

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

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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

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# ALACRITY FOUNDATION

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# ALACRITY FOUNDATION

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 MARCH 2025

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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

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#### 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

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#### 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**

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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

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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

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##### 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

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##### 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

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##### **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

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- 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

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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	£	£	£	£	£	£
<b>INCOME AND ENDOWMENTS FROM:</b>							
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
<b>TOTAL INCOME</b>		<b>774,323</b>	<b>958,539</b>	<b>1,732,862</b>	<b>353,958</b>	<b>1,016,167</b>	<b>1,370,125</b>
<b>EXPENDITURE ON:</b>							
Charitable activities	6	531,558	958,539	1,490,097	328,100	1,016,167	1,344,267
<b>TOTAL EXPENDITURE</b>		<b>531,558</b>	<b>958,539</b>	<b>1,490,097</b>	<b>328,100</b>	<b>1,016,167</b>	<b>1,344,267</b>
<b>NET INCOME AND MOVEMENT IN FUNDS</b>		<b>242,765</b>	<b>-</b>	<b>242,765</b>	<b>25,858</b>	<b>-</b>	<b>25,858</b>
<b>RECONCILIATION OF FUNDS:</b>							
Fund balances at 1 April 2024		890,650	-	890,650	864,792	-	864,792
<b>FUND BALANCES AT 31 MARCH 2025</b>		<b>1,133,415</b>	<b>-</b>	<b>1,133,415</b>	<b>890,650</b>	<b>-</b>	<b>890,650</b>

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

# ALACRITY FOUNDATION

## BALANCE SHEET

AS AT 31 MARCH 2025

		2025	2024
			as restated
	Notes	£	£
<b>FIXED ASSETS</b>			
Tangible assets	13	58,523	35,359
Mixed motive investments	14	45,000	57,200
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		103,523	92,559
<b>CURRENT ASSETS</b>			
Debtors	15	400,762	539,169
Cash at bank and in hand		647,614	492,941
		1,048,376	1,032,110
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	16	(18,484)	(234,019)
<b>NET CURRENT ASSETS</b>		1,029,892	798,091
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,133,415	890,650
<b>NET ASSETS</b>		1,133,415	890,650
<b>THE FUNDS OF THE CHARITY</b>			
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
<b>Donations and gifts</b>						
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 £
<b>INCOME FROM CHARITABLE ACTIVITIES</b>		
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 £
<b>Direct costs</b>		
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
	<hr/> 1,275,126	<hr/> 1,141,097
<b>Share of support and governance costs (see note 7)</b>		
Support	214,971	203,170
	<hr/> 1,490,097	<hr/> 1,344,267
<b>Analysis by fund</b>		
Unrestricted funds	531,558	328,100
Restricted funds	958,539	1,016,167
	<hr/> 1,490,097	<hr/> 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:	<b>2025</b>	<b>2024</b>
	£	£
<b>For audit services</b>		
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:

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

<b>Employment costs</b>	<b>2025</b>	<b>2024</b>
	£	£
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:

	<b>2025</b>	<b>2024</b>
	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 £
<b>Cost</b>			
At 1 April 2024	51,287	39,282	90,569
Additions	30,500	4,453	34,953
<b>At 31 March 2025</b>	<b>81,787</b>	<b>43,735</b>	<b>125,522</b>
<b>Depreciation and impairment</b>			
At 1 April 2024	18,126	37,084	55,210
Depreciation charged in the year	9,868	1,921	11,789
<b>At 31 March 2025</b>	<b>27,994</b>	<b>39,005</b>	<b>66,999</b>
<b>Carrying amount</b>			
<b>At 31 March 2025</b>	<b>53,793</b>	<b>4,730</b>	<b>58,523</b>
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)
<b>At 31 March 2025</b>	<b>45,000</b>

#### 15 DEBTORS

	2025 £	2024 £
<b>Amounts falling due within one year:</b>		
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	-	591,737	(591,737)	-	-	-
Innovation Hub	-	125,406	(125,406)	-	-	-
Monmouth SPF	-	81,400	(81,400)	-	-	-
Monmouth Net	-	6,600	(6,600)	-	-	-
Zero	-					
Coleg Gwent	-			-	-	-
	-	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	-	708,552	(708,552)	-	-	-
Innovation Hub	-	93,055	(93,055)	-	-	-
Monmouth SPF	-	30,097	(30,097)	-	-	-
Monmouth Net	-	8,400	(8,400)	-	-	-
Zero	-					
Coleg Gwent	-			-	-	-
	-	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
<b>Adjustments for:</b>		
Gain on disposal of tangible fixed assets	-	(998)
Depreciation and impairment of tangible fixed assets	38,989	78,141
Non cash income	(15,000)	-
<b>Movements in working capital:</b>		
Decrease/(increase) in debtors	138,407	(117,237)
(Decrease) in creditors	(7,207)	(699)
(Decrease)/increase in deferred income	(208,328)	208,329
<b>Cash generated from operations</b>	<u>189,626</u>	<u>193,394</u>

#### 23 ANALYSIS OF CHANGES IN NET FUNDS

The charity had no material debt during the year.