activities. He is also responsible for stakeholder relationships and developing funding streams for the Foundation.

Appointment, Induction and Training of New Trustees

Complying with the statement of recommended practice (SORP) (2015), Trustees are appointed, inducted and trained transparently, effectively and efficiently.

The Articles of Association state that there shall not be more than seven Trustees and they shall be appointed as follows:

- one may be appointed from time to time by Wesley Clover (for as long as Wesley Clover remains a Member);
- one may be appointed from time to time by the Welsh Ministers (for as long as the Welsh Ministers remain a Member);
- one may be appointed from time to time by the Trustees of The Waterloo Foundation (for as long as the Trustees of The Waterloo Foundation remain a Member); and
- the Trustees may, with the prior written approval of Wesley Clover and the Welsh Ministers (in each case for as long as such party shall remain a Member), appoint any other person as a Trustee.

The Articles of Association also require that there are not less than three Trustees at all times and the Trustees shall from time to time, subject to the consent of Wesley Clover and the Welsh Ministers (in each case for as long as such party shall remain a Member), appoint one of their number as Chairman.

Where an annual general meeting is held it shall note the retirement of those Trustees who have retired during the previous financial year and the appointment of replacement or additional Trustees. There were no changes in the composition of the Board of Trustees in the period.

Care is taken to ensure that the Trustees should have the diverse range of skills, experience and knowledge needed to run an organisation effectively and Trustees ensure that they receive the necessary induction, training and on-going support they need to discharge their duties.

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT) *(continued)*

Year ended 31 March 2021

Objectives and activities

The Alacrity Foundation in the UK is established with the mandate to mentor and train the most suitable graduates and create a new generation of British technology-based companies. The Alacrity scheme is based on a proven methodology for commercialising technology and creating successful entrepreneurs.

The objectives of the Foundation are specifically restricted to the advancement of education and learning, in particular but not limited to business studies, business management practice and the development of engineering and technology for the benefit of the public.

The Alacrity Foundation provides an intensive training environment with mentors and industry partners to prepare graduates for entrepreneurship in the technology sector. During the 15 month Alacrity programme graduates will develop essential product management, commercialisation and entrepreneurial skills. In addition to this applied learning, graduates will be mentored by experts and senior executives in a variety of disciplines. This training will prepare graduates to run a successful scalable high technology company.

The program is experiential in nature, where graduates are assigned to projects that form the basis of a real technology product or service opportunity. The Foundation facilitates industry sponsors bringing known problems from the marketplace to the project teams. The teams then try to build products to solve these real-world business issues. If successful, the project team will have created an opportunity to start a commercial relationship with the industry sponsor. Together they will form a new technology company, with continuing support and funding assistance to give the graduates an invaluable head-start to an entrepreneurial future.

Public benefit

We have referred to the guidance contained in the Charity Commissions' general guidance on public benefit when reviewing our aims and objectives and in planning future activities. In particular the trustees consider how planned activities will contribute to the aims and objectives they have set.

Achievements and performance

The specific highlights that have occurred since last year include the following;

1. Continued the incremental development of the programme.
2. Implemented an effective graduate recruitment strategy with a remit to attract a diverse cohort.
3. Effectively delivered the technology-focused entrepreneurship education programme with in excess of 60 mentoring sessions.
4. Enrolled 30 graduate recruits on to the 2020-21 programme.
5. Successfully delivered two five-week bootcamps, one in coding and the other in business.
6. Continued to develop Alacrity Foundation's network of project and mentoring partners.
7. Delivered additional support to stakeholders and the digital ecosystem in Wales and the UK.
8. Maintained the financial viability of operations through sound fiscal management.

Financial review

The Foundation made a loss of £109,501 (2020 - £8,721) during the year. Included in the loss for the year is an impairment loss on investments of £53,097 (2020 - £15,000). Although a loss was incurred, the Foundation's retained earnings and cash at bank balances remained strong at the balance sheet date, being £790,589 and £694,379 respectively.

Any surplus funds will be allocated to the recruitment of additional graduates (over the projected 18 per cohort) and other improvements to the programme delivery as the current funding round moves towards completion.

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT) *(continued)*

Year ended 31 March 2021

Financial review *(continued)*

Investment policy

Under the Memorandum and Articles of Association the charity has the power to invest for the furtherance of the charity's principle activity. All investments comply with the Charity Commission guidelines.

The Trustees, having regard to the liquidity requirements of the charity have operated a policy of keeping surplus cash balances as liquid as possible and any surplus balances will be invested in fixed term deposit accounts that can be accessed easily when needed.

Plans for future periods

The objectives going forward into the next year are:

1. To further develop and implement the Alacrity Foundation programme.
2. To continue to enhance the breadth and quality of entrepreneurship training for the teams.
3. To develop a network of strategic partners for team projects.
4. To enhance symbiotic work with higher education institutions in the development of the programme and products.
5. To expand the operations of the Foundation in terms of its range of programmes and geographic coverage in the UK.

Trustees' responsibilities statement

The trustees, who are also directors 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the 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 in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- 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.

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

**TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S
REPORT) *(continued)***

Year ended 31 March 2021

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 15 Dec 21 and signed on behalf of the board of trustees by:



Prof S J Gibson CBE
Trustee



COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALACRITY FOUNDATION

Year ended 31 March 2021

Opinion

We have audited the financial statements of Alacrity Foundation (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, 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 FRS 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 charity's affairs as at 31 March 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;
- 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 auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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



COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALACRITY FOUNDATION *(continued)*

Year ended 31 March 2021

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the 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 the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 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 directors' report and from the requirement to prepare a strategic report.



**KILSBY
WILLIAMS**
Chartered Accountants

COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALACRITY FOUNDATION (continued)

Year ended 31 March 2021

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

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

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

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that 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.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of legal counsel. 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. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.



COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALACRITY FOUNDATION *(continued)*

Year ended 31 March 2021

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



COMPANY LIMITED BY GUARANTEE

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALACRITY
FOUNDATION *(continued)***

Year ended 31 March 2021

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity'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 charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jonathan Harthy (Senior Statutory Auditor)

For and on behalf of
Kilsby & Williams LLP
Chartered accountants & statutory auditor
Cedar House
Hazell Drive
Newport
NP10 8FY

Jonathan Harthy
15 December 2021

ALACRITY FOUNDATION**COMPANY LIMITED BY GUARANTEE****STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)****Year ended 31 March 2021**

		2021	2020
		Unrestricted funds	Total funds
	Note	£	£
Income and endowments			
Donations and legacies	5	1,115,833	1,115,833
Charitable activities	6	30,000	30,000
Investment income	7	24	24
Total income		<u>1,145,857</u>	<u>1,145,857</u>
Expenditure			
Expenditure on charitable activities	8,9	1,202,261	1,202,261
Total expenditure		<u>1,202,261</u>	<u>1,202,261</u>
Net losses on investments	11	(53,097)	(53,097)
Net expenditure and net movement in funds		<u>(109,501)</u>	<u>(109,501)</u>
Reconciliation of funds			
Total funds brought forward		900,090	900,090
Total funds carried forward		<u>790,589</u>	<u>900,090</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 14 to 22 form part of these financial statements.

ALACRITY FOUNDATION
COMPANY LIMITED BY GUARANTEE
STATEMENT OF FINANCIAL POSITION
31 March 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible fixed assets	17	29,249	5,579
Mixed motive investments	18	111,903	135,000
		<u>141,152</u>	<u>140,579</u>
CURRENT ASSETS			
Debtors	19	252,689	1,238
Cash at bank and in hand		694,379	1,277,739
		<u>947,068</u>	<u>1,278,977</u>
CREDITORS: amounts falling due within one year	20	297,631	519,466
NET CURRENT ASSETS		<u>649,437</u>	<u>759,511</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>790,589</u>	<u>900,090</u>
NET ASSETS		<u>790,589</u>	<u>900,090</u>
FUNDS OF THE CHARITY			
Unrestricted funds		790,589	900,090
Total charity funds	22	<u>790,589</u>	<u>900,090</u>

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

These financial statements were approved by the board of trustees and authorised for issue on 15/12/21, and are signed on behalf of the board by:



Prof S J Gibson CBE
Trustee

The notes on pages 14 to 22 form part of these financial statements.

ALACRITY FOUNDATION
COMPANY LIMITED BY GUARANTEE
STATEMENT OF CASH FLOWS

Year ended 31 March 2021

	2021	2020
	£	£
CASH FLOWS FROM OPERATING ACTIVITIES		
Net expenditure	(109,501)	(8,721)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	3,868	3,826
Net losses on investments	53,097	15,000
Other interest receivable and similar income	(24)	(24)
Loss on disposal of heritage assets	476	471
Accrued (income)/expenses	(284,121)	505,607
<i>Changes in:</i>		
Trade and other debtors	(451)	14
Trade and other creditors	(218,714)	2,058
Cash generated from operations	(555,370)	518,231
Interest received	24	24
Net cash (used in)/from operating activities	(555,346)	518,255
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible assets	(28,014)	(3,616)
Net cash used in investing activities	(28,014)	(3,616)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(583,360)	514,639
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	1,277,739	763,100
CASH AND CASH EQUIVALENTS AT END OF YEAR	694,379	1,277,739

The notes on pages 14 to 22 form part of these financial statements.

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2021

1. GENERAL INFORMATION

The charity is a public benefit entity and a private company limited by guarantee, registered in and a registered charity in England and Wales. The address of the registered office is Alacrity House, Moderator Wharf, Kingsway, Newport, NP20 1HG.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 March 2021

3. ACCOUNTING POLICIES *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 March 2021

3. ACCOUNTING POLICIES *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures, fittings and equipment	-	15% straight line
Computer equipment	-	33% straight line

Mixed motive investments

Mixed motive investments are held to provide funding to individuals or organisations in order to generate a financial return, as well as contributing to the charity's purposes through the activities funded by the investment. Equity Instruments are measured at their fair value at the reporting date if this can be measured reliably, or at cost less impairment. Concessionary loans are either initially measured at the amount received and paid and then adjusted in subsequent years to reflect repayments, interest and any impairment, or they are initially measured at the fair value and subsequently at their amortised cost using the effective interest method.

Mixed motive investments that are measured at cost or amortised cost are assessed for objective evidence of impairment at the end of each reporting period. Any impairment losses are recognised immediately as an investment impairment within 'gains/(losses) on investments' line in the statement of financial activities.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 March 2021

3. ACCOUNTING POLICIES *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

4. LIMITED BY GUARANTEE

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £1.

5. DONATIONS AND LEGACIES

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
DONATIONS				
Donations	882,500	882,500	883,500	883,500
Donations - Alacrity Cyber	233,333	233,333	—	—
	<u>1,115,833</u>	<u>1,115,833</u>	<u>883,500</u>	<u>883,500</u>

6. CHARITABLE ACTIVITIES

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Other income from charitable activities	30,000	30,000	—	—

7. INVESTMENT INCOME

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Bank interest receivable	24	24	24	24

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 March 2021

8. EXPENDITURE ON CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Bootcamp	904,180	904,180	588,149	588,149
Support costs	298,081	298,081	289,096	289,096
	<u>1,202,261</u>	<u>1,202,261</u>	<u>877,245</u>	<u>877,245</u>

9. EXPENDITURE ON CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly £	Support costs £	Total funds 2021 £	Total fund 2020 £
Bootcamp	904,180	293,781	1,197,961	873,745
Governance costs	–	4,300	4,300	3,500
	<u>904,180</u>	<u>298,081</u>	<u>1,202,261</u>	<u>877,245</u>

10. ANALYSIS OF SUPPORT COSTS

	Bootcamp £	Total 2021 £	Total 2020 £
Staff costs	172,559	172,559	198,013
Premises	42,894	42,894	45,001
Communications and IT	27,733	27,733	5,739
General office	36,212	36,212	13,411
Legal and professional	13,577	13,577	12,353
Motor and travel	762	762	6,782
Depreciation	3,868	3,868	3,826
(Profit)/Loss on disposal of fixed assets	476	476	471
	<u>298,081</u>	<u>298,081</u>	<u>285,596</u>

11. NET LOSSES ON INVESTMENTS

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Gains/(losses) on other investment assets	<u>(53,097)</u>	<u>(53,097)</u>	<u>(15,000)</u>	<u>(15,000)</u>

12. NET EXPENDITURE

Net expenditure is stated after charging/(crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	3,867	3,826
Loss on disposal of heritage assets	<u>476</u>	<u>471</u>

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 March 2021

13. AUDITORS REMUNERATION

	2021	2020
	£	£
Fees payable for the audit of the financial statements	4,300	—

14. INDEPENDENT EXAMINATION FEES

	2021	2020
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	—	750
Other assurance services	—	2,750
	—	3,500

15. STAFF COSTS

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021	2020
	£	£
Wages and salaries	336,823	216,923
Social security costs	29,760	20,093
	366,583	237,016

The average head count of employees during the year was 6 (2020: 5). The average number of full-time equivalent employees during the year is analysed as follows:

	2021	2020
	No.	No.
Number of staff - management	4	3
Number of staff - administrative	2	1
	6	4

The number of employees whose remuneration for the year fell within the following bands, were:

	2021	2020
	No.	No.
£60,000 to £69,999	1	—
£90,000 to £99,999	1	1
	2	1

16. TRUSTEE REMUNERATION AND EXPENSES

No trustees received reimbursement of expenses or remuneration in the current or previous year.

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 March 2021

17. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Equipment £	Total £
Cost			
At 1 April 2020	6,050	41,179	47,229
Additions	8,759	19,256	28,015
Disposals	(1,590)	(22,874)	(24,464)
At 31 March 2021	<u>13,219</u>	<u>37,561</u>	<u>50,780</u>
Depreciation			
At 1 April 2020	2,508	39,142	41,650
Charge for the year	1,381	2,486	3,867
Disposals	(1,588)	(22,398)	(23,986)
At 31 March 2021	<u>2,301</u>	<u>19,230</u>	<u>21,531</u>
Carrying amount			
At 31 March 2021	<u>10,918</u>	<u>18,331</u>	<u>29,249</u>
At 31 March 2020	<u>3,542</u>	<u>2,037</u>	<u>5,579</u>

18. MIXED MOTIVE INVESTMENTS

	Spin-off investments £
Cost	
At 1 April 2020	150,000
Additions	30,000
At 31 March 2021	<u>180,000</u>
Impairment	
At 1 April 2020	(15,000)
Impairment losses	(53,097)
At 31 March 2021	<u>(68,097)</u>
Carrying amount	
At 31 March 2021	<u>111,903</u>

19. DEBTORS

	2021 £	2020 £
Prepayments and accrued income	<u>252,689</u>	<u>1,238</u>

ALACRITY FOUNDATION

COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 March 2021

20. CREDITORS: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	13,251	–
Accruals and deferred income	274,131	510,585
Social security and other taxes	10,249	8,881
	<u>297,631</u>	<u>519,466</u>

21. DEFERRED INCOME

	2021	2020
	£	£
At 1 April 2020	500,000	–
Amount released to income	(233,333)	–
Amount deferred in year	–	500,000
At 31 March 2021	<u>266,667</u>	<u>500,000</u>

22. ANALYSIS OF CHARITABLE FUNDS

Unrestricted funds

	At 1 April 2020	Income	Expenditure	Gains and losses	At 31 March 2021
	£	£	£	£	£
General funds	<u>900,090</u>	<u>1,145,857</u>	<u>(1,202,261)</u>	<u>(53,097)</u>	<u>790,589</u>

	At 1 April 2019	Income	Expenditure	Gains and losses	At 31 March 2020
	£	£	£	£	£
General funds	<u>908,811</u>	<u>883,524</u>	<u>(877,245)</u>	<u>(15,000)</u>	<u>900,090</u>

ALACRITY FOUNDATION**COMPANY LIMITED BY GUARANTEE****NOTES TO THE FINANCIAL STATEMENTS** *(continued)***Year ended 31 March 2021****23. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds	Total Funds 2021
	£	£
Tangible fixed assets	29,249	29,249
Investments	111,903	111,903
Current assets	947,068	947,068
Creditors less than 1 year	(297,631)	(297,631)
Net assets	790,589	790,589

	Unrestricted Funds	Total Funds 2020
	£	£
Tangible fixed assets	5,579	5,579
Investments	135,000	135,000
Current assets	1,278,976	1,278,976
Creditors less than 1 year	(519,465)	(519,465)
Net assets	900,090	900,090

24. ANALYSIS OF CHANGES IN NET DEBT

	At 1 Apr 2020	Cash flows	At 31 Mar 2021
	£	£	£
Cash at bank and in hand	<u>1,277,739</u>	<u>(583,360)</u>	<u>694,379</u>