IMPETUS - THE PRIVATE EQUITY FOUNDATION

England & Wales · Charity number 1152262

Details

Other names	IMPETUS - PEF, IMPETUS
Status	Registered
Legal form	Charitable company
Company number	08460519
Registered	2013-06-03
Register	View on the Charity Commission register

Contact

Address	Impetus Golden Cross House 8 Duncannon Street London WC2N 4JF
Phone	07774 437 701
Email	info@impetus.org.uk
Website	http://www.impetus.org.uk/

Activities

Objects: THE CHARITY'S OBJECTS ARE TO ADVANCE ALL PURPOSES RECOGNISED AS CHARITABLE UNDER THE LAWS OF ENGLAND AND WALES AND TO PROMOTE THE EFFICIENCY AND EFFECTIVENESS OF CHARITIES AND THE PROMOTION OF THE EFFECTIVE USE OF RESOURCES FOR CHARITABLE PURPOSES.

Activities: Impetus transforms the lives of young people from disadvantaged backgrounds by ensuring they get the right support to succeed in school, in work and in life.We find, fund and build the most promising charities working with these young people, providing core funding and working shoulder-to-shoulder with their leaders to help them become stronger organisations.

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Classification

- **How:** Makes Grants To Organisations, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** General Charitable Purposes, Education/training, Economic/community Development/employment
- **Who:** Children/young People, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£24,140,437	£52,494,424	£131,564,975	112
2024-03-31	£22,206,602	£42,308,927	£158,624,435	102
2023-03-31	£27,161,239	£42,232,118	£170,087,445	89
2021-12-31	£20,789,568	£28,105,668	£203,800,025	73
2020-12-31	£13,146,580	£24,938,564	£201,925,650	43

Trustees

Name	Role	Appointed
BILL BENJAMIN	Chair	2024-12-04
Alexander Walsh		2023-05-23
Andrew Thoms		2022-10-10
Arnaud Emmanuel Frederic Bosquet		2024-06-26
Charles Edwards		2019-09-30
Christian Yannick Lucas		2024-06-26
Filippo Cardini		2019-06-25
Lisa Harker		2026-01-07
Natasha Porter OBE		2019-12-12
Satwinder Singh		2022-10-10
Shani Zindel		2017-12-07

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IMPETUS - THE PRIVATE EQUITY FOUNDATION

England & Wales - Charity number 1152262

Accounts

Impetus - The Private Equity Foundation (Operating as Impetus)

Annual Report and Consolidated Financial Statements

For the year ended 31 March 2025

THURSDAY

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COMPANIES HOUSE

Charity Number: 1152262
Company Number: 08460519

Reference and Administrative Details

Impetus – The Private Equity Foundation (Impetus) is a company limited by guarantee (number 08460519) and registered charity (number 1152262). Our governing document is in the Memorandum and Articles of Association, and we were incorporated on 23 March 2013.

Impetus has a wholly owned trading subsidiary, PEF Trading Limited. It is also the sole corporate trustee of the Youth Endowment Fund Charitable Trust, which is a registered charity in England and Wales (number 1185413).

The Trustees of Impetus are:

Bill Benjamin (Chair)
Hanneke Smits (Chair) (resigned December 2024)
Alexander Walsh
Andy Thoms
Charlie Edwards
Filippo Cardini
Lisa Stone (resigned June 2025)
Natasha Porter
Rohan Haldea (resigned July 2024)
Sat Singh
Shani Zindel
Arnaud Bosquet (appointed June 2024)
Christian Lucas (appointed June 2024)

Impetus Committees

Investment

Shani Zindel (Chair), Filippo Cardini, Sat Singh, Marc Henckel, Chris Murray, Gemma Wright

Governance and Nominations

Filippo Cardini (Chair), Sat Singh, Lisa Stone (resigned June 2025)

Resources and Audit

Arnaud Bosquet (Chair), David Bholat, Mike Garland, Andy Thoms and Xavier Woodward

Public Affairs

Natasha Porter (Chair), Sam Freedman, Jonathon Simons, Juliette Cammaerts (appointed February 2025)

Philanthropy and Partnerships

Charlie Edwards (Chair), Rob Pulford and Alexander Walsh

The Senior Leadership team of Impetus is:

Susannah Hardyman	(appointed January 2025)	Chief Executive Officer
Cecilie Gianneri	(appointed June 2024)	Director of Finance and Operations
Sebastien Ergas		Portfolio Director
Steven Haines		Director of Public Affairs
Robert Mitchell	(resigned June 2025)	Director of Digital
Esther McLaughlin	(resigned February 2025)	Director of Philanthropy and Partnerships
Harbi Jama	(appointed September 2025)	Director of Philanthropy and Partnerships
Eleanor Harrison	(resigned June 2024)	Chief Executive Officer
Irfan Umarji	(resigned July 2024)	Director of Finance and Operations

Registered Office:

Golden Cross House 8 Duncannon Street London WC2N 4JF

Auditors:

HaysMac LLP
10 Queen Street Place London, EC4R 1AG

Primary Banker:

NatWest
127-128 High Holborn London, WC1V 6PQ

Investment Managers:

Goldman Sachs International
Plumtree Court, 25 Shoe Lane London, EC4A 4AU

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Trustees' Report

The Trustees, who are also the directors of the charitable company, are pleased to present their annual report on the work of Impetus in 2024–25, and plans for 2025–26, together with the financial statements for Impetus and the Impetus Group for the year to 31 March 2025.

Objectives and Activities

Impetus transforms the education and employment outcomes of young people from disadvantaged backgrounds. We do this by using our deep expertise and high calibre networks to give the best non-profits in these sectors the essential ingredients to have a real and lasting impact.

Through a powerful combination of long-term funding, direct capacity building support from our experienced team and our pro bono partners, alongside research and policy influencing to drive lasting systems change, we work towards a society where all young people can thrive in school, pass their exams and unlock the doors to sustained employment, for a fulfilling life.

We are focused on delivering better outcomes for young people across four areas:

- **School Engagement:** improved attendance and reduced exclusions
- **School Attainment:** Achieving age-related expectations at Key Stage 2 and Level 2 English and Maths (GCSE 9–4).
- **Employment:** Entering and sustaining Higher Education (HE), Further Education (FE), apprenticeships, or a job.
- **Reduced youth offending:** Our work to reduce youth offending is covered in detail in the Annual Report of the Youth Endowment Fund Charitable Trust.

Across our three outcome areas (school engagement, attainment and employment) Impetus currently funds and supports 23 portfolio partners, serving over 400K young people.

Four of these partners joined the portfolio over the past year:

- **Co-Op Academies Trust and The Two Counties Trust (**Multi Academy Trusts): We are helping build Internal Alternative provision, delivering counselling, tutoring, enrichment activities to students at risk of exclusion.
- **Business Launchpad:** Supporting young people aged 18-24 in London from low-income backgrounds who face barriers to financial independence to secure employment through tailored coaching and real business and work experiences.
- **Breadwinners**: Serving young people aged 16-24 who are refugees with right to work and young people seeking asylum with voluntary and paid work experience, weekly training and mentoring.

Our Investment team supports our portfolio partners with:

- **Leadership development:** CEO development, executive appointments, Board development
- **Impact:** supporting partners to be clear and aligned on their purpose and priorities for improving their impact
- **Growth strategy:** working with CEO and Chair to tease out the big questions, often facilitating the strategy development process, or curating pro bono support for the project

In 2024/5 we:

- Delivered 23 CEO coaching sessions, to help leaders think through some of their biggest strategic and people challenges.
- Supported the leadership teams for 3 of our portfolio partners through a CEO transition process.
- Completed 4 'Driving Impact' workshops to help the executive team, Board and staff align on their organisation's theory of change.
- Facilitated 9 programme improvement projects; and
- Helped develop 8 strategies for organisational growth

Every Investment Director spends at least day a week working directly with the leaders of our partner organisations, helping focus their mission, facilitate strategic decisions, build high-performing interventions that deliver impact, accelerate their growth and develop their leadership team.

For example, Streets of Growth works with young people experiencing criminal exploitation in Tower Hamlets and joined the portfolio in 2023. Over October and November 2024, we facilitated 4 day-long "Driving Impact" workshop to help align the execs, Board and staff on core elements of their mission

The team made 3 key decisions
Clarified which young people will be supported by their work
Agreed target employment outcomes
Committed to formalise employability programme

Streets of Growth walked away with clarity and a real sense of shared accountability for employment outcomes.

Pro bono support

In 24/25, our network of pro bono partners delivered £1.7m of support in total across 50 projects with 21 providers

Typical projects included:

- Strategy reviews
- Executive coaching
- Board reviews
- Legal support
- Market research

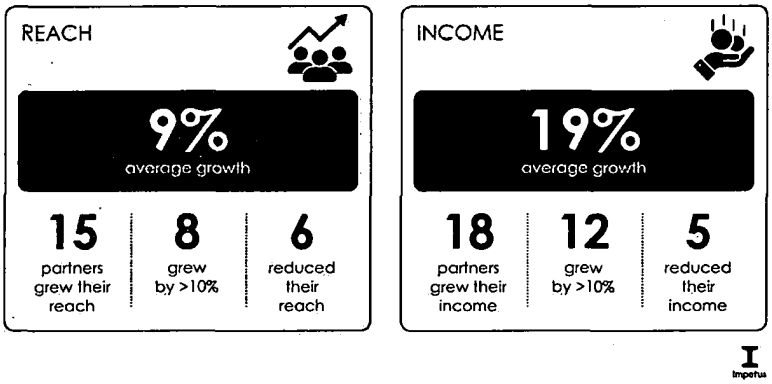
For example, Bain supported School of Hard Knocks over 10 weeks to help the exec team and Board work through meaty questions on the growth ambition, funding model, school sales model.

"Working with the team from Bain was the most incredible gift to us. We have ended up with a detailed vision of where we want to be in five years' time. It is one thing to get a sense of the destination, but quite another to be armed with the map and compass too!"
Ken Cowen, SoHK CEO

Our impact

Reach and growth

Portfolio performance in 23/24 – **Growth**



*Growth data is the most recent we have and relates to the 2023/24 annual year due to both impact and growth data lags

Our portfolio partners continue to operate in a highly challenging environment (declining statutory/school budgets, Grant Making Trusts making fewer and smaller grants) but are delivering good growth.

Over the past year, they have grown their reach by an average of 9% and their income by an average of 19%. The majority of our partners have grown, many of them by more than 10%

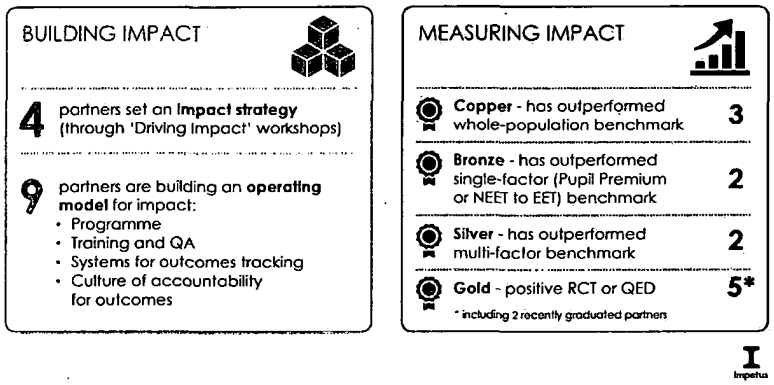
In terms income, average growth has been strong: 19%. 18 partners have grown including 12 by more than 10%

The difference we see between reach and income growth is what we'd expect, given that at this stage of our development;

- A lot of our partners would use income to build their core functions (business development, model development, financial controls) instead of putting it all in delivery.
- Partners will have made their programmes longer and more intensive to deliver the support young people needed to achieve outcomes, with a focus on quality rather than volume.

Performance

Portfolio performance in 23/24 – **Impact**



*Impact data is the most recent we have and relates to the 2023/24 annual year due to both impact and growth data lags

In terms of Impact performance, the portfolio has made good strides towards delivering benchmark-beating outcomes.

13 of our partners are at the stage where they are clarifying their purpose, bolstering their programme, creating the organisational wiring for clear delivery standards and embedding a real impact culture up and down their organisation

The rest of the portfolio is further on in their impact journey, with more established programmes, working to improve outcomes and building their evidence.

Influencing Policy

We combine what we learn from the work with our portfolio partners with our own research, to influence government and the wider sector through:

- Targeted campaign work in coalition with like-minded organisations to shape the public debate.
- Directly influencing key decision makers in and connected to the government through our networks
- Maintaining a presence at relevant sector conferences, panels and events, including the major Party Conferences in September and October.

Against the backdrop of a general election, and a new government being elected in July 2024, in 2024/5 we made progress on influencing policymaking across three key areas:

School engagement

The *Who is Losing Learning?* coalition was founded to identify and address the scale and impact of children losing learning in England and highlight the injustice of its disproportionate impact on the most disadvantaged or marginalised young people. Led by our portfolio partner The Difference, the coalition has included Impetus, Mission44, and the think tank IPPR.

The coalition released two major reports in the last year. A report In September 2024 looking at the problems driving the significant increase in exclusions and absence from school. And in

April 2025 we launched our report proposing solutions, which brought together recommendations from leading experts in education, chaired by Pepe Di'Iasio, the Secretary General of the Association of School and College Leaders.

The Solutions Report was launched in the House of Commons in Westminster with strong interest from MPs and secured a wide range of media coverage over a number of weeks.

The coalition has a sequenced plan for the coming years to deliver progress on the Solutions Report's recommendations, and Impetus will be taking forward specific areas where our expertise and assets can be particularly valuable.

Attainment

Oracy

In October 2024 Impetus co-sponsored the Oracy Education Commission (OEC), chaired by Geoff Barton, which produced the landmark "We Need to Talk" report. The report's four recommendations were:

- Make oracy a core part of education from early years to post-16.
- Embed oracy in teacher training and development.
- Promote evidence-based approaches.
- Reflect oracy in assessment and accountability

Impetus worked alongside Voice21 to secure media coverage for the report and included the recommendations in our submission to the Government's Curriculum and Assessment Review.

Tutoring

In 2024/5 Impetus continued our long-standing commitment to tutoring as a key intervention to close the attainment gap for disadvantaged pupils. In April 2025, Impetus co-commissioned and co-launched a report with Public First and tutoring charities including Action Tutoring, Get Further, and The Tutor Trust. The report, *Past Lessons, Future Vision*:

- Critiqued the NTP and 16–19 Tuition Fund, highlighting funding gaps and implementation challenges.
- Proposed a new national tutoring model with:
    - At least 12 hours of tutoring per pupil.
    - Focus on English and maths.
    - Delivery from Key Stage 2 through post-16.
    - A mixed model of in-house and external provision.
    - No match-funding and light-touch accountability

The report was launched in Parliament and received strong political engagement, including endorsement from Paul Waugh MP

Employment

Our latest Youth Jobs Gap research, published in May 2025, found that young people from disadvantaged backgrounds are twice as likely to be NEET as their better off peers. The report revealed new insight on the impact of 'compound disadvantage' demonstrating how multiple factors increase the likelihood of a young person becoming NEET. The report found that young people from disadvantaged backgrounds with low levels of qualification and with special

educational needs or disabilities are almost three times as likely to be NEET.

We launched the report on BBC Radio 4's Today programme and with exclusive coverage in the Financial Times.

Over 100 people attended the launch event in Westminster, with the Minister for Employment speaking about how important young people's prospects are to Government and quoting our research.

Plans for Future Periods

Through our work we are taking on some of the most pressing issues facing young people today. Our unique model allows us to tackle these by supporting the most promising organisations to grow with impact and addressing the most complex policy challenges with actionable solutions.

2025/26 will be a crucial year to lay significant groundwork for further income growth.

Work is well underway to bring in new portfolio partners, one in Attainment and two in Skills to sit in our new Skills and Attainment funds. On average for every organisation that we fund, we have 100 applications to join our programme. Each partner that joins our portfolio will have undergone three months of intensive due diligence by our team. We are also doing a lot of work to identify new funding partners for these new funds and are working towards extending our existing funds that support young people from ethnic minority backgrounds into employment, and to help young people at risk of disengaging from school.

Alongside this, we will continue laying strong organisational foundations for all our portfolio partners by:

- Recognising we have a relatively young portfolio, and building these organisations for impact and sustainable growth, so that in time we'll see them delivering sector leading results.
- Maintaining the momentum of both the Who Is Losing Learning work and our Youth Jobs Gap work, using our influencing power to keep these issues on government agendas and make sure the voices of young people are heard.
- Raising our profile across all areas of our work, so that all our stakeholders understand who Impetus is, what we do and how to engage with us.
- Delivering the 4th year of our Impetus Leadership Academy, to support leaders from ethnic minority backgrounds in the UK youth sector to progress into senior leadership roles in youth education or youth employment organisations.
- Delivering on our commitment to embed equality, diversity and inclusion across every part of our work – including what we fund, where we fund and how we work as an organisation.

Financial Review

Financial results

Impetus group

Our income for the year ended March 2025 stood at £24.1m compared with £22.2m in 2024, the change reflecting a £1.7m increase in donations, grant and fundraising income across the group, as well as a £0.2m decrease in investment income. Total group funds as of 31 March 2025 were £131.6m (2024: £158.6m). The main change to the balance sheet was a decrease in group cash balances by £3.0m to £9.9m and a decrease in investments to £127.5m from £150.8m, reflecting the spend-down nature of the Youth Endowment Fund.

Impetus (excluding the Youth Endowment Fund)

Our total income (including pro bono) in 2024–25 increased to £12.6m (2024: £11.5m). Within this, we've seen a healthy increase in philanthropic income (excludes pro bono income) from £8.4m in 23/24 to £9.6m in 24/25, reflecting growing support for our work. Grants and donations to Impetus increased by £1.2m to £7.8m, with investment and fundraising income increasing by £0.3m. The value our pro bono experts contributed, in the form of donated services, was £2.5m over the past year compared to £2.9m in 2024. Despite this decrease in pro bono income, which was due to a a few delayed projects as well as prior year having a very large strategically, and financially, valuable project, pro bono contributions remain a significant part of our value add to our portfolio, alongside grants and investment team time. Overall, Impetus continues to receive generous financial support from key main sources: individual donations, corporate sponsors, grant-making trusts and foundations.

Our expenditure increased from £11.8m in 2024 to £13.0m, reflecting the fact that we continued to invest in our people, infrastructure and the number of portfolio partners we support. We were able to increase our grant spend to portfolio partners from £4.6m to £5.7m which includes co-investment grants, demonstrating our commitment to backing more impactful organisations. Staff costs have risen slightly, reflecting investment in our team to support this growth.

Youth Endowment Fund

We received a £200m grant from the Home Office in April 2019 which is to be spent over ten years to 2029. The grant was included in full in the income for 2019. Investments from the fund returned a net gain of £6.1m (including income and market value gain) in the 12 months to 31 March 2025. Additional grant income received during the period totalled £6.5m. Expenditure in the 12 months to 31 March 2025 totalled £39.4m, of which £26.4m was on grants to interventions with a further £3.1m spend on activities undertaken directly. Of the grant, £128m remained invested with Goldman Sachs and remained the largest component of the balance sheet at the year end. The restricted fund at the year-end amounted to £123.7m (£123.3m for the Home Office grant and £0.4m from other grants received).

Reserves

Impetus (excluding the Youth Endowment Fund)

Impetus has healthy unrestricted reserves and a strong cash position at the balance sheet date. Our reserves policy, as initially approved by the Board in March 2014, entails:

- Minimum unrestricted funds being set as six months operating costs and the cash cost of any office lease commitment up until the break; and
- Unrestricted funds not being designated by the Trustees. Rather, a narrative is used to explain how unrestricted funds would be used against ongoing grant agreements and planned new investments.

Our unrestricted funds were £7.4m as at 31 March 2025. The minimum level of unrestricted reserves to comply with our reserves policy is £3.2m, but an additional £3.5m is earmarked for paying grants to portfolio partners that are authorised but not accrued as expenditure, essentially leaving "free reserves" at £0.7m.

The total value of grants to portfolio partners that are authorised but not accrued as expenditure at 31 March 2025 was £3.5m (2024: £4.2m); a decrease as two portfolio partners graduated, and two exited the portfolio during the year. These grants only become an obligation to Impetus if the partners achieve specific milestones. The £3.5m relates to the current portfolio partners and excludes any amounts in respect of new investees or next phase investments yet to be approved by the Investment Committee. If all current grant agreements progress as planned, then the grants made in 2025–26 will be £2.7m. Our level of reserves is such that we can reduce them over the next few years (though remaining above the minimum level) as we continue to support more organisations, including through grants and funds, for a significant period in their journey to scaling impact. In the longer-term, we will need to raise additional funds to fulfil our commitments and the strategy agreed by the Board in June 2024 is designed to increase our sustainability.

In addition to the unrestricted funds described above, Impetus had restricted funds totalling £0.4m at 31 March 2025. These are held for the purposes shown in note 16 to the financial statements.

Youth Endowment Fund

The Impetus Board, as sole Trustee, agreed a policy of holding minimum restricted funds in respect of the Home Office funded work equal to six months' operating expenditure. The receipt of the Home Office grant at the outset of our work means that this policy is comfortably met.

Going concern

We consider that we have adequate financial reserves to continue to deliver our plans and that we have a reasonable expectation that we will have adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties that call into doubt the charity's ability to continue.

Investment policy, objectives and performance of The Youth Endowment Fund

The grant from the Home Office was invested and has been managed by Goldman Sachs who were appointed after a competitive selection process. The investment objective is to achieve an average nominal return of 2% per annum, net of management fees, over the life of the fund.

As at the 31 March 2025, the portfolio totalled £128m, comprising £86m in fixed income

securities and £42m in cash. Following a 2024 de-risking exercise, the portfolio was restructured into two sub-portfolios:

- Liquidity sub-portfolio – comprising cash and cash equivalents.
- Mid-term sub-portfolio – comprising investment-grade government and corporate bonds.

To mitigate currency risk, cash and cash equivalent investments are restricted to sterling instruments, and all bond investments are issued in sterling. Fixed income maturities are actively managed to align with projected operating cash flow requirements, thereby ensuring sufficient liquidity to fund planned grant disbursements and partner management costs throughout the life of the YEF.

The fund managers are required to integrate environmental, social, and governance (ESG) considerations into the investment process and to engage with investee companies to improve ESG practices and policies. In line with the fund's social objectives, the Trustees have prohibited direct or indirect investment in companies whose primary activities include tobacco or alcohol manufacturing, armaments or controversial weapons, gambling, adult entertainment, or high-interest-rate lending.

As the fund approaches the end of its life, the investment strategy has prioritised de-risking and ensuring that future commitments are appropriately cash matched. The Investment Committee, in consultation with the fund managers, has reviewed the portfolio and is satisfied that the strategy remains prudent and continues to protect the charity's assets.

Structure, Governance and Management

Impetus is a charitable company registered with the Charity Commission (Charity number 1152262) registered in 2013 under its Memorandum and Articles (governing document). The governing body of the charity is the Board of Trustees, who are listed on the administrative details page. The governing body also meets as the sole corporate Trustee of The Youth Endowment Fund, a registered charitable trust.

The appointment of a new Trustee takes place after external recruitment and due consideration from both parties. This is vital to ensuring a good strategic fit for the Board and the prospective Trustee. Over time, new Trustees meet our portfolio partners to gain a good understanding of our work. New Trustees are also briefed on their obligations under charity and company law, the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and the financial performance of Impetus. During their induction, they meet members of staff and other Trustees whom they had not previously met. Trustees attend training events which facilitate the undertaking of their role.

Trustees are typically elected for three-year periods and may be re-elected for a further three-year period. The Chair conducts an annual appraisal of the Board's performance and composition and the functioning of its committees, and a designated Trustee conducts a review of the Chair's role and performance. The Board sets strategy and reviews policy. Day-to-day responsibility is delegated to the Chief Executive Officer, who works closely with the Chair.

During 2024–25, the Board met six times.

There were five key Impetus committees reporting to the Impetus Board in 2024/25: Investment, Governance and Nominations, Resources and Audit, Public Affairs, and Philanthropy and Partnerships. Further to this there is a Youth Endowment Fund Committee

which has two further sub committees, the Grants and Evaluation Committee and the Endowment Investment Committee.

- **Investment Committee**: The Committee is responsible for ensuring that Impetus manages well a balanced portfolio that helps us deliver our mission. The Committee scrutinises individual investment proposals and recommends for Board ratification the portfolio partners that should enter, progress through and exit the portfolio. The committee also reviews how each portfolio partner is progressing through our Outcomes Framework in the semi-annual Portfolio Partner Review as well as its progress against funding milestones.
- **Governance and Nominations Committee**: The Committee has a strategic role in defining the role of the Board as well as how the Board interacts with its committees. It also directs the Trustee recruitment process and Trustee responsibilities. The Committee is responsible for conducting the Chair evaluation as well as advising on Trustee and Board development.
- **Resources and Audit Committee**: The Committee is responsible for reviewing and monitoring all financial and operational aspects of Impetus and reports to the Board on such matters, including financial risk management and people. Due to the size and nature of the organisation, the committee considers that an internal audit function is not required. The committee also helps ensure that Impetus maintains and develops relationships with its donors, co-investors and supporters for Impetus and its portfolio partners to receive the funding, pro bono and other relevant support to achieve its overall mission and strategy.
- **Public Affairs Committee**: The Committee supports Impetus in defining and achieving our public affairs goals. The Committee reviews our public affairs strategy to ensure it is aligned with our organisational mission, and achievable in terms of the external landscape. Committee members also review research and publications in draft to help ensure our public work is high-quality, and relevant to those we are seeking to reach and influence. Annually, the Committee review progress against the public affairs KPIs, to assess performance and impact.
- **Philanthropy and Partnerships Committee**: The Committee supports Impetus' philanthropy and partnership teams in our efforts to increase donor engagement and stewardship, as well as overseeing key fundraising events.

Impetus acts as the sole corporate Trustee of the Youth Endowment Fund through its board of Trustees.

- **Youth Endowment Fund Charitable Trust Committee:** Impetus established this committee as a committee of its board. The Committee has delegated responsibility for the management of the Youth Endowment Fund and compliance with, and implementation of the Home Office Grant Agreement. Impetus has the following matters reserved to it, receiving recommendations from the Committee on each matter:
    - The overall strategy for the charity and the grants strategy or any material changes thereto
    - A budget and business plan for the charity within the framework set by the Home Office Grant Agreement and Partnership Agreement
    - The appointment or termination of appointment of Committee members and the YEF Executive Director; individual grants or material changes to existing grants with a value in excess of £10 million, including those made from Supplementary Funding
    - The terms of any partnerships with other funders, where their funding is in excess of £10 million

- The Investment Policy and the appointment of investment managers
- The Committee has two sub-committees, the Grants and Evaluation Committee and the Endowment Investment Committee

- **The Youth Endowment Fund Grants and Evaluation Committee**: The Grants and Evaluation Committee provides oversight and scrutiny of grants to Project Implementation Partners and agreements with independent evaluators. It makes recommendations in respect of individual grants, monitors grants awarded and produces reports for the YEF Committee.
- **The Youth Endowment Fund Endowment Investment Committee:** *The Endowment* Investment Committee has delegated responsibility for the investment management of the Youth Endowment Fund. The Trustees consider that the portfolio performed well, with a well-defined glide path to reduce equity risk post year-end.

These committees ensure in-depth review and oversight of our activities. They ensure that the specific areas of focus are led, where possible, by Trustees. Trustees are aware of and comply with the duty to act in the public benefit in accordance with Section 17 of the Charities Act 2011.

Remuneration arrangements for key management personnel

The Trustees consider the Impetus board and the senior management team to be the key management personnel for reporting purposes. In 2024/25, the senior management team at *Impetus (excluding the YEF Charitable Trust) comprised the Chief Executive Officer, Director* of Public Affairs, Portfolio Director, Director of Philanthropy and Partnerships, Director of Finance and Operations and the Director of Digital and Information.

Trustees receive no remuneration. Employee pay is set by reference to an upper quartile salary benchmark which is established using a salary survey for the sector which Impetus subscribes to. The remuneration is agreed by the Resources and Audit Committee with a recommendation from the Chair in respect of the Chief Executive Officer.

Fundraising

We do not use external professional fundraisers and did not receive any complaints about our fundraising activities during the year. We fundraise by soliciting donations from organisations and individuals. We also organise fundraising events including those where individuals fundraise directly for us. We are registered with the Fundraising Regulator and pay its annual levy and comply with its Code of Fundraising Practice.

Safeguarding

Impetus is committed to protecting our staff, volunteers, partner organisations and the people we work with alongside the interests of the young people we support and who benefit from the grants we make. Our safeguarding policies and procedures set out clear expectations of our staff and portfolio partners ensuring we effectively manage our risk, whilst setting out clear accountability mechanisms. We have a dedicated senior safeguarding lead, as well as a deputy safeguarding lead, and our Board and our Resources and Audit Committee receive any necessary safeguarding updates.

All staff are made aware of our safeguarding policies and procedures during their induction,

with dedicated and tailored training provided for specific teams who are closer to our portfolio partners. We continue to support and work with our portfolio partners to ensure the risks surrounding safeguarding are monitored and managed effectively.

Risks and Internal Control

The Trustees are responsible for ensuring that Impetus has an appropriate system of controls, financial and otherwise. They are also responsible for safeguarding Impetus' assets and hence for taking reasonable steps for the prevention of fraud and other irregularities.

Assisted by the senior leadership team and the Resources and Audit Committee, the Board regularly reviews and assesses the major risks to which Impetus is exposed. Movements against risks are reviewed at Board meetings with mitigating actions and controls discussed.

The most significant risks identified by the Board post our current mitigation strategies are:

Risk	Mitigation
Our ability to sustain and diversify fundraising in the short term, given reliance on a small number of funders and a philanthropy team still building capacity	We continue to strengthen our donor pipeline and renewal rates, supported by the active involvement of the Philanthropy and Partnerships Committee in identifying and cultivating prospects in new sectors, alongside deepening relationships with existing supporters. The philanthropy team is expanding and developing capability to manage a broader portfolio of relationships, and with the appointment of a new Director of Philanthropy and Partnerships and the CEO now fully embedded, we have further enhanced leadership and strategic direction. Furthermore, our events strategy is being refined to maximise both fundraising and engagement opportunities, and we are exploring additional income streams to diversify our donor base and reduce reliance on any single sector or group of funders.
The potential loss of experienced staff at senior or mid-levels, which would have a disproportionate impact on delivery, culture, and stakeholder confidence	We are embedding organisational knowledge and strengthening succession planning to reduce the impact of potential staff turnover. Key measures include ensuring that broader ranges of voices are heard in leadership decisions, sharing responsibilities more inclusively across teams, and enhancing internal learning and development to build leadership capability throughout the organisation. Continuous professional development remains a core part of our staff benefits, supporting both retention and progression. In line with our EDI commitments, we are strengthening diversity, equity, and inclusion in leadership pipelines to ensure a range of perspectives are embedded in decision-making and organisational culture. This includes ensuring clarity on progression and remuneration processes and actively recruiting onto the Board to ensure representation at the highest governance level. We continue to review remuneration and benefits to remain competitive in attracting and retaining talent, invest in staff wellbeing and engagement, and strengthen recruitment planning to enable timely and effective replacement of critical roles where necessary.
The risk that public funding cuts, regulatory scrutiny, and economic pressures could	Our engaged support model enables us to identify and address risks early, providing capacity building in areas such as financial management, governance, and compliance. We continue to monitor the external environment and adapt our support, accordingly, ensuring partners have access to advice and resources to navigate

Risk	Mitigation
weaken the resilience of partners, particularly smaller or newer organisations	challenges. Portfolio risk is explicitly considered in investment decisions, and communication protocols between investment, philanthropy, and communications teams have been strengthened to enable a coordinated response to emerging partner risks. We also engage with sector networks to share learning and advocate for a supportive policy environment for our partners.

These risks are monitored by the Resources and Audit Committee and the Impetus Board of Trustees, which reviews risk movements and the various mitigation strategies in place to manage risks.

Statement of Trustees' Responsibilities

The Trustees (who are the directors of the charitable company) 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 charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Each of the Trustees confirms that to the best of his/her knowledge there is no information relevant to the audit of which the auditors are unaware. The Trustees also confirm that they have taken all necessary steps to ensure that they themselves are aware of all relevant audit information and that this information has been communicated to the auditors.

The Trustees' Report, incorporating the directors' report and strategic report, was approved by the Trustees on 9 October 2025 and signed on their behalf by the Chair.

William Benjamin

Bill Benjamin
Chair of Impetus

Independent auditor's report to the Trustees of Impetus – The Private Equity Foundation

Opinion

We have audited the financial statements of Impetus – The Private Equity Foundation for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, the Charity Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2025 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 (which includes the directors' report and strategic report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The strategic report and directors' report included within 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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the directors' report and strategic 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 by the parent charitable company; or
- The parent charitable company 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.

Responsibilities of trustees for the financial statements

As explained more fully in the Trustees' responsibilities statement set out on page 17 the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent charitable company 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to trust law requirements relate to the use of restricted funds, charity law and GDPR, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011, and payroll tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to recognition of voluntary income. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual descriptions and entries posted at unusual times; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely for the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility for anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Tracey Young
(Senior Statutory Auditor)
For and on behalf of HaysMac LLP
Statutory Auditor, 10 Queen Street Place, London EC4R 1AG

Date: 21 October 2025

Consolidated Statement of Financial Activities

For the year ended 31 March 2025

	Note	Restricted £	Unrestricted £	2025 Total £	Restricted £	Unrestricted £	2024 Total £
Income:							
Donations and grants	2a	10,684,326	6,282,109	**16,966,435**	9,087,659	6,199,001	**15,286,660**
Events and fundraising activities	2b	0	1,905,490	**1,905,490**	-	1,853,114	**1,853,114**
Investment	2c	4,806,762	433,759	**5,240,521**	4,911,629	154,782	**5,066,411**
Other	2d	-	400	**400**	-	417	**417**
Total income		15,491,088	8,621,758	**24,112,846**	13,999,288	8,207,314	**22,206,602**
Expenditure:							
Raising funds	3a	-	1,575,112	**1,575,112**	-	1,287,810	**1,287,810**
Charitable activities	3a	43,673,480	7,245,832	**50,919,312**	33,894,792	7,126,325	**41,021,117**
Total expenditure		43,673,480	8,820,944	**52,494,424**	33,894,792	8,414,135	**42,308,927**
Net expenditure		(28,182,392)	(199,186)	**(28,381,578)**	(19,895,504)	(206,821)	**(20,102,325)**
Transfers between funds		281,979	(281,979)	-	(33,907)	33,907	-
Net gains on investments	11	1,322,118	-	**1,322,118**	8,639,315	-	**8,639,315**
Net movement in funds		(26,578,295)	(481,165)	**(27,059,460)**	(11,290,096)	(172,914)	**(11,463,010)**
Reconciliation of funds:							
Funds at the start of the year	16	150,750,970	7,873,465	**158,624,435**	162,041,066	8,046,379	**170,087,445**
Funds at the end of the year	16	124,172,675	7,392,300	**131,564,975**	150,750,970	7,873,465	**158,624,435**

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 16 to the financial statements.

The financial statements for Impetus (company registration number 08460519 and charity registration number 1152262), for the year ended 31 March 2025 were approved and authorised for issue by the Board on 9th October 2025.

The notes that follow form an integral part of these financial statements.

Charity statement of financial activities

For the year ended 31 March 2025

	Note	Restricted £	Unrestricted £	2025 Total £	Restricted £	Unrestricted £	2024 Total £
Income:							
Donations and grants	2a	3,952,815	6,282,109	**10,234,924**	3,234,161	6,199,001	**9,433,162**
Events and fundraising activities	2b	-	1,905,490	**1,905,490**	-	1,853,114	**1,853,114**
Investment	2c	-	433,759	**433,759**	-	154,782	**154,782**
Other	2d		27,991	**27,991**	-	34,324	**34,324**
Total income		3,952,815	8,649,349	**12,602,164**	3,234,161	8,241,221	**11,475,382**
Expenditure:							
Raising funds	3e	-	1,575,112	**1,575,112**	-	1,287,810	**1,287,810**
Charitable activities	3e	4,257,175	7,245,832	**11,503,007**	3,394,385	7,126,325	**10,520,710**
Total expenditure		4,257,175	8,820,944	**13,078,119**	3,394,385	8,414,135	**11,808,520**
Net expenditure		(304,360)	(171,595)	**(475,955)**	(160,224)	(172,914)	**(333,138)**
Transfers between funds		309,570	(309,570)	-	-	-	-
Net movement in funds		5,210	(481,165)	**(475,955)**	(160,224)	(172,914)	**(333,138)**
Reconciliation of funds:							
Funds at the start of the year		442,741	7,873,465	**8,316,206**	602,965	8,046,379	**8,649,344**
Funds at the end of the year		447,951	7,392,300	**7,840,251**	442,741	7,873,465	**8,316,206**

The notes that follow form an integral part of these financial statements.

Consolidated cash flow statement
For the year ended 31 March 2025

	Note	2025 £	2024 £
Net cash flow from operating activities	(a)	**(32,915,613)**	**(19,385,997)**
Cash flows from investing activities:			
Dividends and interest from investments		**5,240,521**	5,066,411
Purchase of software and equipment		**(19,885)**	(13,495)
Proceeds from sale of investments		**29,452,583**	12,001,505
Purchase of investments		**(4,789,204)**	394,596
Net cash provided by investing activities		**29,884,015**	**17,449,017**
Change in cash and cash equivalents in the year		**(3,031,598)**	(1,936,980)
Cash and cash equivalents at the beginning of the year		**12,927,468**	14,864,448
Cash and cash equivalents at the end of the year		**9,895,870**	**12,927,468**

(a) Reconciliation of net movement in funds to net cash flow from operating activities

	2025 £	2024 £
Net movement in funds	**(27,059,460)**	(11,463,010)
(Gains) on investments	**(1,322,118)**	(8,639,315)
Dividends and interest from investments	**(5,240,521)**	(5,066,411)
Loss on disposal of fixed assets	**369**	-
Depreciation and amortisation	**27,266**	26,358
Decreases in debtors	**181,121**	653,534
Increases in creditors	**497,730**	5,102,847
Net cash flow from operating activities	**(32,915,613)**	**(19,385,997)**

The charity has no debt, so no analysis of net debt is presented.

The notes that follow form an integral part of these financial statements.

Consolidated and Charity Balance Sheets
As at 31 March 2025

	Note	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Fixed assets					
Intangible fixed assets	9	**97,560**	113,820	**-**	-
Tangible fixed assets	10	**25,821**	17,311	**25,821**	17,311
Investments	11	**127,545,286**	150,886,547	**1**	1
		127,668,667	151,017,678	**25,822**	17,312
Current assets					
Debtors	12	**791,416**	972,537	**1,268,373**	843,713
Cash at bank and in hand		**9,895,870**	12,927,468	**8,367,159**	7,980,907
		10,687,286	13,900,005	**9,635,532**	8,824,620
Creditors: amounts due within one year	13	**(6,190,978)**	(6,293,248)	**(1,221,103)**	(525,726)
Net current assets		**4,496,308**	7,606,757	**8,414,429**	8,298,894
Net assets less current liabilities		**132,164,975**	158,624,435	**8,440,251**	8,316,206
Creditors: amounts falling due after more than one year	14	**(600,000)**	-	**(600,000)**	-
Net assets	15	**131,564,975**	158,624,435	**7,840,251**	8,316,206
Funds					
Restricted funds	16	**124,172,675**	150,750,970	**447,951**	442,741
Unrestricted funds	16	**7,392,300**	7,873,465	**7,392,300**	7,873,465
Total funds		**131,564,975**	158,624,435	**7,840,251**	8,316,206

The financial statements for Impetus (company registration number 08460519 and charity registration number 1152262), for the year ended 31 March 2025 were approved and authorised for issue by the Board on 9 October 2025.

The notes that follow form an integral part of these financial statements.

William Benjamin

Bill Benjamin
Trustee

Arnaud Bosquet
Trustee

Notes to the financial statements
For the year ended 31 March 2025

1. Accounting policies

a) The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) Second Edition effective 1 January 2019 and the Companies Act 2006.

Impetus - The Private Equity Foundation is a company, number 08460519, limited by guarantee and incorporated in England and Wales. Its registered office is at Golden Cross House, 8 Duncannon Street, London, WC2N 4JF.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements of the wholly owned subsidiary, PEF Trading Limited, have been consolidated with those of the charity on a line by line basis. The financial statements of The Youth Endowment Fund Charitable Trust have also been consolidated in the accounts of the group.

The charity is the sole corporate trustee of The Youth Endowment Fund Charitable Trust (YEF), a registered charity number 1185413. The activities of the subsidiary charity, YEF, have been included as a restricted funds in the accounts of the group.

Going concern
The accounts are prepared on the going concern basis as the trustees expect that the activities will continue for the foreseeable future and Impetus has healthy reserves and a strong cash position at the balance sheet date. There are no material uncertainties that call into doubt the charity's ability to continue in operational existence.

b) Income is included in full in the statement of financial activities once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants to Impetus are recognised in full in the statement of financial activities in the year in which they are receivable, or in the case of grants with associated eligibility criteria, in the year in which those criteria are satisfied.

Where entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the income is recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the charity can meet such conditions, recognition of income is deferred.

c) Donated services and facilities are recognised as income and expenditure in the financial statements when companies or individuals offer their professional expertise on a pro bono basis. The value of these donated services and facilities is an estimated figure based upon the valuation the professional individual or organisation places upon the time, services and facilities they have provided to Impetus. Individuals offering their time to work in areas where they are not undertaking their profession are classified as volunteers and their time is not quantified in the accounts, but is disclosed in the trustees' report. All of these amounts are treated as unrestricted donations.

d) Expenditure is recognised on an accruals basis, inclusive of any VAT which cannot be recovered. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is allocated to the particular activity where the cost relates exclusively and directly to that activity. In addition, an allocation of salary and overhead costs of the central function is made and is apportioned based upon staff estimates of time spent on each activity (including the time of the executives who offer their services on a pro bono basis).

Expenditure on raising funds relate to the costs incurred by the charitable company in raising funds for the charitable work. This includes an allocation of salary and overhead costs of the central function and is apportioned based upon staff estimates of time spent on fundraising activity.

Notes to the financial statements
For the year ended 31 March 2025

1. Accounting policies (continued)

e) Grants payable to portfolio partners are charged in the year when the offer is conveyed to the portfolio partner except in those cases where the offer is conditional, which is typical of portfolio partners of Impetus. Funding is usually offered over a period of up to five years, which is reviewed on a regular basis throughout the funding relationship. Continued funding is conditional upon the portfolio partners meeting specified milestones. Conditional grants are recognised as expenditure when the conditions are fulfilled. If the conditions have not been met at the year end, the grants are disclosed as a future commitment but are not shown as expenditure.

Grants payable to interventions by the YEF are charged in the year in which they are disbursed to the intervention. Continued funding is conditional on the interventions meeting specified milestones. Conditional grants are recognised as expenditure when the conditions are fulfilled. If the conditions have not been met at the year end, the grants are disclosed as a future commitment but are not shown as expenditure.

f) The group's financial instruments all qualify as basic financial instruments in accordance with section 11 of FRS102 and are recognised on the following bases:
i. Investments in subsidiaries are measured at cost less provision for impairment.
ii. Other investments are measured at market value at the balance sheet date.
iii. Cash and cash equivalents represent bank balances and deposits held in sterling.
iv. Debtors, including Gift Aid receivable, are measured at the transaction price less any provision for doubtful debts.
v. Trade creditors are measured at the transaction price.

g) Items of equipment and software are capitalised where the purchase price or the cost of the capital project exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

h) Depreciation and amortisation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Computer equipment	Three years
Computer software	Ten years
Office equipment	Four years
Fixtures and fittings	Five years

i) Short term deposits represent cash on deposit.

j) Unrestricted funds are donations and other income receivable or generated for the objects of the charity.

k) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is matched to the restricted funds, together with a fair allocation of overheads and support costs, if appropriate.

l) The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the group to the fund. The group has no liability under the scheme other than for the payment of those contributions.

Pension contributions are also made on behalf of eligible employees and are paid into personal pension schemes as nominated by the employee and contributions pass through the SOFA as incurred.

m) Transactions in foreign currencies are translated into sterling at the rates of exchange current at the date of the transaction. Foreign currency monetary assets and liabilities in the balance sheet are translated into sterling at the rates of exchange ruling at the end of the year. Resulting exchange gains and losses are taken to the statement of financial activities.

n) Leases are regarded as operating leases and the rentals are charged to operating expenses on a straight-line basis over the term of the lease. Operating lease incentives received are added to the lease rentals and charged to operating expenses over the life of the lease. The charity has no finance leases.

o) The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. The key judgment which has had the most significant effect on amounts recognised in the financial statements relates to the recognition and measurement of Donated Services (see note 1(c)).

Notes to the financial statements
For the year ended 31 March 2025

2. Total income

	Group 2025 Total £	Group 2024 Total £	Charity 2025 Total £	Charity 2024 Total £
a) Donations and grants				
Other grants	**8,995,893**	7,303,157	**2,535,000**	2,200,488
Donated services	**2,736,334**	3,620,406	**2,465,716**	2,869,577
Income for Engage and Connect Funds	**1,244,043**	1,033,673	**1,244,043**	1,033,673
Cash donations from individuals and companies	**3,987,344**	3,329,424	**3,987,344**	3,329,424
Legacies	**2,821**	-	**2,821**	-
Donations and grants	**16,966,435**	15,286,660	**10,234,924**	9,433,162
b) Events and fundraising activities				
Fundraising events	**1,905,490**	1,853,114	**1,905,490**	1,853,114
c) Investment				
Interest receivable	**451,317**	187,383	**433,759**	154,782
Fixed income bonds	**4,688,153**	619,763	**-**	-
Global equities	**101,051**	4,259,265	**-**	-
Investment income	**5,240,521**	5,066,411	**433,759**	154,782
d) Other income				
Contract income	**-**	417	**11,228**	14,116
Capacity building	**-**	-	**16,363**	20,208
Other income	**400**	-	**400**	-
	400	417	**27,991**	34,324
Total income	**24,112,846**	22,206,602	**12,602,164**	11,475,382

Donations and events income received from Trustees for the charity totalled £145,326 (2024: £221,770).

Donated services represent pro bono services and facilities received by Impetus and the Youth Endowment Fund (YEF). These services relate both to work performed for Impetus or the YEF, and for our portfolio partners and are included as expenditure under note 3.

e) Additional funds raised for portfolio partners

Additional funds raised for portfolio partners are donations made directly to the portfolio partners where Impetus was instrumental in obtaining those funds. These amounts are not included in Impetus's own financial statements nor those of the group.

	2025 Total £	2024 Total £
Total additional funds generated by Impetus for portfolio partners	**3,596,500**	**6,710,880**

Notes to the financial statements
For the year ended 31 March 2025

3 (a). Total expenditure - Group

Note for the current year

	Grant funding £ Note 4	Activities undertaken directly £ Note 3(b)	Support costs £ Note 3(c)	Group Total 2025 £
Raising funds				
Fundraising and events	-	-	1,575,112	**1,575,112**
Charitable activities				
Supporting portfolio partners	-	5,288,359	3,056,848	**8,345,207**
Evaluation and research	7,759,356	-	-	**7,759,356**
Grants payable (note 4)	32,078,415	-	-	**32,078,415**
Donated services	270,618	2,135,285	330,431	**2,736,334**
Total charitable activities	40,108,389	7,423,644	3,387,279	**50,919,312**
Total expenditure	**40,108,389**	**7,423,644**	**4,962,391**	**52,494,424**

Note for the prior period

	Grant funding £	Activities undertaken directly £	Support costs £	Group Total 2024 £
Raising funds				
Fundraising and events	-	-	1,287,810	**1,287,810**
Charitable activities				
Supporting portfolio partners	-	4,987,789	2,734,067	**7,721,856**
Evaluation and research	6,600,788	-	-	**6,600,788**
Grants payable (note 4)	23,078,067	-	-	**23,078,067**
Donated services	750,829	2,082,952	786,625	**3,620,406**
Total charitable activities	30,429,684	7,070,741	3,520,692	**41,021,117**
Total expenditure	**30,429,684**	**7,070,741**	**4,808,502**	**42,308,927**

3 (b). Activities undertaken directly - Group

	Group 2025 £	Group 2024 £
Staff costs	**4,531,403**	4,151,346
Consultancy costs	**158,598**	279,181
Office costs	**218,771**	273,799
Depreciation and amortisation	**5,095**	4,860
Loss on disposal of tangible fixed assets	**171**	-
Donated services	**2,135,285**	2,082,952
Other costs	**374,321**	278,606
	7,423,644	7,070,744

3 (c). Support costs - Group

	Raising funds £	Charitable activities £	Total 2025 £	Raising funds £	Charitable activities £	Total 2024 £
Staff costs	991,098	1,519,533	**2,510,631**	794,539	1,313,904	2,108,443
Office costs	136,300	376,680	**512,980**	151,463	393,952	545,415
Depreciation and amortisation	3,174	2,737	**5,911**	2,689	2,585	5,274
Loss on disposal of tangible fixed assets	106	92	**198**	-	-	-
Donated services	-	330,431	**330,431**	-	786,625	786,625
Fundraising events costs	356,044	-	**356,044**	172,802	-	172,802
Investment management fees	-	172,829	**172,829**	-	370,839	370,839
Other costs	88,390	984,977	**1,073,367**	166,317	652,787	819,104
	1,575,112	3,387,279	**4,962,391**	1,287,810	3,520,692	4,808,502

Included within support costs above are governance costs totalling £218,389 (2024: £126,883).

Notes to the financial statements
For the year ended 31 March 2025

3 (d). Pro bono income and expenditure - Group and Charity

Donated services are analysed as income and expenditure within the financial statements. The split of donated services across portfolio partners and other activities is as follows:

	2025 £	2024 £
Unrestricted		
Support to portfolio partners	**2,135,285**	2,082,952
Support to Impetus for portfolio work	**144,100**	750,000
Support to Impetus	**186,331**	36,625
Total donated services - Charity	**2,465,716**	2,869,577
Youth Endowment Fund	**270,618**	750,829
Total donated services - Group	**2,736,334**	3,620,406

3 (e). Total expenditure - Charity

Note for the current year

	Grant funding £	Activities undertaken directly £ Note 3(f)	Support costs £ Note 3(g)	Total 2025 £
Raising funds				
Fundraising and events	-	-	1,575,112	**1,575,112**
Charitable activities				
Supporting portfolio partners	-	2,144,663	1,176,920	**3,321,583**
Grants payable (note 4)	5,715,708	-	-	**5,715,708**
Donated services	-	2,135,285	330,431	**2,465,716**
Total charitable activities	5,715,708	4,279,948	1,507,351	**11,503,007**
Total expenditure	**5,715,708**	**4,279,948**	**3,082,463**	**13,078,119**

Note for the prior year

	Grant funding £	Activities undertaken directly £	Support costs £	Total 2024 £
Raising funds				
Fundraising and events	-	-	1,287,810	**1,287,810**
Charitable activities				
Supporting portfolio partners	-	2,025,503	1,009,392	**3,034,895**
Grants payable (note 4)	4,616,238	-	-	**4,616,238**
Donated services	-	2,082,952	786,625	**2,869,577**
Total charitable activities	4,616,238	4,108,455	1,796,017	**10,520,710**
Total expenditure	**4,616,238**	**4,108,455**	**3,083,827**	**11,808,520**

3 (f). Activities undertaken directly - Charity

	2025 £	2024 £
Staff costs	**1,546,305**	1,468,238
Office costs	**218,771**	273,799
Depreciation	**5,095**	4,860
Loss on disposal of tangible fixed assets	**171**	-
Donated services	**2,135,285**	2,082,952
Other costs	**374,321**	278,606
	4,279,948	4,108,455

3 (g). Support costs - Charity

	Raising funds £	Charitable activities £	Total 2025 £	Raising funds £	Charitable activities £	Total 2024 £
Staff costs	991,098	840,102	**1,831,200**	794,539	705,638	1,500,177
Office costs	136,300	117,538	**253,838**	151,463	145,638	297,101
Depreciation	3,174	2,737	**5,911**	2,689	2,585	5,274
Loss on disposal of tangible fixed assets	106	92	**198**	-	-	-
Donated services	-	330,431	**330,431**	-	786,625	786,625
Fundraising events costs	356,044	-	**356,044**	172,802	-	172,802
Other costs	88,390	216,451	**304,841**	166,317	155,531	321,848
	1,575,112	1,507,351	**3,082,463**	1,287,810	1,796,017	3,083,827

Included within support costs above are governance costs totalling £197,589 (2024 - £126,833).

Notes to the financial statements
For the year ended 31 March 2025

4. Grants payable

	2025 £	2024 £
Grants payable fall in these categories:		
- paid to Impetus portfolio partners	**5,715,708**	4,616,238
- paid to Youth Endowment Fund interventions	**26,362,707**	18,461,827
	32,078,415	23,078,065

Grants paid to portfolio partners in the year were as follows:

	2025 £	2024 £
Access Project	**125,000**	225,000
Action Tutoring	**120,000**	100,000
ADA	**207,500**	300,000
AllChild (formerly West London Zone)	**218,750**	252,500
Babbasa Youth Empowerment Projects CIC	**40,000**	122,500
Breadwinners	**50,000**	-
Business Launchpad	**50,000**	-
Career Ready	-	55,000
City Gateway	**325,000**	381,250
Co-operative Academies Trust	**100,000**	-
CORE & Co Foundation	**1,000**	-
The Difference	**223,958**	158,000
Empire Fighting Chance	**130,000**	50,000
Football Beyond Borders	**505,000**	300,000
Generation: You Employed UK	**377,500**	300,000
Growth Path Services	**1,000**	-
IMO Charity	**150,000**	70,000
IntoUniversity	**50,000**	50,000
Jon Egging Trust	**375,000**	221,250
Khulisa	**250,000**	175,000
Kids Inspire	**175,000**	163,750
Learning4Life-Gy CIC	**1,000**	-
Mama Youth	-	30,000
MCR Pathways	**475,000**	375,000
Miss Macaroon	-	5,000
Olive Academies	**195,000**	159,000
Positive Youth Foundation	**1,000**	-
Power the Fight	-	1,000
Resurgo	**200,000**	240,488
School of Hard Knocks	**140,000**	50,000
Sister System Charity	**275,000**	172,500
Spark2Life	**1,000**	-
Spiral Skills	-	1,000
Streets of Growth	**100,000**	50,000
ThinkForward	**200,000**	200,000
Tutor Trust	**300,000**	225,000
The Two Counties Trust	**100,000**	-
Voice 21	**252,000**	183,000
The Winchester Project	**1,000**	-
Charity total	**5,715,708**	4,616,238

4. Grants payable (continued)

Impetus adopts a three-stage approach to its investment in portfolio partners. The three stages are Focus, Build and Scale. The precise nature of the investment including term and amount invested is reviewed on a case by case basis by the Investment Committee. As a result, total annual payments to portfolio partners can vary significantly depending on the phase of the investment programme. At present, there are portfolio partners in the Focus, Build and Scale stages.

Continued funding of portfolio partners is conditional upon the partners meeting specified milestones. Conditional grants are recognised as expenditure when the conditions are fulfilled. If the conditions have not been met at the year end, the grants are noted as a future commitment but not shown as expenditure.

The total amount of grants authorised but not accrued as expenditure at 31 March 2025 was £3,505,750 (2024: £4,188,500). This amount relates to the portfolio partners listed above, but excludes any amounts in respect of new investees or next phase investments yet to be approved by the Investment Committee. If all current portfolio partner investees progress as envisaged, the phasing of future commitments is estimated as follows:

	2025 £	2024 £
2024-25	-	2,260,250
2025-26	**2,662,000**	1,697,000
2026-27	**706,250**	231,250
2027-28	**137,500**	-
	3,505,750	4,188,500

Notes to the financial statements
For the year ended 31 March 2025

4. Grants payable (continued)

Grants paid by the Youth Endowment Fund to interventions in the year were as follows:

	2025 £	2024 £
The Global Fund for Children UK Trust	3,204,153	2,693,518
London VRU	1,883,103	2,291,071
UK Youth	1,974,846	353,763
Family Psychology Mutual CIC	1,562,777	557,267
Violence Reduction Network for Leicester (OPCC)	954,905	1,038,315
National Children's Bureau (NCB)	1,215,398	286,644
Nesta	645,449	599,848
West Midlands Police and Crime Commissioner	429,640	751,739
Media Academy Cymru	705,132	293,883
The Nottinghamshire Office of the Police and Crime	423,006	503,918
Tavistock Relationships	360,955	543,770
Greater Manchester Violence Reduction Unit	495,032	391,652
Knowledge Change Action Ltd	437,423	393,651
REMEDI- Restorative Services	302,720	503,100
Bridgend County Borough Council	510,066	281,182
UpskillU Ltd	477,150	302,135
Salford Foundation Ltd	268,040	507,233
StreetGames UK	688,685	17,500
The Education Endowment Foundation	449,460	224,730
Behavioural Insights Ltd.	121,598	533,760
St Giles Trust	641,333	-
Triple P	(8,757)	624,256
Right to Succeed CIO	249,998	333,332
The English Football League Trust (FL Community Ltd)	255,861	306,934
The Rugby Football League (RFL)	555,005	-
Trauma Informed Schools UK CIC	225,950	308,850
Future Men	287,798	228,622
Bradford teaching hospital NHS Foundation Trust	225,000	259,999
Swindon Borough Council Collections	448,189	-
Spark2Life	444,548	-
Swansea Children Services	435,617	-
East Sussex County Council, Children's Services Department	433,392	-
London Borough of Newham	425,000	-
Cardiff Council	397,220	-
Foundations	382,250	-
South London and Maudsley NHS Foundation Trust (SLaM)	368,675	7,778
Ingeus	375,689	-
United Borders	(266)	349,457
Dallaglio RugbyWorks	329,768	-
RISE Mutual CIC	291,838	-
AudioActive	288,826	-
Young Manchester	248,092	-
Mental Health Foundation	-	241,359
YES Outdoors	-	215,009
South Wales VRU	-	206,288
Other grants paid below £200,000	1,952,143	2,311,264
Total	**26,362,707**	18,461,827

4. Grants payable (continued)

The Youth Endowment Fund aims to prevent children and young people from getting caught up in crime and violence by making sure that those at most risk get the best possible support, as early as possible, to get on a positive path and succeed. Its grant making exists to support this objective and it seeks to fund activities that YEF can evaluate and grow.

Continued funding of interventions is conditional upon the organisations meeting specified milestones. Conditional grants are recognised as expenditure when the conditions are fulfilled. If the conditions have not been met at the year end, the grants are noted as a future commitment but not shown as expenditure.

The total amount of grants authorised but not accrued as expenditure at 31 March 2025 was £46,443,000 (2024: £50,945,000). This amount relates to the organisations listed above. If all current interventions progress as envisaged, the phasing of future commitments is estimated as follows:

	2025 £	2024 £
2024-25	-	27,710,000
2025-26	**27,899,000**	14,087,000
2026-27	**13,326,000**	9,148,000
2027-28	**5,218,000**	-
	46,443,000	50,945,000

The above conditional grant commitments to organisations are underwritten by existing reserves (see note 16).

Notes to the financial statements
For the year ended 31 March 2025

5. Net income/(expenditure) for the year

This is stated after charging:

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Trustees' remuneration	-	-	-	-
Trustees' expenses	-	-	-	-
Depreciation and amortisation	**27,266**	26,358	**11,006**	10,098
Loss on disposal of tangible fixed assets	**369**	-	**369**	-
Operating lease expenses	**519,285**	491,592	**272,246**	258,053
Auditors' remuneration for audit services	**48,490**	45,180	**27,690**	24,390

Directors and Officers insurance which covers the Trustees against any personal liability was provided at a cost of £7,807 (2024: £11,702).

6. Subsidiaries

6a. Investment in PEF Trading Limited

The investment of £1 in PEF Trading Limited (PEFTL) represents the whole of the issued ordinary share capital of a company incorporated in England and Wales on 13 February 2012. PEFTL engaged in miscellaneous trading activities connected to Impetus but has not traded since 2015.

	As at 31 March 2025 £	As at 31 March 2024 £
Ordinary share capital	1	1
Profit and loss account	-	-
Shareholders' funds represented by net assets	**1**	1

6b.The Youth Endowment Fund Charitable Trust

On 10 April 2019, The Youth Endowment Fund Charitable Trust was established with Impetus as its sole corporate trustee. YEF is a registered charity, number 1185413.

Summary financial results of the Youth Endowment Fund:

	2025 £	2024 £
Total income	11,538,273	10,765,127
Total expenditure	(39,443,896)	(30,534,314)
Gain on investments	1,322,118	8,639,316
Net movement in funds	(26,583,505)	(11,129,871)
Investments	127,545,286	150,886,547
Intangible assets	97,560	113,820
Current assets	1,710,669	5,373,364
Creditors: amounts due within one year	(5,628,791)	(6,065,502)
Net assets	123,724,724	150,308,229
Restricted funds	123,724,724	150,308,229
	123,724,724	150,308,229

Notes to the financial statements
For the year ended 31 March 2025

7. Staff costs

Staff costs were as follows:

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Salaries and wages	**6,094,923**	5,372,034	**2,900,892**	2,543,574
Social security costs	**642,244**	610,132	**335,906**	293,064
Pension contributions	**304,867**	273,097	**140,707**	127,250
	7,042,034	6,255,263	**3,377,505**	2,963,888

The salary breakdown by employee is shown in the table below (where applicable).

	Number of employees 2025	2024
Salary band		
£60,000 to £70,000	11	10
£70,000 to £80,000	10	8
£80,000 to £90,000	5	4
£90,000 to £100,000	2	1
£100,000 to £110,000	2	1
£110,000 to £120,000	1	1
£130,000 to £140,000	1	1
£140,000 to £150,000	1	0

The employer's pension contributions for staff earning more than £60,000 per annum amounted to £122,154 (2024: £108,779).

Employee benefits, (salary, bonus, employer NI and employer pension contributions), paid for the senior management team totalled £2,380,444 for the year ended 31 March 2025 (2024: £2,007,871).

Included within salaries and wages are termination payments made to employees, totalling £85,060 (2024:£nil).

Staff numbers

The average monthly number of Charity and Group employees is shown below on a full-time equivalent and headcount basis:

	Group 2025 No.	Group 2024 No.	Charity 2025 No.	Charity 2024 No.
Full-time equivalents	107.2	95.8	46.7	41.4
Headcount	112.3	102.0	48.3	45.0

8. Taxation

There are no taxable profits arising for the year ending 31 March 2025 (2024: nil). Consequently Impetus has no liability to tax and no deferred tax.

Notes to the financial statements
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9. Intangible fixed assets

	Software £	Group £
Cost		
At the start of the year	160,593	**160,593**
Additions in period	-	-
At the end of the year	**160,593**	**160,593**
Amortisation		
At the start of the year	46,773	**46,773**
Charge for the period	16,260	**16,260**
		-
At the end of the year	**63,033**	**63,033**
Net book value		
At the end of the year	**97,560**	**97,560**
At the start of the year	113,820	113,820

The charity has no intangible fixed assets

10. Tangible fixed assets

	Fixtures and fittings £	Office and computer equipment £	Group & Charity Total £
Cost			
At the start of the year	57,533	40,568	**98,101**
Additions in period	-	19,885	**19,885**
Disposals in period	(54,245)	(17,599)	**(71,844)**
At the end of the year	**3,288**	**42,854**	**46,142**
Depreciation			
At the start of the year	55,559	25,231	**80,790**
Charge for the period	658	10,348	**11,006**
Depreciation on disposals	(54,244)	(17,231)	**(71,475)**
At the end of the year	**1,973**	**18,348**	**20,321**
Net book value			
At the end of the year	**1,315**	**24,506**	**25,821**
At the start of the year	1,974	15,337	17,311

Notes to the financial statements
For the year ended 31 March 2025

11. Investments

	Group 2025 £	Group 2024 £
Market value at start of the year	150,886,547	154,643,333
Disposals	(29,234,000)	(16,880,533)
Dividends and interest reinvested	4,789,204	4,879,028
Investment management fees deducted from portfolio	(218,583)	(394,596)
Realised (loss)/gain	(6,479,936)	27,052,172
Unrealised gain/(loss)	7,802,054	(18,412,857)
Market value as at end of the year	**127,545,286**	**150,886,547**

Listed and unlisted investments at the year end consist of amounts invested with Goldman Sachs for the Youth Endowment Fund. Impetus holds a £1 investment in PEF Trading Limited.

	Group 2025 £	Group 2024 £
Cash and cash equivalents	41,962,010	40,416,776
Fixed income bonds	85,583,276	76,941,701
Global equities	-	33,528,070
	127,545,286	150,886,547

12. Debtors

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Accrued income	**100,613**	485,110	**-**	130,000
Gift Aid	**305,750**	186,119	**305,750**	186,119
Amount due from subsidiary charity	**-**	-	**658,915**	297,980
Other debtors	**56,797**	56,352	**56,797**	56,352
Prepayments	**328,256**	244,956	**246,911**	173,262
	791,416	972,537	**1,268,373**	843,713

13. Creditors: amounts due within one year

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Grants payable	**4,703,179**	5,510,030	**-**	-
Trade creditors	**176,598**	68,224	**88,511**	23
Other creditors	**55,773**	4,720	**49,452**	-
Tax and social security	**185,611**	210,071	**185,611**	210,071
Accruals and deferred income	**1,069,817**	500,203	**897,529**	315,632
	6,190,978	6,293,248	**1,221,103**	525,726

Notes to the financial statements
For the year ended 31 March 2025

14. Creditors: amounts due after more than one year

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Accruals and deferred income	**600,000**	-	**600,000**	-
	600,000	-	**600,000**	-

15. Analysis of net assets between funds

Current year - Group

	Restricted funds £	Unrestricted funds £	Total 2025 £
Tangible and intangible fixed assets	97,560	25,821	**123,381**
Investments	127,545,286	-	**127,545,286**
Net current assets	(3,020,171)	7,516,479	**4,496,308**
Creditors due after more than one year	(450,000)	(150,000)	**(600,000)**
	124,172,675	**7,392,300**	**131,564,975**

Current year - Charity

	Restricted funds £	Unrestricted funds £	Total 2025 £
Tangible fixed assets	-	25,821	**25,821**
Investments	-	1	**1**
Net current assets	897,951	7,516,478	**8,414,429**
Creditors due after more than one year	(450,000)	(150,000)	**(600,000)**
	447,951	**7,392,300**	**7,840,251**

Prior year - Group

	Restricted funds £	Unrestricted funds £	Total 2024 £
Tangible and intangible fixed assets	113,820	17,311	**131,131**
Investments	150,886,547	-	**150,886,547**
Net current assets/(liabilities)	(249,397)	7,856,154	**7,606,757**
	150,750,970	**7,873,465**	**158,624,435**

Prior year - Charity

	Restricted funds £	Unrestricted funds £	Total 2024 £
Tangible fixed assets	-	17,311	**17,311**
Investments	-	1	**1**
Net current assets	442,741	7,856,153	**8,298,894**
	442,741	**7,873,465**	**8,316,206**

Notes to the financial statements
For the year ended 31 March 2025

16. Movements in funds

Current year - Group

	At the start of the year £	Income £	Expenditure £	Net gains/ (losses) on investments £	Transfer between Funds £	At the end of the year £
Charity restricted funds						
Portfolio partners	-	2,535,000	(2,535,000)	-	-	-
Engage Fund	-	775,000	(775,000)	-	-	-
Connect Fund	229,854	469,043	(895,002)	-	309,570	**113,465**
Youth Jobs Gap	153,426	173,772	(52,173)	-	-	**275,025**
Covid Response Fund	59,461	-	-	-	-	**59,461**
Charity restricted funds	442,741	3,952,815	(4,257,175)	-	309,570	**447,951**
Unrestricted general funds	7,873,465	8,621,758	(8,820,944)	-	(281,979)	**7,392,300**
Total Charity funds	**8,316,206**	**12,574,573**	**(13,078,119)**	-	**27,591**	**7,840,251**
Youth Endowment Fund restricted funds						
Home Office	148,109,185	4,806,762	(30,862,801)	1,322,118	(27,591)	**123,347,673**
Centre of Excellence	1,653,999	-	(1,638,651)	-	-	**15,348**
#iwill	-	579,465	(448,376)	-	-	**131,089**
Co-operative	21,369	501,500	(500,800)	-	-	**22,069**
Comic Relief	275,000	-	(66,455)	-	-	**208,545**
Focused Deterrence	-	1,500,000	(1,500,000)	-	-	-
Trauma Informed	-	1,600,002	(1,600,002)	-	-	-
Violence Against Women and Girls	-	269,972	(269,972)	-	-	-
National Police Chiefs' Council	-	1,500,000	(1,500,000)	-	-	-
Youth Futures Foundation (YFF)	-	24,660	(24,660)	-	-	-
YFF: Summer Jobs	-	82,462	(82,462)	-	-	-
Children in Need	248,676	333,332	(582,008)	-	-	-
Evaluation Accelerator	-	30,000	(30,000)	-	-	-
Oak Foundaton	-	39,500	(39,500)	-	-	-
General YEF funds	-	270,618	(270,618)	-	-	-
Total YEF restricted funds	**150,308,229**	**11,538,273**	**(39,416,305)**	**1,322,118**	**(27,591)**	**123,724,724**
Total group funds	**158,624,435**	**24,112,846**	**(52,494,424)**	**1,322,118**	-	**131,564,975**

Summary by type of fund

Charity restricted funds	442,741	3,952,815	(4,257,175)	-	309,570	447,951
YEF restricted funds	150,308,229	11,538,273	(39,416,305)	1,322,118	(27,591)	123,724,724
Total restricted funds	**150,750,970**	**15,491,088**	**(43,673,480)**	**1,322,118**	**281,979**	**124,172,675**
Unrestricted general funds	**7,873,465**	**8,621,758**	**(8,820,944)**	-	**(281,979)**	**7,392,300**
Total group funds	**158,624,435**	**24,112,846**	**(52,494,424)**	**1,322,118**	-	**131,564,975**

Notes to the financial statements
For the year ended 31 March 2025

16. Movements in funds (continued)

Prior year - Group

	At the start of the year £	Income £	Expenditure £	Net gains/ (losses) on investments £	Transfer between Funds £	At the end of the year £
Charity restricted funds						
Portfolio partners	-	2,200,488	(2,200,488)	-	-	-
Engage Fund	-	350,000	(350,000)	-	-	-
Connect Fund	377,086	683,673	(830,905)	-	-	229,854
Youth Jobs Gap	166,418	-	(12,992)	-	-	153,426
Covid Response Fund	59,461	-	-	-	-	59,461
Charity restricted funds	602,965	3,234,161	(3,394,385)	-	-	442,741
Unrestricted general funds	8,046,379	8,207,314	(8,414,135)	-	33,907	7,873,465
Total Charity funds	**8,649,344**	**11,441,475**	**(11,808,520)**	**-**	**33,907**	**8,316,206**
Youth Endowment Fund restricted funds						
Endowed Funds: Home Office	156,939,358	4,911,629	(22,347,210)	8,639,315	(33,907)	148,109,185
Centre of Excellence	2,901,089	-	(1,247,090)			1,653,999
#iwill	-	601,202	(601,202)			-
Co-operative	62,349	500,000	(540,980)			21,369
Comic Relief	1,473,145	100,000	(1,298,145)			275,000
Focused Deterrence	-	1,000,000	(1,000,000)			-
Trauma Informed	-	1,591,373	(1,591,373)			-
Violence Against Women and Girls	-	573,396	(573,396)			-
National Police Chiefs' Council	-	14,992	(14,992)			-
Arts Council England	37,500	37,500	(75,000)			-
Youth Futures Foundation (YFF)	24,660	-	(24,660)			-
YFF: Summer Jobs	-	17,538	(17,538)			-
Children in Need	-	666,668	(417,992)			248,676
General YEF funds	-	750,829	(750,829)			-
Total YEF restricted funds	**161,438,101**	**10,765,127**	**(30,500,407)**	**8,639,315**	**(33,907)**	**150,308,229**
Total group funds	**170,087,445**	**22,206,602**	**(42,308,927)**	**8,639,315**	**-**	**158,624,435**
Summary by type of fund						
Charity restricted funds	602,965	3,234,161	(3,394,385)	-	-	442,741
YEF restricted funds	161,438,101	10,765,127	(30,500,407)	8,639,315	(33,907)	150,308,229
Total restricted funds	**162,041,066**	**13,999,288**	**(33,894,792)**	**8,639,315**	**(33,907)**	**150,750,970**
Unrestricted general funds	**8,046,379**	**8,207,314**	**(8,414,135)**	**-**	**33,907**	**7,873,465**
Total group funds	**170,087,445**	**22,206,602**	**(42,308,927)**	**8,639,315**	**-**	**158,624,435**

Notes to the financial statements
For the year ended 31 March 2025

16. Movements in funds (continued)

Current year - Charity

	At the start of the year £	Income £	Expenditure £	Transfer between Funds £	At the end of the year £
Restricted funds					
Portfolio partners	-	2,535,000	(2,535,000)	-	-
Engage Fund	-	775,000	(775,000)	-	-
Connect Fund	229,854	469,043	(895,002)	309,570	**113,465**
Youth Jobs Gap 2	153,426	173,772	(52,173)	-	**275,025**
Covid Response Fund	59,461	-	-	-	**59,461**
Restricted funds	**442,741**	**3,952,815**	**(4,257,175)**	**309,570**	**447,951**
Unrestricted general funds	**7,873,465**	**8,649,349**	**(8,820,944)**	**(309,570)**	**7,392,300**
Total funds	**8,316,206**	**12,602,164**	**(13,078,119)**	**-**	**7,840,251**

Prior year - Charity

	At the start of the year £	Income £	Expenditure £	Transfer between Funds £	At the end of the year £
Restricted funds					
Portfolio partners	-	2,200,488	(2,200,488)	-	-
Engage Fund	-	350,000	(350,000)	-	-
Connect Fund	377,086	683,673	(830,905)	-	229,854
Youth Jobs Gap 2	166,418	-	(12,992)	-	153,426
Covid Response Fund	59,461	-	-	-	59,461
Restricted funds	**602,965**	**3,234,161**	**(3,394,385)**	**-**	**442,741**
Unrestricted general funds	**8,046,379**	**8,241,221**	**(8,414,135)**	**-**	**7,873,465**
Total funds	**8,649,344**	**11,475,382**	**(11,808,520)**	**-**	**8,316,206**

16. Movements in funds (continued)

Purposes of restricted funds

Portfolio partners: Impetus receives donations for specific domain areas, portfolio partners and for specific expenditure. These are treated as restricted donations with appropriate expenditure allocated against them.

Engage Fund: Impetus receives donations to support its work with partners in the school exclusions domain. These are treated as restricted donations with appropriate expenditure allocated against them.

Connect Fund: Impetus receives donations for its fund focussed on race equity work and its leadership academy. These are treated as restricted donations with appropriate expenditure allocated against them.

Youth Jobs Gap 2: funding secured to build on our Youth Jobs Gap research series, with another set of reports and a dissemination strategy, including an interactive digital tool so the data can be effectively used by decision makers and practitioners.

Covid Response fund: Impetus carried out a campaign at the height of the Covid-19 pandemic to provide additional assistance to our portfolio partners adversley affected by the pandemic.

Youth Endowment Fund: the grant from the Home Office and investment returns from it are used to fund interventions to prevent children and young people from getting caught up in crime and violence by making sure that those at most risk get the best possible support, as early as possible, to get on a positive path and succeed. Independent evaluations of the interventions, research and the costs of the three partners delivering the Fund's work will also be met from the grant and from supplementary funding which is secured in addition to the grant and investment income.

The Centre of Excellence (CoE) grant was additional funding received to enable YEF to act as a centre of expertise, generating, disseminating and promoting new knowledge, practice and academic research that will transform local and national responses to tackling serious violence affecting children and young people.

Along with the Endowed Funds and CoE grants, the Home Office has funded three additional programmes. The first is a grant to evaluate the tried-and-tested approach known as 'Focused Deterrence'. The second is a new programme of activities to find out whether 'Trauma-Informed' practice is effective at keeping children safe from violence. The third is a grant which aims at reducing 'Violence Against Women and Girls' by undertaking well developed projects targeted to breaking cycles of violence.

Supplementing grant income from the Home Office are two significant partnerships and several smaller grants. The Peer Action Collective is a joint partnership with #iwill and Co-op funds. Together, the partners are investing £5.2 million to build a network of peer researchers to study the experience of youth violence. YEF has also partnered with Comic Relief to launch a new £6m joint funding programme to support organizations working to prevent youth offending. The Department for Culture, Media and Sports fund is part of the Reach Schools Project offering mentoring and group support to young people at risk of school suspension with the aim to prevent future offending. The National Police Chiefs' Council, Arts Council England, and Youth Futures Foundation grants are aimed at providing systematic reviews and advice on specific interventions. Children in Need is a joint funding round with the BBC. The fund will help local authorities to learn the best ways to keep children safe from violence outside the home, including criminal exploitation.

Purposes of unrestricted funds

Unrestricted general funds of £7,392,300 (2024 - £7,873,465) will be used to support a significant proportion of conditional grant commitments made to portfolio partners of £3,505,750 (2024 - £4,188,500) per note 4.

17. Members' liability

Impetus 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. The charity has no parent or ultimate holding company.

Notes to the financial statements
For the year ended 31 March 2025

18. Operating lease commitments

At 31 March 2025, the charity had commitments under operating leases of:

	Buildings £	Equipment £	2025 Total £	Buildings £	Equipment £	2024 Total £
Impetus						
Due within one year	273,660	1,766	275,426	111,188	1,766	112,954
Two to five years	250,855	1,325	252,180	-	3,091	3,091
	524,515	3,091	527,606	111,188	4,857	116,045
Youth Endowment Fund						
Due within one year	189,000	-	189,000	247,500	-	247,500
Two to five years	-	-	-	189,000	-	189,000
	189,000	-	189,000	436,500	-	436,500
Total group	**713,515**	**3,091**	**716,606**	**547,688**	**4,857**	**552,545**

19. Related party transactions

Amounts donated to Impetus by its Trustees are disclosed in note 2a.

Impetus has consolidated a subsidiary, PEF Trading Limited, in the Group financial statements. Note 6 discloses Impetus' investment in this subsidiary and the subsidiary's results to 31 March 2025.

Impetus pays salary and other costs on behalf of the Youth Endowment Fund which it recharges to the restricted fund at cost. It also charges the Youth Endowment Fund for time spent by Impetus staff on YEF matters, including capacity building. Amounts totalling £3,723,438 (2024: 3,413,187) were charged by Impetus to the Youth Endowment Fund during 2025. As at the 31 March 2025 the Youth Endowment Fund owed amounts totalling £658,915 (2024: £297,980) to Impetus.

There are no other related party transactions which require disclosure in the financial statements.

IMPETUS - THE PRIVATE EQUITY FOUNDATION

England & Wales - Charity number 1152262

Accounts



Impetus Annual Report 2023–24

Annual Report and consolidated financial statements
for the period 01 April 2023–31 March 2024

Impetus

Impetus – The Private Equity Foundation (Impetus) is a company limited by guarantee (number 08460519) and a registered charity (number 1152262)



Reference and administrative details

Impetus – The Private Equity Foundation (Impetus) is a company limited by guarantee (number 08460519) and a registered charity (number 1152262).

Trustees:
Hanneke Smits (Chair)
Alexander Walsh (appointed May 2023)
Andy Thoms
Bill Benjamin
Charlie Edwards
Filippo Cardini
Joseph Schull (resigned December 2023)
Lisa Stone
Natasha Porter
Robert Ramsauer (resigned May 2023)
Rohan Haldea (resigned July 2024)
Sat Singh
Shani Zindel
Arnaud Bosquet (appointed June 2024)
Christian Lucas (appointed June 2024)

Registered Office:
Golden Cross House
8 Duncannon Street
London WC2N 4JF

Auditors:
Haysmacintyre LLP
10 Queen Street Place
London, EC4R 1AG

Primary Banker:
NatWest
127-128 High Holborn
London, WC1V 6PQ

Investment Managers:
Goldman Sachs International
Plumtree Court
25 Shoe Lane
London, EC4A 4AU

Committees

Investment
(Shani Zindel (Chair), Filippo Cardini, Sat Singh, Marc Henckel, Chris Murray, Gemma Wright)

Governance and Nominations
(Hanneke Smits (Chair), Sat Singh, Lisa Stone, Filippo Cardini)

Resources and Audit
(Bill Benjamin (Chair), David Bholat, Mike Garland, Andy Thoms and Xavier Woodward)

Public Affairs
(Natasha Porter (Chair), Sam Freedman, Jonathon Simons, Jason Arthur)

Philanthropy and Partnerships
(Charlie Edwards (Chair) Rob Pulford and Alexander Walsh)

Digital
(Andy Thoms (Chair), Alex Lloyd Hunter, Alexandra Willis, Berry Cochrane, Fernanda Munhoz, Russell Cleave)

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1 INTRODUCTION

About Impetus

Impetus transforms the lives of young people from disadvantaged backgrounds by ensuring they get the right support to succeed in school, in work and in life.

As a leading impact funder, we find and build the most promising charities working with these young people, providing them with unrestricted funding and working shoulder to shoulder with their leaders to help them become **stronger**, **better** and **bigger** organisations.

We work with our charities for the long haul because our experience shows us that building organisations that have real and scalable impact and are delivering robust outcomes for young people takes years of intensive support, and long-term unrestricted funding.

We partner with other funders to help our charities expand, and we influence policy and decision makers to fund evidence-backed, impact-led interventions so that all young people get the support they need.

For 21 years we have applied our unique model to helping our charities, focusing on outcomes that are proven to make the biggest impact on young people's lives, supporting them to achieve age-expected SATS at 11, GCSE English and maths (grades 9-4) by 19 and then to access university or sustained employment.

But young people's needs are constantly evolving; the pandemic hit hard and its legacy is still playing out. Young people are coming to our organisations in greater numbers, with greater challenges, struggling with their mental health and the cost-of-living crisis.

Our 2020–24 strategy focused on influence, impact and sustainability, and saw us embark on a multi-fund model to build on our strengths and achieve greater scale and sustainability. And in the wake of the pandemic, we committed to bringing geography and race equity alongside socio-economic background into our investment criteria, launching two bespoke funds – the Engage fund, supporting young people excluded or at risk of exclusion from mainstream education, and the Connect Fund, focused on decreasing the employment gap faced by ethnic minority young people.

The funds are now firmly embedded in the organisation and progressing well.

In 2022–23 we met our objectives of investing in four new charities, increasing grant spend and raising our profile to influence the development of party manifestos. We continued to build digital foundations to improve systems and processes across the organisation and establish cross-team working practices, setting us in good stead for a strategy refresh.


IntoUniversity


Kids Inspire

We focus on outcomes that are proven to make the biggest impact on young people's lives



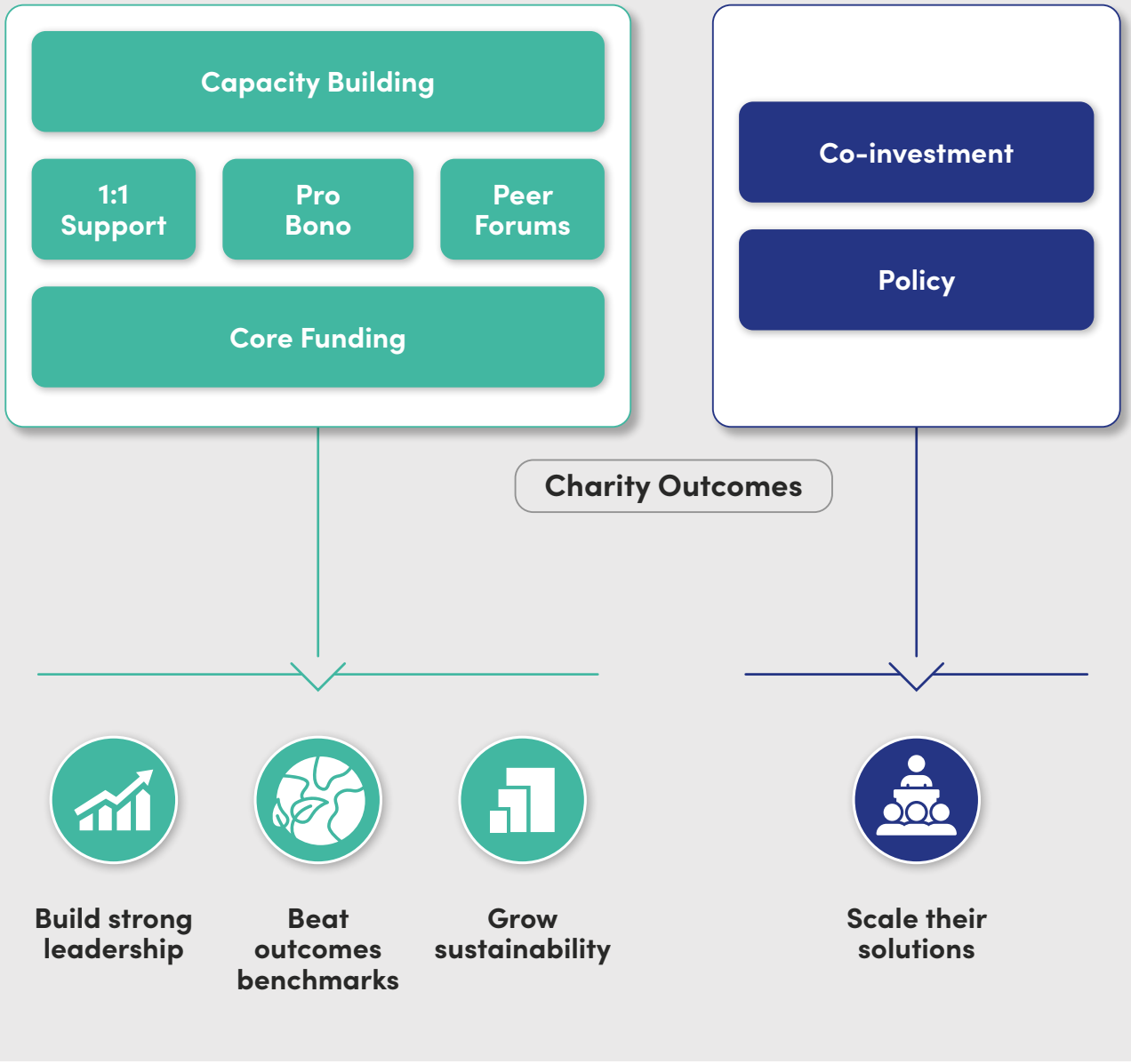
Age-expected SATs at 11

GCSE English & maths (9-4) by 19

University access

Sustained employment

Our unique model



Our values

In 2022 the staff at Impetus worked together to create a set of values to act as our guiding principles as an organisation, and help us to remain focused on achieving our mission to support young people from disadvantaged backgrounds.

Evidence led and results driven for young people

We pursue excellence for the young people we work with, are wholly committed to better outcomes, unapologetically results driven, and accountable for our actions.

High trust, high challenge

We invest the time, kindness, integrity and honesty needed to build and sustain long-term relationships. We focus on developing high trust, to allow for high challenge, helping our colleagues, partners and supporters to be our very best selves in pursuit of our mission.

Diversity enables us to thrive

We seek to embed diversity of thought, background and experience in every aspect of our work. We are open, thoughtful and proactive in better understanding and challenging our assumptions to better deliver the change we seek.

Brave and open

We are brave and open; exploring new solutions to long-term problems, asking difficult questions well; learning from mistakes and challenging the status quo when needed.

Collaboration always

We will not succeed alone. We seek meaningful, productive partnership with others to achieve our mission and drive systems change for young people.



Ada College for Digital Skills

Chair's introduction

As we reflect on the past year, I feel enormous pride that Impetus has been able to continue to partner with a diverse range of innovative and pioneering organisations, whose interventions prove that with the right support, young people from disadvantaged backgrounds can thrive in school, in work and life.

While we know our work has impact, the scale of the problem still looms large. Still the life outcomes of young people from disadvantaged backgrounds remain starkly below those of their better-off peers. They are 40% less likely to pass crucial GCSEs in English and maths, and this attainment gap remains stubborn. Meanwhile some 700,000 young people in the UK are not in employment, education or training (NEET), and 2 million children are living in poverty.

Our partner charities are navigating an external environment that is extremely challenging: young people are presenting with higher needs, and there is inflationary pressure on costs, alongside declining statutory and school budgets, as well as government uncertainty.

There is still much work to be done to achieve our mission, but in turn, we do have much to celebrate.

Celebrating 21 years of impact

This year was a particularly special one for Impetus as we marked a milestone 'birthday' – 21 years since the founding of the Impetus Trust; 21 years of impact.

We were delighted to welcome our founders, donors and charity partners to join us for a celebration at the British Library – the scene of the early meetings which led to the founding of our unique organisation. Their vision was to draw on the world of private equity, with its principles of working alongside organisations to help them grow through new sources of funding and expertise, to support the world of social impact, with its commitment to improving the lives of people facing disadvantage.

The evening featured an exhibition of stories of some of the young people our charity partners have supported – a humbling reminder of all that we have achieved, thanks to the commitment of Impetus' staff, the generosity



Impetus 21st Birthday Party

and long-term commitment of our donors and the determination and drive of our partner charities for, and with, these young people – and what keeps us motivated to keep delivering.

CEO departure

After four years of leading Impetus and helping us to grow, our CEO, Eleanor Harrison decided to step down in April 2024. Under Eleanor's leadership, Impetus grew its impact, influence and income. This has included the launch of two new funds focused on school exclusions and race equity in youth employment, ensuring the organisation supports charities in a more equitable way, and that those young people who are furthest from the labour market continue to get the most support.

In the interim, Board and Senior Management Team worked closely to make sure that Impetus continued to deliver to the high standards we are known for. It's this that gives the enduring strength to our organisation and we're proud to have this strong core to drive our work.

After a comprehensive search and selection process, in September we were delighted to announce the appointment of Susannah Hardyman as new Impetus CEO, and she will take up her post in January 2025.

Looking to the future

2023–24 marked the final phase of our current strategy.

In 2020–23 we supported 400,000 young people, launched new funds on school exclusions (Engage) and racial equity in youth employment (Connect) and launched the Impetus Leadership Academy – part of our broader work on race equity and diversity, to which we remain committed.

Our income has nearly doubled, we have achieved significant policy wins and formed powerful coalitions.

Our new strategy is now complete. It builds on 21 years of delivering impact, and over the next five years we will take our learning and resolutely push for better outcomes for more young people.

With a focus on school engagement, educational attainment and good jobs, we will affirm our role as the leading impact-led funder and strategic partner of choice for charity leaders, and the go-to organisation for decision makers who want to deliver real impact in the policy choices that can change young people's lives.

A fond farewell

September 2024 also marks the end of my term as Chair of the Board of Trustees of Impetus after six years in post.

I first became involved with Impetus in 2014 – attracted by its ethos of combining investment rigour and social purpose to transform young people's lives. Since then we have been on a journey of understanding, and of growth. Over those ten years we have supported 53 charities and grown our direct reach from 27,500 to 98,000. Today we work with 25 partners all over the country – reaching 400,000 young people directly and through the school population. We're working with more high-performing charities, producing more evidence-based policy and supporting more young people into education and employment – not a bit of temporary support, but a fundamental shift that truly transforms their lives.

I leave the organisation in a strong position, financially secure and with a clear strategy for the future, ready to rise to the challenges ahead. A heartfelt thank you to all our partners and supporters, and the wonderful Impetus team for your tireless commitment. I am excited to see where Impetus goes next.





Hanneke Smits,
Chair of the Board of Trustees

YEF introduction

The Youth Endowment Fund was established by Impetus in 2019 with a ten-year, £200-million endowment to prevent children from becoming involved in violence. We exist to find what works and to build a movement to put this into practice. This year marks the halfway point in our journey.

Reflecting on our progress, we've achieved a lot. Over the past five years, we've awarded more than £117 million in grants, funding 278 interventions and reaching over 205,000 children and young people. We've also launched the YEF Toolkit, which summarises the best available global evidence on what works – and what doesn't – to prevent violence. Violence Reduction Units and others nationwide are now using these insights to shape their support for vulnerable children.

While we have much to be proud of, there remains much to do. Last year, we conducted the largest-ever national survey on young people's experiences of violence, with over 7,500 teenage children. The results were concerning: nearly half reported being victims or witnesses of violence in the past year.

We also recognise that certain groups of children are still disproportionately affected by crime and violence. Black children, for instance, are significantly overrepresented at all stages of the criminal justice system. Yet, funding often fails to reach children from all ethnic backgrounds, research does not always include all voices and decisions frequently overlook some groups. To address these issues, we published our Race Equity goals, demonstrating our commitment to inclusivity and accountability. Last year, we released our first annual report on our progress against these goals, highlighting what we've done and where we still need to improve.

In 2023–24 there were other notable milestones too. We continued investing in new impact trials of promising programmes to improve our knowledge of what works and fill gaps in the evidence. This includes launching one of the most ambitious and comprehensive evaluations of focused deterrence ever undertaken. We also announced the funding of a new summer jobs programme to test whether the success of similar initiatives in the US can be replicated here.

However, funding research to find what works is not enough. We must ensure that our findings lead to action and change. This is our focus for the next five years. Through our guidance reports, the first of which we published last year, we will outline how systems and practices across sectors such as policing, education, youth justice, children's services, the youth sector, health and neighbourhoods should change to better support vulnerable children. We will collaborate with others who share our mission to implement these changes.

We are halfway through our endowment. To create a country where every child can live a life free from violence, we need to be serious about what works and committed to making real changes. While I cannot guarantee success, I can guarantee that we will not give up.



Jon Yates
Executive Director, Youth Endowment Fund

Trustees' report

The Trustees, who are also the directors of the charitable company, are pleased to present their annual report on the work of Impetus in 2023–24, and plans for 2024–25, together with the financial statements for Impetus and the Impetus Group for the 12-month period to March 2024.



Donor workshop

Impetus is a registered charity and company limited by guarantee. Our governing document is in the Memorandum and Articles of Association incorporated on 23 March 2013.

Impetus has a wholly owned trading subsidiary, PEF trading Limited. It is also the sole corporate trustee of the Youth Endowment Fund Charitable Trust, which is a registered charity in England and Wales, charity number 1185413.

392,562*

young people reached through our charity partners

25

charity investments

£7 million

of direct value delivered to our charity partners

*includes direct and indirect reach

Aims and objectives

We support young people from disadvantaged backgrounds to help them succeed in education, employment and life by finding, funding and building the most promising organisations working in this space.

We partner with other funders to back effective interventions, and with similar minded organisations to influence government and the wider sector to back effective support.

We are focused on delivering better outcomes for young people in:

- Age-expected SATS at 11
- GCSE English and maths by age 19
- University access for underrepresented groups
- Sustained employment
- Reduced youth offending (delivered through the Youth Endowment Fund)

Part 2 of this report focuses on our work to improve education and employment outcomes.

Our work to reduce youth offending is covered in detail in the Annual Report of the Youth Endowment Fund Charitable Trust.

Our ambition in our 2020–2023 strategy was to significantly increase our impact and influence in the sector whilst delivering improved sustainability. Ultimately, it is about helping more young people from disadvantaged backgrounds achieve more, and better, education and employment outcomes.



Jon Egging Trust

Our 2023 priorities

This report reflects on our progress against the priorities we set ourselves for 2023–24:



Develop our Investment team, and consolidate the gains made for, and with, our current portfolio charities.



Put the Driving Impact agenda at the forefront of our work with our newer charities, while steering a number of our portfolio charities through the reinvestment process.



Ensure that support for young people from disadvantaged backgrounds is a political priority, and influence party manifesto pledges in advance of a general election.



Convene the third sector forum on fair access and widening participation and co-chair the Youth Employment Group.



Join forces with a number of charities and funders working on exclusions to assemble a coalition to drive change in this space.



Invest in our communications to more fully explain the work we do in order to secure funding, attract new and more diverse charities, and support our mission through influencing systems change.



Expand our areas of research including a new Youth Jobs Gap report to explore the link between young people's characteristics and their labour market outcomes, and new research on attitudes to attendance amid growing concern about the rising number of absences from school.



Complete and implement our comprehensive People Plan with key focus on culture, pay and progression, and learning and development to ensure all Impetus employees feel valued, engaged and motivated throughout their employment with us.



Launch Phase Two of our digital strategy with a review of our information and knowledge management alongside other workstreams to maximise effective collaboration and decision-making and drive efficiency.



Continue to pursue the goals on race equity and inclusion within our organisation to ensure we have diversity in thought, background and experience.



Recruit a race equity expert to advise on Connect Fund work, build on strong foundations and guide us to learn more from our charities and share that knowledge across the sector.

21 years of impact

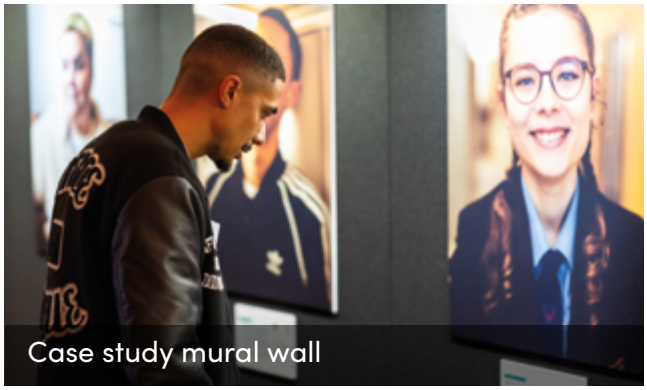
In 2023 Impetus celebrated 21 years of impact. Since Impetus was founded in 2002, we have supported 77 charities, reaching more than 1.5 million young people to succeed at school, work and in life, with £56 million in funds raised.

In November 2023 we hosted more than 80 people from across the private equity, charity and policy sectors at the British Library to celebrate. We wanted to use our anniversary year to deepen engagement with our founders and existing supporters, increasing trust and credibility with them, and also to raise awareness of Impetus, our impact and unique approach with new audiences.

Staff, Trustees and Impetus Trust co-founders Stephen Dawson and Nat Sloane all shared memories and stories.



Stephen Dawson and Nat Sloane, co-founders of Impetus Trust, and Chiku Bernardi, current staff member



Case study mural wall

Portraits and case studies of some of the young people that our charities work with were on display for people to browse as they mingled.

"Thank you for organising and hosting a wonderful event last night. You put on a very professional and energising event for loads of people who have been instrumental in Impetus' success to date. I am grateful for and proud of your efforts not just last night but over the years."

– Nat Sloane, Co-founder, Impetus Trust

IN 21 YEARS

WE HAVE SUPPORTED
77
CHARITIES

REACHED MORE THAN
1.5m
YOUNG PEOPLE

RAISED A TOTAL OF
£56m
IN FUNDS

2023 highlights

1. **We invested £600k in four, high potential new charities:** Babbasa, Generation UK, IMO and Sister System, all working to deliver better employment outcomes for young people from ethnic minority backgrounds.

2. As a long-term funder of Resurgo, **we were proud when the government evaluation of their proven impact was published.** It shows that if all young people who are out of education, training or employment (NEET) received support as effective as Resurgo's, we could reduce the number of NEET young people by over 130,000, filling over 10% of the vacancies in the economy.

3. **Our successful co-investment relationships have seen continued support for many of our charities**, to help them grow well, with several new portfolio partners receiving grants including, Ada, MCR Pathways, Generation and Sister System.

4. We worked with our charity partners The Tutor Trust and Action Tutoring, to launch a report in parliament calling for **tutoring to be at the heart of future education policies**.

5. As co-founders of the Youth Employment Group **we launched a 'Young Person's Guarantee'**, endorsed by the Minister for Social Mobility, Youth and Progression.

6. Along with Public First, School-Home Support and Khulisa **we published a report looking at the reasons behind the school attendance crisis** with eight recommendations for government.

7. **2023 also saw the second year of graduations from the Impetus Leadership Academy**, supporting talented leaders from ethnic minority backgrounds in the youth sector to progress into senior roles, with a third cohort starting their year-long journey this September.

2 REPORT

Charity investments

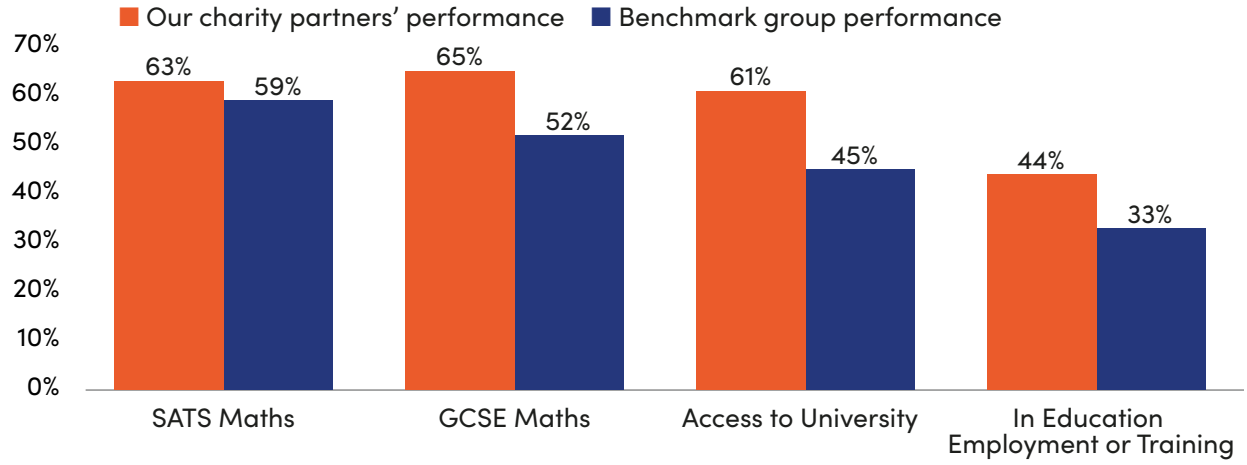
Our partner charities are getting stronger, more impactful and bigger

Charity leaders are feeling the pressure: The sector faces universal challenges to deliver on their mission, fundraise and attract and retain talented staff. As a funder that works alongside 25 impressive CEOs of social impact organisations we are seeing some of those struggles up close, but are working shoulder to shoulder to chart the right path forward.

Charity portfolio

In 2023–24 we worked with 25 partner charities. We brought in three new charities and re-invested in seven. Three charities left the portfolio, with two more set to graduate at the end of the financial year. In the coming year up to five longstanding charity partners will graduate to our newly founded alumni network.

We support our partner charities to become better – to improve the impact they are having on the lives of young people



Backing the Best

The make-up of our portfolio has changed significantly, with a third of partner organisations focused on school engagement and a quarter on race equity and employment, reflecting refined areas of focus.

An increase in the number of new investments means the majority of our current partnerships are under two years old. While this is an exciting point in these organisations' journeys to higher impact and growth, it means our capacity-building support has been more in the Focus and Build phases of investment, Driving Impact workshops, strategy, business and implementation planning and supporting leadership transitions.

25	54	3	£7.6m	64
partner charities	pro bono projects	peer forums	of value delivered to charity partners	Net Promoter Score

Our charity partners

SCHOOL ENGAGEMENT

ENGAGE FUND

khulisa

Empire Fighting Chance

Kids Inspire
Therapy, opportunity, love & care

SoHK
School of Hard Knocks

MCR Pathways

The Difference

ca

SCHOOL ATTAINMENT

JonEggingTrust
Helping young people achieve

Action Tutoring

voice 21

The Tutor Trust

FBB
Football Beyond Borders

ALLCHILD

ACCESS TO EDUCATION, TRAINING AND EMPLOYMENT

Think Forward
Coaching Connecting Inspiring Young People

City Gateway

The Access Project

ada
National College for Digital Skills

resurgo

IntoUniversity

CONNECT FUND

Generation

sister system

imo

Streets of Growth

babbasa

Pro bono strategy project – JET and Plural Strategy

The Jon Egging Trust (JET) offers long-term support to young people who are struggling to engage at school and may have lost focus, confidence and self-belief. Their accredited Blue Skies programmes use STEM-inspired experiences to raise aspiration, self-belief and resilience, and empower young people to challenge themselves and re-engage with education to make informed career choices.

The challenge

JET work with more than 30 schools across the country and were keen to evaluate how they select partner schools, to ensure they work with the ones that will best enable them to reach their target population.

Impetus set out to develop a tool that would help JET identify schools with a student body that would most benefit from their intervention. We worked with JET to set out a list of criteria, and weight each metric according to its importance.

Criteria include:

- High numbers of students on Free School Meals
- Schools in higher areas of deprivation
- Schools in areas of high unemployment
- Schools in rural areas
- Schools within a certain distance of their delivery partners
- Local youth offending rates



Jon Egging Trust



Jon Egging Trust

School selection tool

From there, our pro bono partners Plural Strategy set about creating a database, using open access data, that would pull in all these essential criteria and order them by importance.

This interactive tool enables JET to use data to identify schools, allowing them to see the demographics of different student bodies, understand the local area and any underlying challenges in the community.

What makes the tool so effective is that it's interactive – the weighting on each criteria can be changed according to targeting needs, and produces a list is produced in priority order. The system automatically uploads updated data sets, and JET can even add their own data to it to create a fuller picture. It also has a built-in power BI dashboard so the data can be projected onto maps or charts showing the hotspots they should be targeting.

When fully rolled out, this tool will increase JET's impact because they will be able to be more targeted with the schools they work with, enabling them to better reach young people most in need.



Action Tutoring CEO / Impetus partnership

Celebrating successes

Beyond foundational work, there has been noteworthy progress in our Build and Scale phase organisations, with four of our more mature charities undergoing QED impact evaluations – proof of our ongoing commitment to greater impact.

Our newer charities are demonstrating tangible commitments to greater impact; the nine that have gone through Driving Impact workshops over the past two years have made implementation a key priority in business plans.

The Peer Learning element of our support continues to be highly valued by our charity partners, with over 75% attending three forums on building organisations' impact journeys, cultivating talent, and building sustainable income. When surveyed, funding and income were the most common concerns for CEOs of our partner organisations.

In this financial year, we provided £7.45m of value to our partner charities, an increase of £1.47m from 2022–23. Despite several personnel changes, with 13 of 22 CEO-Investment Director relationships changing last year, we have maintained strong relationships with our partner charities, evidenced by our Investment team's Net Promoter Score (NPS) of 64, well above the industry average, based on our annual anonymous CEO perceptions survey. This translates to strong influence and impact. We have had particular success in running Driving Impact workshops, supporting strategy and business planning, and supporting leadership transitions. One CEO said,

"Impetus has been incredibly supportive while my charity was going through a difficult time. They provided constructive challenge, extra resources, and additional time; we would not be where we are without them."

In general, our partner charities are proving very resilient. Last year, 18 out of 22 partner charities increased their income (11 by more than 15%) and 15 increased their reach (10 by more than 15%), despite a challenging operating environment.

To better explain our work, we developed a new page on the website entitled 'Our Impact', detailing our interventions and our partner charities' progress.

Voice 21

Voice 21 exists to increase access to high-quality oracy education, particularly for those children that need it most. They have created a whole-school approach to embedding oracy into the curriculum, culture and practice within a school and they are currently operating in c.900 schools across England and Wales.

Oracy = the ability to articulate ideas, develop understanding and engage with others through spoken language.

Since Impetus started working with Voice 21 in 2019, they have scaled significantly and last summer, Labour publicly made a commitment to oracy, which has led to a greater awareness of this skill in schools and beyond:

- More than 50% of teachers feel that oracy should be one of their school's top priorities (2023 Teacher Tapp poll)
- "Spoken language and listening skills" were the most likely to be identified as an important skill by parents and businesses, above written communication or numeracy skills.


Voice 21

- Taking advantage of this, Impetus has supported Voice 21 to:
  - Successfully manage a CEO transition
  - Craft their 2025–30 organisational strategy with pro bono support from Bain & Co
  - Build an effective Public Affairs strategy and the capacity of their team to deliver this
  - Build their fundraising capability


Voice 21



School of Hard Knocks

Engage Fund

The mission of the Engage Fund, in partnership with the Henry Smith Charity, is to narrow the gap in school, work and life outcomes for young people who are excluded or at risk of exclusion from mainstream education. We will achieve this through scaling effective interventions, building the evidence base for what works and influencing funding and policy.

After a successful grant round which received 160 applications, in March 2024 we invested in two more charities:

"We were struck by these charities' focus on supporting talented young people facing some of the most adverse circumstances across the country, the strength of their respective programmes and their commitment to delivering meaningful and enduring outcomes for the young people they serve."

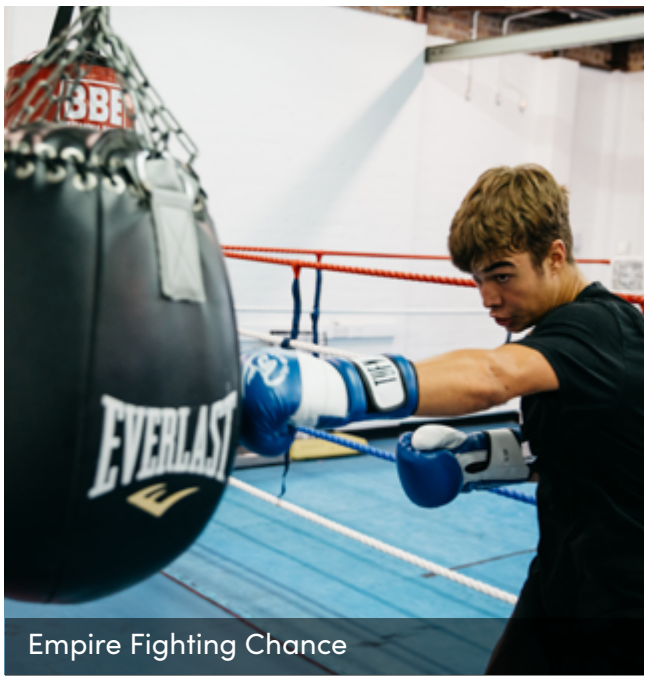
– Sebastien Ergas, Impetus Portfolio Director

- School of Hard Knocks' mission is to empower and support individuals living in complex and challenging circumstances, to fully realise their potential and find meaning and purpose in their lives.
- Bristol born charity Empire Fighting Chance works with young people who have faced real adversity in their lives. It uses a powerful combination of non-contact boxing and intensive personal support to give young people aged 8 to 25 the skills, knowledge and inspiration to make positive changes to how they think and behave – and to realise their unique potential.

Connect Fund

The Connect Fund aims to help decrease the employment gap faced by ethnic minority young people from disadvantaged backgrounds and promote systemic change towards a more racially equitable labour market.

We know that young people from disadvantaged backgrounds are twice as likely as their better-off peers to be not in education, employment, or training (NEET). There is also clear data showing that young people from ethnic minority backgrounds are disproportionately impacted by unemployment, in particular young people from Bangladeshi, Pakistani and Black communities.



Empire Fighting Chance



City Gateway

In March 2024, after a successful grant round, we invested in Streets of Growth, an organisation that builds and scales effective, impact-led employment programmes to help young people from ethnic minority backgrounds to overcome disadvantage and discrimination.

Impetus Leadership Academy

Across UK charities just 7% of leadership positions are held by people from minority ethnic backgrounds and urgent action is needed to improve representation at senior levels across the sector.

Sitting within the Connect fund is the Impetus Leadership Academy (ILA), a fully funded 12-month programme for emerging leaders from minority ethnic backgrounds working in the UK youth sector. It consists of group masterclasses on key leadership topics, one-to-one coaching sessions from Impetus experts and personalised mentorship from senior professionals.

"I want children and young people coming from similar backgrounds to my own to have the opportunities I wish I had, and to have the barriers I encountered removed. I'm passionate about the alleviation of the barriers created by poverty and racial inequality."

– Mwila Mulenshi – 2023/4 ILA participant

The ILA continues to be a success, with participants telling us it is useful, especially in developing their leadership competencies. Six participants in Cohort 2 obtained new professional positions. The ILA's third cohort of 12 individuals is underway.

To meet the needs of our young people in this changing landscape we have continued to focus on underserved areas outside of London and the south east, and are actively seeking to extend our interventions to groups that are hardest to reach.



Impetus Leadership Academy

Race equity and inclusion

At Impetus we're committed to addressing systemic racism both as an organisation and through the work we support.

We have made positive steps towards our goals which were formally adopted in 2021 after a thorough review of our practices, and extensive staff engagement.



Impetus Leadership Academy 2022/23 cohort

Promoting equity, diversity

We have increased monitoring and reporting within our HR systems to better understand the makeup of the Impetus team and actively seek to attract candidates from more racially diverse backgrounds. We are on track to reach the target of having 40% of our staff from ethnic minority backgrounds.

We have an internal Taskforce on equity, diversity and inclusion, made up of staff from across all teams that has direct access to senior management to ensure positive change continues.

We are being more intentional in our policy work, cognisant of the need for diversity of background and experience in our partnerships and coalitions, and recognising that we have an important role to play in embedding racial diversity in our sector.

On governance we are making strides towards our goal of greater diversity among our trustees and committee members. We are pleased to have welcomed one of the first cohort of the Impetus Leadership Academy to our governing board.

Implementing these goals is not always easy, and we still have a lot to learn, but we're on the journey.

Philanthropy and partnerships

All of Impetus' work depends on the generosity of our funders and partners. In 2023–24 these partnerships were worth £4.6million cash and £2.9million pro bono. This support is what makes Impetus possible and ultimately creates meaningful impact for young people.

We continued to work closely with our funders, sharing learning and taking a highly collaborative approach. We deepened and extended several key partnerships, such as Inflexion who generously increased their co-investment grants to Impetus. Alongside this, Inflexion remains the biggest fundraiser at our triathlon while also engaging directly with our work by volunteering with young people.

"Seeing these kids stand up and talk to a 'big-enough' audience... they had very little time to prepare, but they really owned it."

– Livingbridge employee

Another example of highly impactful corporate volunteering comes from Eastdil who delivered a fantastic session with young people from several Impetus partner charities; 14 young people from across the country visited Eastdil's London office for an Insight Day into the commercial real-estate industry. The day saw a rotating panel of experts present their area of work and talk about their role in the firm. As we find so often with these visits, the young people found it hugely useful and eye-opening – providing insight into a sector they knew nothing about and can now imagine joining.

The young people learnt about all aspects of the company, from accounting and finance to graphic design and compliance – with the legal and finance sections proving particularly popular. The young people also had the opportunity to network with the wider Eastdil Secured team over lunch and hear about an exciting opportunity to continue their career journeys through the Pathways to Property programme.



Donor workshop

On the pro bono side, Bain continued their deep involvement with our work and were heavily involved in creating our new five-year organisational strategy.

We continued to fundraise for the Connect Fund, bringing in funders who share our mission to improve employment outcomes for young people from minority ethnic backgrounds. KKR, who are a founding donor to Impetus, have chosen to back the Connect Fund and we're delighted to welcome them to this group. Michaela Wood in KKR's European Private Equity team stepped up from our Impetus Futures Committee to take over as its chair, succeeding Gemma Wright at CVC who has joined our Investment Committee. We also formed a new Philanthropy and Partnerships Committee to support the team at a senior level, comprising Charlie Edwards, Alex Walsh and Rob Pulford.



2023 Futures Party

We celebrated another successful year of events in 2023, raising close to £2million in unrestricted funding and sharing our work with over 1,000 people.

Our annual Transforming Lives dinner raised a record-breaking £1.4million and over 300 people took part in the Impetus Triathlon raising close to £400,000. In June we hosted the Impetus Futures summer party marking the last year as Futures Chair for Gemma Wright at CVC who has passed the Chair role over to Michaela Wood at KKR. We also hosted a new event,



Transforming Lives Dinner 2023

£2 million

In 2023 we raised close to £2million and shared our work with over 1,000 people.

Building Impact brought together our audience in the Real Estate industry and has led to a number of new partnerships in the space.

Alongside our fundraising events we hosted a programme of knowledge-sharing events designed to bring our supporters closer to our work; these included our annual Investor Roundtable, a breakfast celebrating our pro bono partners and a Governance Workshop exploring the role of a charity trustee.

In November we were delighted to host '21 Years of Impact' celebrating an important milestone in our journey. Co-founders of the Impetus Trust, Stephen Dawson and Nat Sloane, were joined by our charity partners past and present, supporters and those who have played an important part in our work over the last 21 years.

Thank you to our donors

Advent International
The AIM Foundation
Allan & Gill Gray Philanthropies
Andrew Sillitoe & Joy Tadaki
Sir Anthony Greener, The Minton Trust
Apax Foundation
Aref Lahham
Ares Charitable Foundation
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Terra Firma Capital Partners Ltd
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TowerBrook
Triple Point Investment Management LLP
Tuixen Foundation
Warburg Pincus
Wol Kolade CBE

Influencing the public agenda

Our ambition in our 2020–2023 strategy was to increase our impact and influence in the sector significantly, whilst delivering improved sustainability. Ultimately, it is about helping more young people from disadvantaged backgrounds achieve more, and better, education and employment outcomes.

Alongside our charity investments, our Public Affairs team is building coalitions and influencing decision-makers to implement impact-led policies for young people, and getting our expertise and insights out there to a wider audience, including in mainstream media.

You can stay up to date with our policy work by signing up to our monthly newsletter Impetus Insights.

40%

Young people from disadvantaged backgrounds are 40% less likely to go to university than their better-off peers

Tutoring

Impetus has long championed the effectiveness of tutoring as an intervention to help students catch up.

Alongside organisations including our charity partners Action Tutoring and Tutor Trust we called for a sustained commitment to tutoring as the National Tutoring Programmes (NTP) comes to an end. Targeted at the disadvantaged pupils who need it the most, in order to narrow the attainment gap, it culminated in a call for a 'Tutoring Guarantee' for pupils to ensure a high impact intervention is available across English schools and colleges.

In January we commissioned from Public First, looking at 'The economic benefit of the National Tutoring Programme'.



IntoUniversity

The main finding was very positive. The economic impact of NTP tutoring provided in 2021/22 and 2022/23 is £4.3 billion, compared to funding of £660 million, providing a benefit cost ratio of 6.58, well above the ratio of 4 which is generally considered "very high value for money".

This bolstered our request for government to invest £385m a year to embed tutoring into the education system through a 'tutoring guarantee', which would likely generate over £2.5bn a year in economic benefits.

This followed another Public First report The Future of Tutoring again in conjunctions with partners, published the previous July. It drew on teacher, parent and pupils' views about tutoring, and found high levels of parental support for the intervention as well as 'spill over benefits' including building confidence, attendance and mental health; it also gained good media traction.

The report was launched at an event in parliament hosted by the chair of the education select committee, Robin Walker MP, and Robert Halfon MP, Minister for Skills, Further and Higher Education gave the keynote address.

Despite the evidence that just 12 hours of tutoring can drive three months of additional progress, and with pupils still lagging two months behind pre-pandemic levels of attainment, the government reduced funding for the National Tutoring Programme by 50% in 2023–24, and funding will end completely at the end of next year.

Access to Higher Education

Young people from disadvantaged backgrounds are 40% less likely to go to university than their better-off peers – a gap that has remained stuck for over a decade.

In addition to championing interventions that raise attainment and calling for contextual admissions (reducing the entry requirements for students from under-represented backgrounds to prioritise their potential) Impetus continues to focus on growing the evidence base on successfully widening participation interventions, and sharing our insights with key sector press.

In January we held a second Third Sector Forum event with John Blake, Director for Fair Access and Participation at the regulator, the Office for Students. Entitled 'Embedding partnership: Increasing equality of opportunity in English higher education through collaboration', the event attracted over 200 attendees and included a panel discussion and a welcome announcement of a £2m OfS fund, providing grants to test new ideas and practices that support equality of opportunity.

School engagement

As part of our Engage fund work to tackle school exclusions, in 2023 we formed the 'Who's Losing Learning?' (WLL) coalition, which aims to reveal the extent of post-pandemic lost learning and its disproportionate impact on young people from disadvantaged backgrounds.

Data from the Department of Education showed more than 3,000 children a day lost learning through suspension from school in 2021/22, with suspensions from school having risen 30% and more than 250,000 more days lost compared to 2018/19. And for the first time, the majority of those suspended were children living in poverty, widening the poverty gap in lost learning even further.


Voice 21

Affiah, 15, Hertfordshire

MCR Pathways is a national mentoring programme dedicated to addressing the deep-rooted inequality in education outcomes, career opportunities and life chances for young people in care and those experiencing disadvantage. Young Herts Talent is a school-based mentoring programme that matches volunteer mentors with secondary school students to support the young person they're matched with through one-to-one mentoring sessions in school for one period a week.

I was struggling with school, and I just needed extra support with my behaviour.

My mentor's name is Annette, we get on well. Sometimes we talk about school, about whatever really. It's actually quite good because I can tell her anything, and she helps and guides me through it. I can trust her and she's easy to talk to.

My behaviour has changed. I do focus more in lessons. My teachers have noticed a difference in me and I'm enjoying school more now.

Annette taught me to be who I am and just try my hardest.

Affiah, 15, Hertfordshire



The Education Policy Institute's March 2024 report, 'Outcomes for Young People Who Experience Multiple Suspensions' commissioned by Impetus, identified a "suspension grades gap", with young people who experience even a single suspension, or temporary removal from secondary school, less likely to pass crucial GCSEs in English and maths.

The report highlighted the importance of focusing on pupils who are suspended or at risk of suspension, and generated media coverage in The Guardian, Schools Week, TES, and our spokespeople made appearances on LBC radio and Talk TV to discuss the implications of the findings.

School attendance

Attendance in schools is down dramatically compared to before the pandemic, with profound consequences both for our education system and for society more widely. This is why we commissioned our September 2023 report with Public First, which examined the views of parents.

Overall, absence is up by more than 50% since 2019 and persistent absence (pupils missing 10% or more of lessons) has more than doubled, affecting the continuity of pupils' learning. Disadvantaged pupils who most need the security, stability and care that good schools offer, are most likely to be persistently absent – and the gap is widening.

The report revealed that the Covid pandemic and the resulting disruption to education, caused a seismic shift in parental attitudes to school attendance – that it's no longer the case that every day matters to parents. Yet we know that missing school can lead to wider disengagement in learning and impact pupils' attainment, which can limit their opportunities in later life.

The report really resonated with the public, government decision makers and shadow cabinet, achieving blanket national press and broadcast coverage, and was a topic of discussion at the 2023 party conferences.

Oracy

In July, Labour leader Keir Starmer launched the party's 'opportunity' mission, committing to oracy and speaking skills and explicitly picking up on the work of our charity partner Voice21.

We know oracy helps pupils make academic progress, and a recent evaluation of Voice21's Voicing Vocabulary programme with 11 and 12 year olds showed it increased the number of above-average readers by about 50%.



Action Tutoring

£69bn

Tackling youth unemployment could generate £69bn for UK economy

Our Public Affairs team is working closely with Voice21 to see how they could shape the increased focus on this 'skill for life' and embed it into the curriculum.

Youth Employment

Tackling youth unemployment could generate £69bn for UK economy, that was the headline finding of our new policy paper The Young Person's Guarantee.

The share of young people in the UK who are NEET stands at 13.8%, a figure that has remained stagnant for a quarter of a century. Young people from disadvantaged backgrounds are significantly more likely than their better-off peers to be NEET. This means the negative effects of time spent neither learning nor earning – such as decreased earning potential or increased risk of unemployment later in life – are disproportionately borne by this group, with clear consequences for social mobility.

Amid a political consensus that Britain must improve economic growth and raise shared prosperity, we mobilised the Youth Employment Group to agree the 'Young Persons' Guarantee' – a set of policy recommendations for all major parties that, if implemented, would help more young people realise their potential and bring about positive changes that will permanently reduce the number of young people who find themselves neither earning nor learning.

With a general election looming, we promoted the Young Person's Guarantee at Labour and Conservative Party conference events, offering it as an opportunity for the major parties to show how serious they are about the next generation.

Raising our profile

To tell the story of what we do, we produced a powerful new film We're Just Getting Started, working closely with young people to explore how the interventions of Impetus' charity partners have impacted their lives and raised their ambitions.

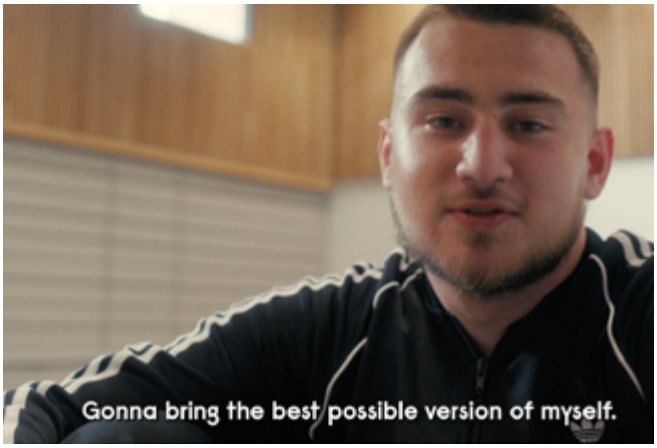
Through the Impetus Communications Forum, part of our support to our partner charities, we hosted three peer-learning events on the subjects of 'creating a proactive, long-term, media strategy', 'effective use of the Google Ads Grant' and 'telling young people's stories in national media'. We were pleased to host the BBC's Education Editor Branwen Jeffreys, building our relationship with her and connecting her to our charity network.

And to foster better communications internally and externally we have reinvigorated our newsletters and launched the '6 in 60' video summary on our social media channels to promote the Impetus Insights policy newsletter.

We responded to news stories, often citing the less popular view but retaining our rigorous focus on evidence and impact. And we capitalised on opportunities for strategic communications partnerships in the run up to the election – including taking part in the New Statesman's Path to Power conference which included speaking on a panel entitled 'How can Labour build a future-focused education and skills system?', attending a lunch with Bridget Phillipson, Shadow Secretary for Education, and publishing an article on the importance of essential skills in supporting young people to be work ready.









Digital and knowledge management

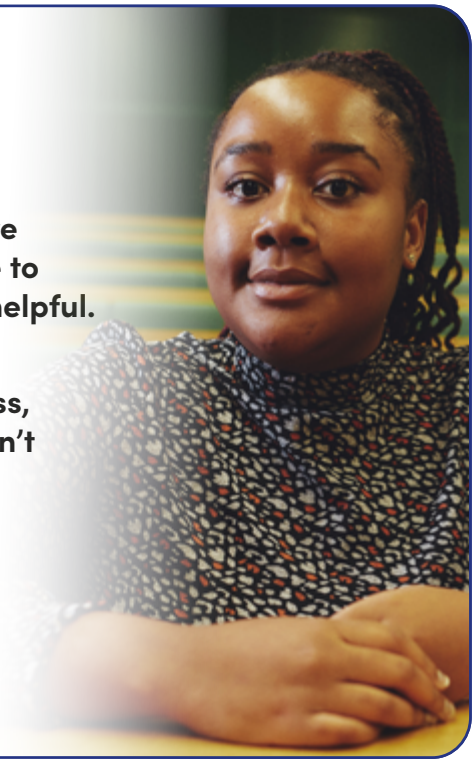
We've progressed our ambition of changing the way we work, not just the systems we use. In addition to replacing or developing key systems, we've ensured that staff time spent on impactful activities has been maximised, by giving them the knowledge, tools and relevant information to do their jobs measurably better, and making sure that Impetus' organisational foundations, such as cybersecurity and data protection are solid.

We've also convened a Digital Advisory Group including a range of sector experts. This keeps Impetus abreast of best practice, relevant developments, and opportunities and risks related to our grant-making, fundraising and communications.

In future we will help partner charities build digital capacity through augmenting our service to our portfolio with a Digital capacity-building offer, build new tools to leverage our insights for external change, and continue to give staff back time and attention for the most impactful work.

Subilo, 19, London

The Access Project works with high potential students from disadvantaged backgrounds, providing tutoring and intensive support including mentoring, practice interviews and networking, to help them get into top universities.



I feel like without help from my tutor every week, I would have only ever achieved a surface level understanding of the subject [economics]. She helped me to have a deeper understanding of it.

It's not always easy to go to your teacher, there are so many other people in class, so having someone to explain and answer questions one on one was so helpful.

The other side of support from The Access Project was amazing as well – with the application process, my personal statement, researching the uni – I don't know what I would have done without them.

I'm now in my second year at London School of Economics studying international social policy and economics. It was a good feeling arriving, I couldn't believe I'd got here.

Subilo, 19, London

Our people

Supporting and developing our people continued to be a key priority for Impetus in 2023–24, with a focus on growing our teams and implementing our People Plan.

Recruitment and Induction

Following a busy period of recruitment in 2022–23, Impetus welcomed 12 new employees in 2023–24 (excluding YEF employee movements). The Philanthropy and Investment teams experienced the most growth, with newly created roles to support the expansion of Impetus' work. Successfully inducting and supporting these new employees to embed within their teams and roles, was a major priority. We achieved this through our comprehensive induction programme with 'Impetus Essentials' sessions which introduce our new employees to all areas of Impetus' work to help them understand how they contribute to Impetus' mission.

Although the volume of recruitment was slightly lower this year, we are still focused on increasing capacity to support organisational growth. This included creating and recruiting for new roles within our Communication and Policy teams.

At the end of 2023–24 Eleanor Harrison announced that she would be stepping down as CEO after four years of leading the organisation. Following this news, a key priority was the successful appointment a new CEO. We announced the appointment of Susannah Hardyman as the new Impetus CEO in September 2024, and she will take up the post in January 2025.

Equality, Diversity and Inclusion

We remain focused on our commitment to Equality, Diversity and Inclusion (EDI), and continued to ensure it is considered in all aspects of our work. We have made progress against the EDI target that was set in 2021 with 40% of staff reporting as being from minoritised ethnic groups and backgrounds. However, we acknowledge there is still further work for us to do to be a truly inclusive employer. Our EDI working group conducted an EDI



Donor volunteer day



Impetus Triathlon 2023

staff survey and we are working with the Senior Management Team to help develop and implement a detailed EDI Plan which will including an audit and training plan.

People Plan

We completed the initial phase of our People Plan which focused on building good foundations on which to retain and develop our people. This involved the creation of a new online employee handbook and HR webpage to better communicate all our people policies, practices and procedures. Individual and organisational training and development opportunities were prioritised, including a bespoke Transformational Line Management programme led by Resurgo, to strengthen Impetus' approach to management and development.

We also undertook a Pay and Reward Review with the support of an independent pay and reward specialist to ensure we have the right policies and structures in place to support staff progression and development. A number of recommendations were accepted including adopting pay principles and setting a clear grading and pay structure. We are now creating a detailed implementation plan to ensure a new Reward Strategy is implemented by April 2025.

6%

In April 2023 we awarded a 6% pay increase to all employees

Salaries

We continued to benchmark our salaries and pay employees in the upper quartile for their roles. In addition to this in April 2023 we awarded a 6% pay increase to all employees in acknowledgement of inflationary pressures and the rising cost of living.

Engagement

Staff engagement continued to be a priority. As well as involving employees in focus groups, during our Pay and Reward project, we also conducted our 9th annual staff survey at the end of 2023. There was a high level of engagement and positive feedback, particularly in relation to our people, culture and relationships. There were also lots of constructive feedback and suggestions on how to further develop in key areas such as equality, diversity and inclusion, leadership and management, and internal communication.



Impetus Triathlon 2023

Our new 2024–2028 strategy

Following a thorough review of our Theory of Change we have developed a new organisational strategy that will focus on school engagement, educational attainment and good jobs, pushing for improved outcomes for hundreds of thousands more young people from disadvantaged backgrounds through a rigorous focus on impact.

We will continue to work with charities supporting underserved communities – those that are particularly under-resourced, lacking long-term funding, resources and expertise – to deliver impact for young people, and support those who face structural barriers to providing results at scale.

Between 2024 and 2028, it's our ambition to:



Increase fundraising income from £8.5m to £11–13m by 2028 (base case, excluding pro bono)

- Grow unrestricted funding
- Secure extension funding for Engage and Connect Funds (from 2026–27)
- Secure funding for two new Funds



Expand our reach from 393k to ~475k young people

- Expand our portfolio (from 25 to 30–35 organisations), through two new funds
- Support portfolio to continue to deliver good growth (+10–15% average charity reach CAGR)
- Support 1–2 of our evidenced programmes to national scale (additional to ~475k expansion)



Build a new cohort of impact exemplars, including a minimum of six partners delivering positive external evaluations against robust impact benchmarks by 2028



Deliver 1–2 major policy reforms that are grounded in our research and portfolio insights



Deliver on our commitment to equality, diversity and inclusion across every part of our work – what we fund, where we fund, how we work

- Support a full portfolio to achieve outcomes for young people from minoritised backgrounds at the same rate as others
- Support all colleagues to be themselves and to be their best at work

OUR OBJECTIVES FOR 2024–25

The next 12 months will be about laying strong foundations for the delivery of our new strategy. We will:

Ensure a strong leadership transition

Grow our fundraising income to £10.2million

Support our portfolio to grow its reach and build sector-leading programmes

- Investing in a minimum of five new partners, and graduating 3–4 long-standing partners

Build a platform for policy reforms in our sectors

- Aligning key players on the school engagement problem and solution
- Establishing oracy as an education priority with the new government
- Working with government to implement Young Person's Guarantee and build an evidence base for skills

Take further steps towards becoming more diverse and inclusive

- Committing resource in senior leadership and the wider team
- Carrying out analysis to understand areas of disproportionality
- Launching an Equity, Diversity and Inclusion Taskforce
- Conducting an in-depth review of our work

Build our brand to drive new business

- Sharpening our message about what differentiates us and our impact
- Equipping all staff, trustees and external champions to be brand ambassadors
- Upgrading our fundraising materials and building our employer brand to attract talent

Building organisational foundations for growth

- Implementing the People Plan and creating efficiencies in financial reporting
- Refreshing the definition and implementation of core policies
- Improving and embedding Salesforce into core processes

Financial performance

Impetus group

Our income for the year ended March 2024 stood at £22.2 million compared with £27.1 million in 2023 (15 month period), the change reflecting a £4.3 million decrease in donations and grant income across the group, as well as a £0.65 million decrease in investment income. Total group funds as of 31 March 2024 were £158.6 million (2023: £170.1 million).

The main change to the balance sheet was a decrease in group cash balances by £1.9 million to £12.9 million and a decrease in investments to £150.9 million from £154.6 million, reflecting the spend-down nature of the Youth Endowment Fund.

£'000s *	2024	2023	Variance
Income	22,207	27,161	(4,954)
Expenditure	(42,309)	(42,232)	(77)
Net expenditure	(20,102)	(15,071)	(5,031)
Investment gains	8,639	(18,642)	27,281
Surplus/(deficit)	(11,463)	(33,713)	22,250

Balance Sheet	2024	2023	Variance
Fixed assets	131	144	(13)
Investments	150,887	154,643	(3,756)
Current assets	13,900	16,491	(2,591)
Creditors	(6,293)	(1,190)	(5,103)
Net Assets	158,624	170,087	(11,463)

*2023 represents a 15-month period from January 2022 to March 2023



Kids Inspire



School of Hard Knocks



MCR Pathways

Impetus (excluding the Youth Endowment Fund)

Our income in 2023–24 reduced to £11.5 million (2023: £11.9 million). Within this, grants and donations to Impetus reduced by £0.6 million to £9.4 million, with investment and fundraising income increasing by close to £0.2 million. Despite these decreases, overall, Impetus continues to receive generous financial support from four main sources: individual donations, corporate sponsors, grant-making trusts and foundations, and public funding.

£11.5 million

Our income in 2024 reduced to £11.5 million (2023: £11.9 million). Within this, grants and donations to Impetus reduced by £0.6 million to £9.4 million

Our income includes the value our pro bono experts contributed in the form of donated services. This was £2.9 million over the past year, compared to £2.5 million in 2023.

Our expenditure increased from £11.5 million to £11.8 million, reflecting the fact that we continued to invest in our people, infrastructure and the number of charities we support. We were able to maintain our grant spend to charities of £4.6 million.

Youth Endowment Fund

We received a £200 million grant from the Home Office in April 2019 which is to be spent over ten years to 2029. The grant was included in full in the income for 2019.

£200 million

We received a £200 million grant from the Home Office in April 2019

Investments from the fund returned a net gain of £13.5 million (including income and market value gain) in the 12 months to 31 March 2024. Additional grant income received during the period totalled £5.1 million.

Expenditure in the 12 months to 31 March 2024 totalled £30.5m, of which £25.8m was on grants to interventions with a further £4.7m spend on activities we undertook directly.

Of the grant, £151m remained invested with Goldman Sachs and remained the largest component of the balance sheet at the year-end. The restricted fund at the year-end amounted to £150.3m (£148.1m for the Home Office grant, £1.7m for the Centre of Excellence grant and £0.5M from other grants received).

YOUTH ENDOWMENT FUND

Reserves and reserves policy

Impetus (excluding the Youth Endowment Fund)

Impetus has healthy unrestricted reserves and a strong cash position at the balance sheet date. Our reserves policy, as initially approved by the Board in March 2014, entails:

- Minimum unrestricted funds being set as six months operating costs and the cash cost of any office lease commitment up until the break; and
- Unrestricted funds not being designated by the Trustees. Rather, a narrative is used to explain how unrestricted funds would be used against ongoing grant agreements and planned new investments.

Our unrestricted funds were £7.8 million as at 31 March 2024 (2023: £8.0 million). The minimum level of unrestricted reserves to comply with our reserves policy is £5 million (2023: £3 million).

£7.8 million

Our unrestricted funds were £7.8 million as at 31 March 2024

However, given the longer-term nature of our investments, a proportion of our funds are earmarked for fulfilling future funding commitments to our charities' partners. The total value of grants to portfolio charities that are authorised but not accrued as expenditure at 31 March 2024 was £4.2 million (2023: £2.2 million); an increase as a number of grant agreements were reviewed during the year as part of our funding process.

These grants only become an obligation to Impetus if the charities achieve specific milestones. The authorised amount of £4.2 million relates to the current portfolio charities and excludes any amounts in respect of new investees or next phase investments yet to be approved by the Investment Committee. If all current grant agreements progress as planned, then the grants made in 2025–26 will be £1.7 million.

Our level of reserves is such that we can reduce them over the next few years (though remaining above the minimum level) as we continue to support more organisations, including through grants and funds, for a significant period in their journey to scaling impact.

In the longer-term, we will need to raise additional funds to fulfil our commitments and the strategy agreed by the Board in June 2024 is designed to increase our sustainability.

Youth Endowment Fund

The Impetus Board, as sole Trustee, agreed a policy of holding minimum restricted funds in respect of the Home Office funded work equal to six months' operating expenditure. The receipt of the Home Office grant at the outset of our work means that this policy is comfortably met.

Going concern

We consider that we have adequate financial reserves to continue to deliver our plans and that we have a reasonable expectation that we will have adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties that call into doubt the charity's ability to continue.

Investment policy for funds other than the Youth Endowment Fund

Given the need to be able to honour long-term commitments to the charities it funds, the Board has adopted a cautious investment strategy with funds received by Impetus for activities other than the Youth Endowment Fund invested in deposit accounts.



Impetus staff awayday 2024

Investment policy and objectives for the Youth Endowment Fund

The grant from the Home Office was invested and has been managed by Goldman Sachs who were appointed after a competitive selection process. The investment objective is to achieve an average nominal return of 2%, net of management fees, over the life of the fund.

As at the 31 March 2024, of the total portfolio of £151 million, £77 million was invested in fixed income bonds and £33.5 million in equities. The performance of the managed fund against the target is most usefully measured over a longer period than was available in 2024. The Trustees consider that the portfolio performed well, taking advantage of the equities markets during the pandemic with a well-defined glide path to reduce equity risk post year-end.

To ensure that there are sufficient funds to cover planned grant giving and the costs of the partners in managing the YEF, the equivalent of six months forecast spending is held in cash and cash equivalents.

The investment portfolio has historically been divided into three sub-portfolios, each invested in different types of asset:

- Liquidity sub-portfolio – cash and cash equivalent investments.
- Mid-term sub-portfolio – investment grade government and corporate bonds.
- Growth sub-portfolio – global equities.

The balance between the three portfolios will vary over time in line with the fund's planned cash flows and the need to limit the level of capital risk within the portfolio.

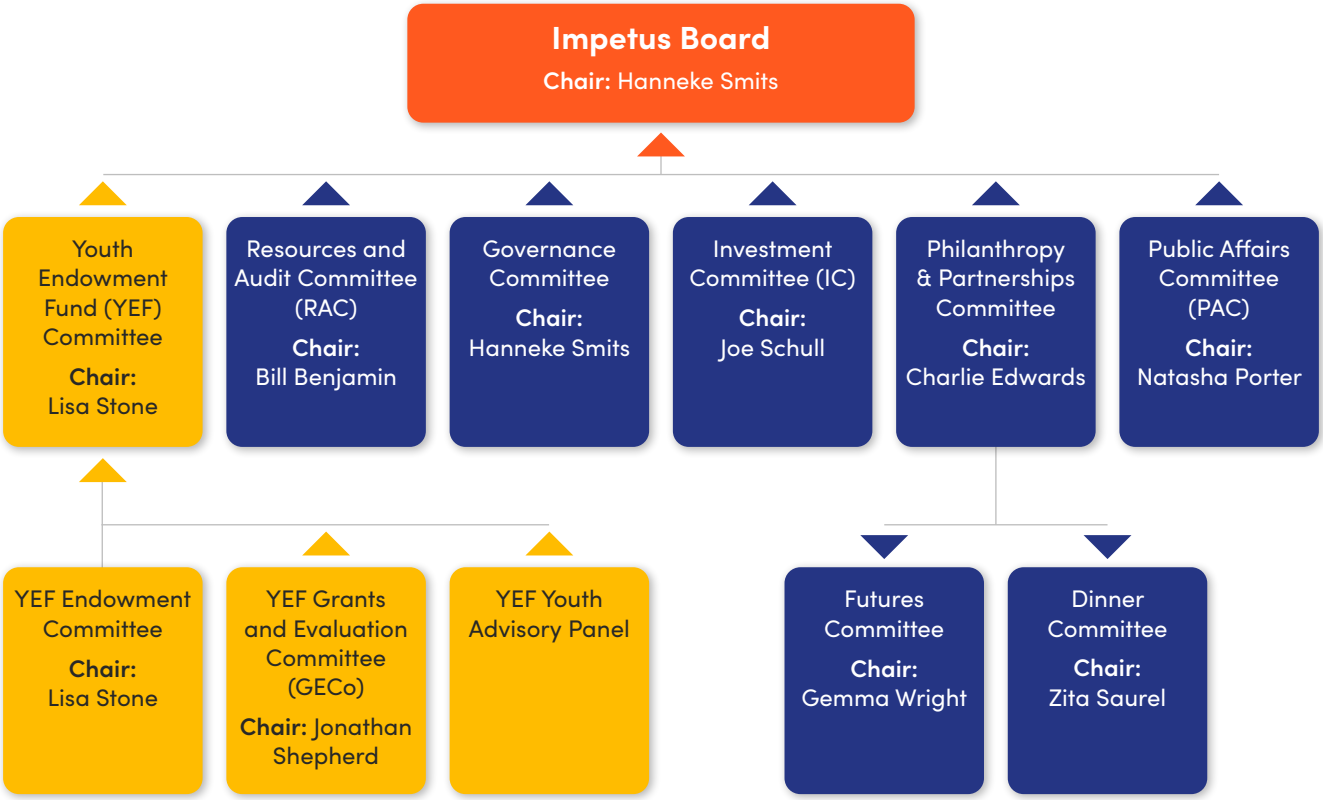
Post year-end, in line with Committee instructions, the decision was taken to fully derisk the equity portion of the portfolio by selling out all equity exposure. The investment portfolio is therefore currently divided into two sub-portfolios: liquidity and mid-term, respectively.

To limit currency risk in the portfolio, cash and cash equivalent investments are only invested in sterling instruments. Bond investments are in sterling or hedged back into sterling. Hedging of non-sterling currency exposure arising from overseas equity investments is permitted but not required.

The fund managers are required to integrate consideration of environmental, social and governance (ESG) issues into their investment process in a thoughtful manner and actively engage with companies to improve their ESG practices and policies. Given the fund's social objectives, the Trustees considers it inappropriate to invest in certain companies whose activities have a clearly negative social impact. No direct or indirect investment is therefore permitted in companies whose principal activity is in tobacco and alcohol manufacturing, armaments and controversial weapons, gambling, adult entertainment and high-interest-rate lending.

The focus during this year has been on building out the investment portfolio as market opportunities presented themselves whilst being mindful of the impact of ongoing geo-political events, including the war in Ukraine, recent economic forecasts and events. The Investment Committee alongside the investment managers reviewed the state of the portfolio ensuring the investment strategy remains prudent and protects the charity's investment.

Structure, governance and management





Impetus staff awayday 2024

Governance and management

Impetus is a charitable company registered with the Charities Commission (Charity number 1152262) registered in 2013 under its Memorandum and Articles (governing document). The governing body of the charity is the Board of Trustees, listed on the administrative details page.

The governing body also meets as the sole corporate Trustee of The Youth Endowment Fund, a registered charitable trust.

The appointment of a new Trustee takes place after due consideration from both parties. This is vital to ensuring a good strategic fit for the Board and the prospective Trustee. Over time, new Trustees meet our charities to gain a good understanding of our work. New Trustees are also briefed on their obligations under charity and company law, the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and the financial performance of the charity. During their induction, they meet members of staff and other Trustees whom they had not previously met. Trustees attend training events which facilitate the undertaking of their role.

Trustees are typically elected for three-year periods and may be re-elected for a further three-year period. The Chair conducts an annual appraisal of the Board's performance and composition and the functioning of its committees, and a designated Trustee conducts a review of the Chair's role and performance.

The Board sets strategy and reviews policy. Day-to-day responsibility is delegated to the Chief Executive Officer, who works closely with the Chair. During 2023/24, the Board met six times. There were five committees reporting to the Impetus Board in 2024: Investment, Governance, Resources and Audit, Public Affairs and the Youth Endowment Fund Committee. The Youth Endowment Fund Committee has two further sub committees, the Grants and Evaluation Committee and the Endowment Investment Committee.

The committees ensure in-depth review and oversight of our activities. They ensure that the specific areas of focus are led, where possible, by Trustees. Trustees are aware of and comply with the duty to act in the public benefit in accordance with Section 17 of the Charities Act 2011.

Investment Committee

The Committee is responsible for ensuring that Impetus manages well a balanced portfolio that helps us deliver our mission. The Committee scrutinises individual investment proposals and recommends for Board ratification the charities that should enter, progress through and exit the portfolio. The committee also reviews how each charity is progressing through our Outcomes Framework in the semi-annual Charity Review as well as its progress against funding milestones.

Governance and Nominations Committee

The Committee has a strategic role in defining the role of the Board as well as how the Board interacts with its committees. It also directs the Trustee recruitment process and Trustee responsibilities. The Committee is responsible for conducting the Chair evaluation as well as advising on Trustee and Board development.

Resources and Audit Committee

The Committee is responsible for reviewing and monitoring all financial and operational aspects of Impetus and reports to the Board on such matters, including financial risk management and people. Due to the size and nature of the organisation, the committee considers that an internal audit function is not required. The committee also helps ensure that Impetus maintains and develops relationships with its donors, co-investors and supporters in order for Impetus and its charities to receive the funding, pro bono and other relevant support to achieve its overall mission and strategy.

Public Affairs Committee

The Committee supports Impetus in defining and achieving our public affairs goals. The Committee reviews our public affairs strategy to ensure it is aligned with our organisational mission, and achievable in terms of the external landscape. Committee members also review research and publications in draft to help ensure our public work is high-quality, and relevant to those we are seeking to reach and influence. Annually, the Committee review progress against the public affairs KPIs, to assess performance and impact.

Philanthropy and Partnerships Committee

The Committee supports Impetus' philanthropy and partnership teams in our efforts to increase donor engagement and stewardship, as well as overseeing key fundraising events.

The Youth Endowment Fund

Impetus acts as the sole corporate Trustee through its board of Trustees. Impetus established the Youth Endowment Fund Charitable Trust Committee as a committee of its board. The Committee has delegated responsibility for the management of the Youth Endowment Fund and compliance with, and implementation of the Home Office Grant Agreement. Impetus has the following matters reserved to it, receiving recommendations from the Committee on each matter:



Impetus staff awayday 2024

- The overall strategy for the charity and the grants strategy or any material changes thereto
- A budget and business plan for the charity within the framework set by the Home Office Grant Agreement and Partnership Agreement
- The appointment or termination of appointment of Committee members and the YEF Executive Director; individual grants or material changes to existing grants with a value in excess of £10 million, including those made from Supplementary Funding
- The terms of any partnerships with other funders, where their funding is in excess of £10 million
- The Investment Policy and the appointment of investment managers
- The Committee has two sub-committees, the Grants and Evaluation Committee and the Endowment Investment Committee

The Youth Endowment Fund – The Grants and Evaluation Committee
The Grants and Evaluation Committee provides oversight and scrutiny of grants to Project Implementation Partners and agreements with independent evaluators. It makes recommendations in respect of individual grants, monitors grants awarded and produces reports for the YEF Committee.

The Youth Endowment Fund – The Endowment Investment Committee
The Endowment Investment Committee has delegated responsibility for the investment management of the Youth Endowment Fund. The Trustees consider that the portfolio performed well, taking advantage of the equities markets during the pandemic with a well-defined glide path to reduce equity risk post year-end.

Remuneration arrangements for key management personnel
The Trustees consider the Impetus board and the senior management team to be the key management personnel for reporting purposes. In 2024, the senior management team at Impetus (excluding the YEF Charitable Trust)



Impetus Triathlon 2023

comprised the Chief Executive Officer, Director of Public Affairs, Portfolio Director, Director of Philanthropy and Partnerships, Director of Finance and Operations and the Director of Digital and Information.

Trustees receive no remuneration. Employee pay is set by reference to an upper quartile salary benchmark which is established using a salary survey for the sector which Impetus subscribes to. The remuneration is agreed by the Resources and Audit Committee with a recommendation from the Chair in respect of the Chief Executive Officer.

Fundraising

We do not use external professional fundraisers and did not receive any complaints about our fundraising activities. We fundraise by soliciting donations from organisations and individuals. We also organise fundraising events including those where individuals fundraise directly for us. We are registered with the Fundraising Regulator and pay its annual levy and comply with its Code of Fundraising Practice.

Safeguarding

Impetus is committed to protecting our staff, volunteers, partner organisations and the people we work with alongside the interests of the young people we support and who benefit from the grants we make. Our safeguarding policies and procedures set out clear expectations of our staff and charity partners ensuring we effectively manage our risk, whilst setting out clear accountability mechanisms.

We have a dedicated senior safeguarding lead and our Board and our Resources and Audit Committee receive any necessary safeguarding updates. All staff are made aware of our safeguarding policies and procedures during their induction. We continue to support and work with our charity partners to ensure the risks surrounding safeguarding are monitored and managed effectively.

Risk and internal control

The Trustees are responsible for ensuring that the charity has an appropriate system of controls, financial and otherwise. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention of fraud and other irregularities.

Assisted by the executive and the Resources and Audit Committee, the Board regularly reviews and assesses the major risks to which Impetus is exposed. Movements against risks are reviewed at Board meetings with mitigating actions and controls discussed.

The most significant risks identified by the Board post our current mitigation strategies are:

Risk	Mitigation
Our ability to continue fundraising against the backdrop of a difficult economic climate; challenges in renewing donors and/or winning new business	The economic downturn, coupled with the high inflation and cost-of-living crisis, may force organisations to cut costs, which could result in a reduction of our corporate donations, particularly affecting our fundraising events. Both our organisation and our charity partners are feeling the impact of these challenging financial conditions. Continued success with our co-investment donors has increased our financial sustainability and diversified our donor mix. Banked and committed income is in line with expectations for the year, with income from new sources being positive. We have formed a Philanthropy and Partnerships Committee and a new chair has been appointed. In line with diversifying our donor mix, we are reviewing prospective markets beyond private equity and developing our events offering.
Reputational Risk relating to governance of safeguarding, both internally, within a funded partner or a donor	A full review of safeguarding policy and procedures with external consultants (FSC) has begun, with two staff having had specific safeguard lead training already. Once documentation and processes are clear and updated, before the end of the year, training (general for all, and tailored for select teams) will follow. By April 2025, the new staff and trustee induction process will include basic safeguarding training by an internal safeguard lead. Furthermore, we will work with the Board to appoint a designated safeguarding trustee. The safeguarding working group will continue to work closely with the two DSLs to ensure safeguarding remains a priority for Impetus. All safeguarding-related policies and documents will be monitored and updated annually (or more frequently if required). Finally, the safeguarding sector of the website is to be updated following the review.
Funded partners face significant financial, governance, legal challenges	Given that we have invested in a greater proportion of smaller charities, as well as the majority of our funded partners having been in the portfolio for less than three years, the portfolio carries increased risk. Our approach to risk management and engaged support model will continue to help us surface risks and provide advice and capacity building to help organisations manage such. Next steps to continue to improve our risk management in this area include: 1. A more explicit consideration of overall portfolio risk when making new investment decisions 2. Clearer protocols for communicating any portfolio risks with philanthropy and communications teams

These risks are monitored by the Resources and Audit Committee and the Impetus Board of Trustees, which reviews risk movements and the various mitigation strategies in place to manage risks.

The Board believes these risks cannot be fully eliminated but they can be managed through looking to reduce their impact and the chance of their occurrence as part of the reviews.

Statement of Trustees' responsibilities

The Trustees (who are the directors of the charitable company) 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 charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Each of the Trustees confirms that to the best of his/her knowledge there is no information relevant to the audit of which the auditors are unaware. The Trustees also confirm that they have taken all necessary steps to ensure that they themselves are aware of all relevant audit information and that this information has been communicated to the auditors.

The Trustees' Report, incorporating the directors' report and strategic report, was approved by the Trustees on 24 September 2024 and signed on their behalf by the Chair.

Hanneke Smits



Chair of Impetus

Independent auditor's report to the Trustees of Impetus – The Private Equity Foundation

Opinion

We have audited the financial statements of Impetus – The Private Equity Foundation for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, the Charity Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2024 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Chair's Introduction, YEF Introduction and the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 (which includes the directors' report and strategic report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The strategic report and directors' report included within 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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the directors' report and strategic 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 by the parent charitable company; or
- The parent charitable company 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.

Responsibilities of trustees for the financial statements

As explained more fully in the Trustees' responsibilities statement set out on page 48, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent charitable company 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.

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to trust law requirements relate to the use of restricted funds, charity law and GDPR, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011, and payroll tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to recognition of voluntary income. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;

- Evaluating management's controls designed to prevent and detect irregularities;

- Identifying and testing journals, in particular journal entries posted with unusual descriptions and entries posted at unusual times; and

- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility for anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Tracey Young
(Senior Statutory Auditor)

For and on behalf of Haysmacintyre LLP, Statutory Auditor, 10 Queen Street Place London EC4R 1AG

ACCOUNTS

3

Group financial statements

Consolidated Statement of Financial Activities
For the year ended 31 March 2024

	Note	Restricted £	Unrestricted £	Year Ended 31 March 2024 Total £	Restricted £	Unrestricted £	15 months ended 31 March 2023 Total £
Income:							
Donations and grants	**2a**	9,087,659	6,199,001	**15,286,660**	12,747,860	6,846,431	**19,594,291**
Events and fundraising activities	**2b**	-	1,853,114	**1,853,114**	-	1,834,170	**1,834,170**
Investment	**2c**	4,911,629	154,782	**5,066,411**	5,688,700	27,322	**5,716,022**
Other	**2d**	-	417	**417**	-	16,756	**16,756**
Total income		13,999,288	8,207,314	**22,206,602**	18,436,560	8,724,679	**27,161,239**
Expenditure:							
Raising funds	**3a**	-	1,287,810	**1,287,810**	-	1,307,370	**1,307,370**
Charitable activities	**3a**	33,894,792	7,126,325	**41,021,117**	33,836,094	7,088,654	**40,924,748**
Total expenditure		33,894,792	8,414,135	**42,308,927**	33,836,094	8,396,024	**42,232,118**
Net expenditure		(19,895,504)	(206,821)	**(20,102,325)**	(15,399,534)	328,655	**(15,070,879)**
Transfers between funds		(33,907)	33,907	**-**	(94,090)	94,090	**-**
Net gains on investments	**10**	8,639,315	-	**8,639,315**	(18,641,701)	-	**(18,641,701)**
Net movement in funds		(11,290,096)	(172,914)	**(11,463,010)**	(34,135,325)	422,745	**(33,712,580)**
Reconciliation of funds:							
Funds at the start of the year	**14**	162,041,066	8,046,379	**170,087,445**	196,176,391	7,623,634	**203,800,025**
Funds at the end of the year	**14**	**150,750,970**	7,873,465	**158,624,435**	162,041,066	8,046,379	**170,087,445**

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 14 to the financial statements.

The financial statements for Impetus (company registration number 08460519 and charity registration number 1152262), for the year ending 31 March 2024 were approved and authorised for issue by the Board on 24 September 2024.

The notes that follow form an integral part of these financial statements.

Charity Statement of Financial Activities
For the year ended 31 March 2024

	Note	Restricted £	Unrestricted £	Year ended 31 March 2024 Total £	Restricted £	Unrestricted £	15 months ended 31 March 2023 Total £
Income:							
Donations and grants	**2a**	3,234,161	6,199,001	**9,433,162**	3,172,983	6,846,431	**10,019,414**
Events and fundraising activities	**2b**	-	1,853,114	**1,853,114**	-	1,834,170	**1,834,170**
Investment	**2c**	-	154,782	**154,782**	-	27,322	**27,322**
Other	**2d**	-	34,324	**34,324**	-	62,109	**62,109**
Total income		3,234,161	8,241,221	**11,475,382**	3,172,983	8,770,032	**11,943,015**
Expenditure:							
Raising funds	**3e**	-	1,287,810	**1,287,810**	-	1,307,370	**1,307,370**
Charitable activities	**3e**	3,394,385	7,126,325	**10,520,710**	3,135,247	7,088,654	**10,223,901**
Total expenditure		3,394,385	8,414,135	**11,808,520**	3,135,247	8,396,024	**11,531,271**
Net expenditure		(160,224)	(172,914)	**(333,138)**	37,736	374,008	**411,744**
Transfers between funds		-	-	**-**	-	-	**-**
Net movement in funds		(160,224)	(172,914)	**(333,138)**	37,736	374,008	**411,744**
Reconciliation of funds:							
Funds at the start of the year		602,965	8,046,379	**8,649,344**	565,229	7,672,371	**8,237,600**
Funds at the end of the year		442,741	7,873,465	**8,316,206**	602,965	8,046,379	**8,649,344**

The notes that follow form an integral part of these financial statements.

Consolidated and Charity Balance Sheets
As at 31 March 2024

	Note	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Fixed assets					
Intangible fixed assets	9(a)	**113,820**	130,080	**-**	-
Tangible fixed assets	9(b)	**17,311**	13,914	**17,311**	13,914
Investments	10	**150,886,547**	154,643,333	**1**	1
		151,017,678	154,787,327	**17,312**	13,915
Current assets					
Debtors	11	**972,537**	1,626,071	**843,713**	769,930
Cash at bank and in hand		**12,927,468**	14,864,448	**7,980,907**	8,263,016
		13,900,005	16,490,519	**8,824,620**	9,032,946
Creditors: amounts due within one year	12	**(6,293,248)**	(1,190,401)	**(525,726)**	(397,517)
Net current assets		**7,606,757**	15,300,118	**8,298,894**	8,635,429
Net assets	13	**158,624,435**	170,087,445	**8,316,206**	8,649,344
Funds					
Restricted funds	14	**150,717,063**	162,041,066	**442,741**	602,965
Unrestricted funds	14	**7,907,372**	8,046,379	**7,873,465**	8,046,379
Total funds		**158,624,435**	170,087,445	**8,316,206**	8,649,344

The financial statements for Impetus (company registration number 08460519 and charity registration number 1152262), for the year ending 31 March 2024 were approved and authorised for issue by the Board on 24 September 2024.

Hanneke Smits



Trustee

The notes that follow form an integral part of these financial statements.

Consolidated Cash Flow Statement
For the year ended 31 March 2024

	Note	2024 £	15 months ended 31 March 2023 £
Net cash used in operating activities	(a)	**(19,385,997)**	**(21,396,833)**
Cash flows from investing activities:			
Dividends and interest from investments		**5,066,411**	5,716,022
Purchase of software and equipment		**(13,495)**	(22,973)
Proceeds from sale of investments		**12,001,505**	24,556,611
Purchase of investments		**394,596**	(5,671,337)
Net cash provided by investing activities		**17,449,017**	**24,578,323**
Change in cash and cash equivalents in the year		**(1,936,980)**	3,181,490
Cash and cash equivalents at the beginning of the year		**14,864,448**	11,682,958
Cash and cash equivalents at the end of the year		**12,927,468**	**14,864,448**

(a) Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £	15 months ended 31 March 2023 £
Net movement in funds	**(11,463,010)**	(33,712,580)
Losses/(Gains) on investments	**(8,639,315)**	18,641,701
Dividends and interest from investments	**(5,066,411)**	(5,716,022)
Loss on disposal of fixed assets	**-**	-
Depreciation and amortisation	**26,358**	26,331
Decrease/(Increase) in debtors	**653,534**	(506,484)
Increase/(Decrease) in creditors	**5,102,847**	(129,779)
Net cash used in operating activities	**(19,385,997)**	**(21,396,833)**

The charity has no debt, so no analysis of net debt is presented.

The notes that follow form an integral part of these financial statements.

Notes to the Financial Statements
For the year ended 31 March 2024

1. Accounting policies

a) The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) Second Edition effective 1 January 2019 and the Companies Act 2006.

Impetus – The Private Equity Foundation is a company, number 08460519, limited by guarantee and incorporated in England and Wales. Its registered office is at Golden Cross House, 8 Duncannon Street, London, WC2N 4JF.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements of the wholly owned subsidiary, PEF Trading Limited, have been consolidated with those of the charity on a line-by-line basis. The financial statements of The Youth Endowment Fund Charitable Trust have also been consolidated in the accounts of the group.

The charity is the sole corporate trustee of The Youth Endowment Fund Charitable Trust (YEF), a registered charity number 1185413. The activities of the subsidiary charity, YEF, have been included as a restricted fund in the accounts of the group.

Going concern
The accounts are prepared on the going concern basis as the Trustees expect that the activities will continue for the foreseeable future and Impetus has healthy reserves and a strong cash position at the balance sheet date. There are no material uncertainties that call into doubt the charity's ability to continue in operational existence.

b) Income is included in full in the statement of financial activities once the charity has entitlement to the income; it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants to Impetus are recognised in full in the statement of financial activities in the year in which they are receivable, or in the case of grants with associated eligibility criteria, in the year in which those criteria are satisfied.

Where entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the income is recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the charity can meet such conditions, recognition of income is deferred.

c) Donated services and facilities are recognised as income and expenditure in the financial statements when companies or individuals offer their professional expertise on a pro bono basis. The value of these donated services and facilities is an estimated figure based upon the valuation the professional individual or organisation places upon the time, services and facilities they have provided to Impetus. Individuals offering their time to work in areas where they are not undertaking their profession are classified as volunteers and their time is not quantified in the accounts, but is disclosed in the Trustees' Report. All of these amounts are treated as unrestricted donations.

d) Expenditure is recognised on an accruals basis, inclusive of any VAT which cannot be recovered. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is allocated to the particular activity where the cost relates exclusively and directly to that activity. In addition, an allocation of salary and overhead costs of the central function is made and is apportioned based upon staff estimates of time spent on each activity (including the time of the executives who offer their services on a pro bono basis).

Expenditure on raising funds relate to the costs incurred by the charitable company in raising funds for the charitable work. This includes an allocation of salary and overhead costs of the central function and is apportioned based upon staff estimates of time spent on fundraising activity.

e) Grants payable to charities are charged in the year when the offer is conveyed to the investee charity except in those cases where the offer is conditional, which is typical of investee charities of Impetus. Funding is usually offered over a period of up to five years, which is reviewed on a regular basis throughout the funding relationship. Continued funding is conditional upon the

charities meeting specified milestones. Conditional grants are recognised as expenditure when the conditions are fulfilled. If the conditions have not been met at the year end, the grants are disclosed as a future commitment but are not shown as expenditure.

Grants payable to interventions by the YEF are charged in the year in which they are disbursed to the intervention. Continued funding is conditional on the interventions meeting specified milestones. Conditional grants are recognised as expenditure when the conditions are fulfilled. If the conditions have not been met at the year end, the grants are disclosed as a future commitment but are not shown as expenditure.

f) The group's financial instruments all qualify as basic financial instruments in accordance with Section 11 of FRS102 and are recognised on the following bases:
   i. Investments in subsidiaries are measured at cost less provision for impairment.
   ii. Other investments are measured at market value at the balance sheet date.
   iii. Cash and cash equivalents represent bank balances and deposits held in sterling.
   iv. Debtors, including Gift Aid receivable, are measured at the transaction price less any provision for doubtful debts.
   v. Trade creditors are measured at the transaction price.

g) Items of equipment and software are capitalised where the purchase price or the cost of the capital project exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

h) Depreciation and amortisation are provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follow:

Computer equipment	Three years
Computer software	Ten years
Office equipment	Four years
Fixtures and fittings	Five years

i) Short-term deposits represent cash on deposit.

j) Unrestricted funds are donations and other income receivable or generated for the objects of the charity.

k) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is matched to the restricted funds, together with a fair allocation of overheads and support costs, if appropriate.

l) The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the group to the fund. The group has no liability under the scheme other than for the payment of those contributions.

Pension contributions are also made on behalf of eligible employees and are paid into personal pension schemes as nominated by the employee and contributions pass through the SOFA as incurred.

m) Transactions in foreign currencies are translated into sterling at the rates of exchange current at the date of the transaction. Foreign currency monetary assets and liabilities in the balance sheet are translated into sterling at the rates of exchange ruling at the end of the year. Resulting exchange gains and losses are taken to the statement of financial activities.

n) Leases are regarded as operating leases and the rentals are charged to operating expenses on a straight-line basis over the term of the lease. Operating lease incentives received are added to the lease rentals and charged to operating expenses over the life of the lease. The charity has no finance leases.

o) The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. The key judgment which has had the most significant effect on amounts recognised in the financial statements relates to the recognition and measurement of Donated Services (see note 1(c)).

2. Total income

2 (a). Donations and grants

	Group 2024 Total £	Group 15 months ended 31 March 2023 Total £	Charity 2024 Total £	Charity 15 months ended 31 March 2023 Total £
Other grants	**7,303,157**	10,737,002	**2,200,488**	2,093,805
Donated services	**3,620,406**	3,415,308	**2,869,577**	2,483,628
Income for Engage and Connect Funds	**1,033,673**	898,660	**1,033,673**	898,660
Cash donations from individuals and companies	**3,329,424**	4,543,321	**3,329,424**	4,543,321
Donations and grants	**15,286,660**	19,594,291	**9,433,162**	10,019,414

Donations and events income received from Trustees for the charity totalled £221,770 (2023: £259,090)

Donated services represent pro bono services and facilities received by Impetus and the Youth Endowment Fund (YEF). These services relate both to work performed for Impetus or the YEF, and for our portfolio charities and are included as expenditure under Note 3.

2 (b). Events and fundraising activities

Fundraising events	**1,853,114**	1,834,170	**1,853,114**	1,834,170

2 (c). Investment

Interest receivable	187,383	44,685	154,782	27,322
Fixed income bonds	619,763	797,782	-	-
Global equities	4,259,265	4,873,555	-	-
Investment income	**5,066,411**	5,716,022	**154,782**	27,322

2 (d). Other income

Contract income	**417**	16,755	**14,116**	41,365
Capacity building	**-**	-	**20,208**	20,744
	417	16,755	**34,324**	62,109
Total income	**22,206,602**	27,161,238	**11,475,382**	11,943,015

2 (e). Additional funds raised for portfolio charities

Additional funds raised for charities are donations made directly to the portfolio charities where Impetus was instrumental in obtaining those funds. These amounts are not included in Impetus' own financial statements nor those of the group.

	2024 Total £	15 months ended 31 March 2023 Total £
Total additional funds generated by Impetus for portfolio charities	**6,710,880**	6,828,010

3. Expenditure

3 (a). Total expenditure – Group

	Grant funding £	Activities undertaken directly £	Support costs £	Group Total 2024 £
Note for the current year	Note 4	Note 3(b)	Note 3(c)	
Raising funds				
Fundraising and events	-	-	1,287,810	**1,287,810**
Charitable activities				
Supporting charities	-	4,987,789	2,734,067	**7,721,856**
Evaluation and research	6,600,788	-	-	**6,600,788**
Grants payable (note 4)	23,078,067	-	-	**23,078,067**
Donated services	750,829	2,082,952	786,625	**3,620,406**
Total charitable activities	30,429,684	7,070,741	3,520,692	**41,021,117**
Total expenditure	**30,429,684**	**7,070,741**	**4,808,502**	**42,308,927**

	Grant funding £	Activities undertaken directly £	Support costs £	Group Total 15 months ended 31 March 2023 £
Note for the prior year	Note 4	Note 3(b)	Note 3(c)	
Raising funds				
Fundraising and events	-	-	1,307,369	**1,307,369**
Charitable activities				
Supporting charities	-	5,159,559	3,307,577	**8,467,136**
Evaluation and research	5,897,952	-	-	**5,897,952**
Grants payable (Note 4)	23,144,352	-	-	**23,144,352**
Donated services	931,680	1,779,789	703,839	**3,415,308**
Total charitable activities	29,973,984	6,939,348	4,011,416	**40,924,748**
Total expenditure	**29,973,984**	**6,939,348**	**5,318,785**	**42,232,117**

3 (b). Activities undertaken directly - Group

	Group 2024 £	Group 15 months ended 31 March 2023 £
Staff costs	**4,151,346**	4,225,214
Consultancy costs	**279,181**	426,639
Office costs	**273,799**	305,490
Depreciation and amortisation	**4,860**	3,078
Donated services	**2,082,952**	1,779,789
Other costs	**278,606**	199,139
	7,070,744	6,939,349

3 (c). Support costs – Group

	Raising funds £	Charitable activities £	Total 2024 £	Raising funds £	Charitable activities £	Total 15 months ended 31 March 2023 £
Staff costs	794,539	1,313,904	**2,108,443**	744,262	1,525,522	2,269,784
Office costs	151,463	393,952	**545,415**	134,118	469,374	603,492
Depreciation	2,689	2,585	**5,274**	1,351	1,577	2,928
Donated services	-	786,625	**786,625**	-	703,839	703,839
Fundraising events costs	172,802	-	**172,802**	385,827	-	385,827
Investment management fees	-	370,839	**370,839**	-	576,148	576,148
Other costs	166,317	652,787	**819,104**	41,812	734,956	776,768
	1,287,810	3,520,692	**4,808,502**	1,307,370	4,011,416	5,318,786

Included within support costs above are governance costs totalling £126,883 (2022–23: £180,905).

3 (d). Pro bono income and expenditure – Group and Charity

Donated services are analysed as income and expenditure within the financial statements. The split of donated services across portfolio charities and other activities is as follows:

	2024 £	15 months ended 31 March 2023 £
Unrestricted		
Support to portfolio charities	**2,082,952**	1,779,789
Support to Impetus for portfolio work	**750,000**	665,641
Support to Impetus	**36,625**	38,198
Youth Endowment Fund	**750,829**	931,680
Total donated services	**3,620,406**	**3,415,308**

3 (e). Total expenditure – Charity

Note for the current year	Grant funding £	Activities undertaken directly £	Support costs £	Total 2024 £
		Note 3(f)	Note 3(g)	
Raising funds				
Fundraising and events	-	-	1,287,810	**1,287,810**
Charitable activities				
Supporting charities	-	2,025,503	1,009,392	**3,034,895**
Grants payable (Note 4)	4,616,238	-	-	**4,616,238**
Donated services	-	2,082,952	786,625	**2,869,577**
Total charitable activities	4,616,238	4,108,455	1,796,017	**10,520,710**
Total expenditure	**4,616,238**	**4,108,455**	**3,083,827**	**11,808,520**

Note for the prior year	Grant funding £	Activities undertaken directly £	Support costs £	15 months ended 31 March 2023 £
Raising funds				
Fundraising and events	-	-	1,307,370	**1,307,370**
Charitable activities				
Supporting charities	-	1,942,862	1,153,606	**3,096,468**
Grants payable (Note 4)	4,643,805	-	-	**4,643,805**
Donated services	-	1,779,789	703,839	**2,483,628**
Total charitable activities	4,643,805	3,722,651	1,857,445	**10,223,901**
Total expenditure	**4,643,805**	**3,722,651**	**3,164,815**	**11,531,271**

3 (f). Activities undertaken directly – Charity

	2024 £	15 months ended 31 March 2023 £
Staff costs	**1,468,238**	1,435,155
Office costs	**273,799**	305,490
Depreciation	**4,860**	3,078
Donated services	**2,082,952**	1,779,789
Other costs	**278,606**	199,139
	4,108,455	3,722,651

3 (g). Support costs – Charity

	Raising funds £	Charitable activities £	Total 2024 £	Raising funds £	Charitable activities £	15 months ended 31 March 2023 £
Staff costs	794,539	705,638	**1,500,177**	744,262	885,668	1,629,930
Office costs	151,463	145,638	**297,101**	134,118	156,470	290,588
Depreciation	2,689	2,585	**5,274**	1,351	1,577	2,928
Donated services	-	786,625	**786,625**	-	703,839	703,839
Fundraising events costs	172,802	-	**172,802**	385,827	-	385,827
Other costs	166,317	155,531	**321,848**	41,811	109,891	151,702
	1,287,810	1,796,017	**3,083,827**	1,307,369	1,857,445	3,164,814

Included within support costs above are governance costs totalling £126,833 (2022–23 - £180,905).

4. Grants payable

	2024 £	15 months ended 31 March 2023 £
Grants payable fall in three categories:		
- paid to Impetus portfolio charities	**4,616,238**	4,643,805
- paid to Impetus research organisations	**-**	-
- paid to Youth Endowment Fund interventions	**18,461,827**	18,500,547
	23,078,065	**23,144,352**

	2024	15 months ended 31 March 2023 £
Grants paid to portfolio charities in the year were as follow:		
Access Project	**225,000**	**275,000**
Action Tutoring	**100,000**	**100,000**
ADA	**300,000**	**137,500**
Babbasa Youth Empowerment Projects CIC	**122,500**	**40,000**
Career Ready	**55,000**	**105,809**
City Gateway	**381,250**	**375,000**
Empire Fighting Chance	**50,000**	**-**
Football Beyond Borders	**300,000**	**493,750**
Generation: You Employed UK	**300,000**	**50,000**
IMO Charity	**70,000**	**30,000**
IntoUniversity	**50,000**	**125,000**
Jon Egging Trust	**221,250**	**75,000**
Khulisa	**175,000**	**75,000**
Kids Inspire	**163,750**	**80,000**
Mama Youth	**30,000**	**160,000**
MCR Pathways	**375,000**	**225,000**
Miss Macaroon	**5,000**	**-**
Olive Academies	**159,000**	**125,000**
Power the Fight	**1,000**	**-**
Resurgo	**240,488**	**457,996**
School of Hard Knocks	**50,000**	**-**
Sister System Charity	**172,500**	**30,000**
Spiral Skills	**1,000**	**-**
Streets of Growth	**50,000**	**-**
The Difference	**158,000**	**225,000**
ThinkForward (2)	**200,000**	**350,000**
Think for the Future	**-**	**40,000**
Transforming Lives for Good	**-**	**125,000**
Tutor Trust	**225,000**	**177,500**
Venture Trust	**-**	**50,000**
Voice 21	**183,000**	**210,000**
West London Zone	**252,500**	**506,250**
Charity total	**4,616,238**	4,643,805

Impetus adopts a three-stage approach to its portfolio investment in charities. The three stages are Focus, Build and Scale. The precise nature of the investment including term and amount invested is reviewed on a case-by-case basis by the Investment Committee. As a result, total annual payments to charities can vary significantly depending on the phase of the investment programme. At present, there are charities in the Focus, Build and Scale stages.

Continued funding of portfolio charities is conditional upon the charities meeting specified milestones. Conditional grants are recognised as expenditure when the conditions are fulfilled. If the conditions have not been met at the year end, the grants are noted as a future commitment but not shown as expenditure.

The total amount of grants authorised but not accrued as expenditure at 31 March 2024 was £4,188,500 (2022–23: £2,271,250). This amount relates to the charities listed above, but excludes any amounts in respect of new investees or next phase investments yet to be approved by the Investment Committee. If all current charity investees progress as envisaged, the phasing of future commitments is estimated as follows:

	£
2024–25	2,260,250
2025–26	1,697,000
2027–28	231,250
	4,188,500

	2024 £	15 months ended 31 March 2023 £
Grants paid by the Youth Endowment Fund to interventions in the year were as follow:		
Achieving for Children	-	464,609
Artswork Ltd	(16,641)	278,473
ASSIST Trauma Care	-	70,431
Behavioural Insights Ltd	533,760	213,784
Birmingham City Council	(991)	262,202
Bradford teaching hospital NHS Foundation Trust	259,999	-
Bridgend County Borough Council	281,182	-
Blackburn with Darwen Borough Council	-	69,013
Centre for Youth Impact (Part of YMCA-WC)	1,700	1,064,723
Empire Fighting Chance	-	152,780
Family Psychology Mutual CIC	557,267	121,257
Future Men	228,622	-
Greater Manchester Violence Reduction Unit	391,652	-
High Trees Community Development Trust	-	319,305
Imperial College London	(3,502)	367,658
Knowledge Change Action Ltd	393,651	-

	2024 £	15 months ended 31 March 2023 £
Grants paid by the Youth Endowment Fund to interventions in the year were as follow:		
Lancashire & South Cumbria NHS FT	92,821	227,734
LifeLine Community Projects	-	108,066
Lives Not Knives	-	27,088
London Borough of Lambeth	-	125,198
London VRU	2,291,071	2,332,153
Media Academy Cymru	293,883	313,519
Mental Health Foundation	241,359	622,553
National Children's Bureau (NCB)	286,644	-
Nesta	599,848	-
Redthread Youth Limited	147,215	454,547
REMEDI- Restorative Services	503,100	432,109
Right to Succeed CIO	333,332	-
Salford Foundation Ltd	507,233	222,793
South London and Maudsley NHS Foundation Trust (SLaM)	7,778	359,942
South Wales VRU	206,288	206,288
St Christopher's Fellowship	-	(62,000)
StreetGames UK	17,500	273,821
Tavistock Relationships	543,770	-
The Education Endowment Foundation	224,730	-
The English Football League Trust (FL Community Ltd)	306,934	224,466
The Global Fund for Children UK Trust	2,693,518	3,762,140
The Nottinghamshire Office of the Police and Crime	503,918	519,820
The Tavistock and Portman NHS Foundation Trust	-	(49,493)
The Titan Partnership	-	262,247
Trauma Informed Schools UK CIC	308,850	-
Triple P	624,256	-
UK Youth	353,763	-
United Borders	349,457	299,438
UpskillU Ltd	302,135	-
Violence Reduction Network for Leicester (OPCC)	1,038,315	498,541
Volunteering Matters	-	250,090
Wakefield Council Youth Work Team	-	50,078
WE ARE WITH YOU	196,630	292,200
West Midlands Police and Crime Commissioner	751,739	476,506
YES Outdoors	215,009	248,058
Young Devon	(553)	252,309
Youth Focus North East	-	270,664
Young Persons Advisory Service	142,176	244,090
Other grants paid below £200,000	1,752,409	1,871,347
Total	**18,461,827**	18,500,547

Only grants of £50,000 and above have been individually disclosed in the note above. To obtain the detail of the grants included within 'other' please contact Impetus at its registered address.

The Youth Endowment Fund aims to prevent children and young people from getting caught up in crime and violence by making sure that those at most risk get the best possible support, as early as possible, to get on a positive path and succeed.

The total amount of grants authorised but not accrued as expenditure at 31 March 2024 was £50,945,000 (2022–23: £33,031,000). This amount relates to the organisations listed above. If all current interventions progress as envisaged, the phasing of future commitments is estimated as follows:

	2024 £	15 months ended 31 March 2023 £
2024	-	17,447,000
2025	27,710,000	11,926,000
2026	14,087,000	3,658,000
2027	9,148,000	-
	50,945,000	33,031,000

The above conditional grant commitments to organisations are underwritten by existing reserves (see Note 14).

5. Net income/(expenditure) for the year

This is stated after charging:

	Group 2024 £	Group 15 months ended 31 March 2023 £	Charity 2024 £	Charity 15 months ended 31 March 2023 £
Trustees' remuneration	-	-	-	-
Trustees' expenses	-	-	-	-
Depreciation and amortisation	26,358	26,331	10,098	6,006
Operating lease expenses	258,053	441,698	258,053	441,698
Auditors' remuneration for audit services	45,180	41,148	24,390	22,200

Directors and Officers insurance which covers the Trustees against any personal liability was provided at a cost of £11,702 (2022–23: £11,944).

6. Subsidiaries

6a. Investment in PEF Trading Limited

The investment of £1 in PEF Trading Limited (PEFTL) represents the whole of the issued ordinary share capital of a company incorporated in England and Wales on 13 February 2012. PEFTL engaged in miscellaneous trading activities connected to Impetus but has not traded since 2015.

	As at 31 March 2024 £	As at 31 March 2023 £
Ordinary share capital	1	1
Profit and loss account	–	-
Shareholders' funds represented by net assets	1	1

6b. The Youth Endowment Fund Charitable Trust

On 10 April 2019, The Youth Endowment Fund Charitable Trust was established with Impetus as its sole corporate trustee. YEF is a registered charity, number 1185413.

Summary financial results of the Youth Endowment Fund:

	Year ended 31 March 2024 £	15 months ended 31 March 2023 £
Total income	10,765,127	15,263,577
Total expenditure	(30,534,314)	(30,746,202)
Gain on investments	8,639,316	(18,641,701)
Net movement in funds	(11,129,871)	(34,124,326)
Investments	150,886,547	154,643,333
Intangible assets	113,820	130,080
Current assets	5,373,364	7,711,014
Creditors: amounts due within one year	(6,065,502)	(1,046,327)
Net assets	150,308,229	161,438,100
Restricted funds	150,308,230	161,438,100
	150,308,230	161,438,100

7. Staff costs

Staff costs were as follows:	Group 2024 £	Group 15 months ended 31 March 2023 £	Charity 2024 £	Charity 15 months ended 31 March 2023 £
Salaries and wages	**5,372,034**	5,571,597	**2,543,574**	2,635,140
Social security costs	**610,132**	644,261	**293,064**	300,708
Pension contributions	**273,097**	279,139	**127,250**	129,236
	6,255,263	6,494,997	**2,963,888**	3,065,084

The salary breakdown by employee is shown in the table below (where applicable).

	Number of employees	
	2024	15 months ended 31 March 2023
Salary band		
£60,000 – £70,000	10	18
£70,000 – £80,000	8	7
£80,000 – £90,000	4	6
£90,000 – £100,000	1	1
£100,000 – £110,000	1	–
£110,000 – £120,000	1	4
£120,000 – £130,000	–	1
£130,000 – £140,000	1	–

The employer's pension contributions for staff earning more than £60,000 per annum amounted to £108,779 (for the 15 month period ended 31 March 2023: £150,182).

Employee benefits, (salary, bonus, employer NI and employer pension contributions), paid for the senior management team totalled £2,007,871 for the year ended 31 March 2024 (for the 15 month period ended 31 March 2023: £1,810,774).

Staff numbers

The average monthly number of Charity and Group employees is shown below on a full-time equivalent and headcount basis:

	Group 2024	Group 15 months ended 31 March 2023	Charity 2024	Charity 15 months ended 31 March 2023
Full time equivalents	95.8	84.7	41.4	36.4
Headcount	102	89	45	38

8. Taxation

There are no taxable profits arising for the year ending 31 March 2024 (15 months to 31 March 2023 (nil)). Consequently Impetus has no liability to tax and no deferred tax.

9. Fixed assets

9(a). Intangible fixed assets

	Software £	Group Total £
Cost		
At the start of the year	160,593	**160,593**
Additions in period	-	**-**
At the end of the year	**160,593**	**160,593**
Amortisation		
At the start of the year	30,513	**30,513**
Charge for the period	16,260	**16,260**
At the end of the year	**46,773**	**46,773**
Net book value		
At the end of the year	**113,820**	**113,820**
At the start of the year	130,080	130,080

The charity has no intangible fixed assets

9(b). Tangible fixed assets

For the year ended 31 March 2024	Fixtures and fittings £	Office and computer equipment £	Group & Charity Total £
Cost			
At the start of the year	57,533	27,073	**84,606**
Additions in period	-	13,495	**13,495**
Disposals in period	-	-	**-**
At the end of the year	**57,533**	**40,568**	**98,101**
Depreciation			
At the start of the year	54,903	15,789	**70,692**
Charge for the period	656	9,442	**10,098**
Depreciation on disposals	-	-	**-**
At the end of the year	**55,559**	**25,231**	**80,790**
Net book value			
At the end of the year	**1,974**	**15,337**	**17,311**
At the start of the year	2,630	11,284	13,914

10. Investments

	Group 2024 £	Group 15 months ended 31 March 2023 £
Market value at 31 March 2023/December 2021	154,643,333	192,170,307
Disposals	(16,880,533)	(23,946,418)
Dividends and interest reinvested	4,879,028	5,671,337
Investment management fees deducted from portfolio	(394,596)	(610,192)
Realised gain/(loss)	27,052,172	(9,533,746)
Unrealised loss	(18,412,857)	(9,107,955)
Market value as at 31 March	**150,886,547**	**154,643,333**

Listed and unlisted investments at the year-end consist of amounts invested with Goldman Sachs for the Youth Endowment Fund. Impetus holds a £1 investment in PEF Trading Limited.

	Group 2024 £	Group 15 months ended 31 March 2023 £
Cash and cash equivalents	40,416,776	12,537,093
Fixed income bonds	76,941,701	89,100,396
Global equities	33,528,070	53,005,844
	150,886,547	**154,643,333**

11. Debtors

	Group 2024 £	Group 15 months ended 31 March 2023 £	Charity 2024 £	Charity 15 months ended 31 March 2023 £
Accrued income	**485,110**	1,273,562	**130,000**	236,879
Gift Aid	**186,119**	73,531	**186,119**	73,531
Amount due from subsidiary charity	**-**	-	**297,980**	253,442
Other debtors	**56,352**	53,066	**56,352**	53,066
Prepayments	**244,956**	225,912	**173,262**	153,012
	972,537	1,626,071	**843,713**	769,930

12. Creditors: amounts due within one year

	Group 2024 £	Group 15 months ended 31 March 2023 £	Charity 2024 £	Charity 15 months ended 31 March 2023 £
Trade and other creditors	**5,582,974**	659,654	**23**	77,106
Tax and social security	**210,071**	174,335	**210,071**	174,335
Accruals and deferred income	**500,203**	356,412	**315,632**	146,076
	6,293,248	1,190,401	**525,726**	397,517

13. Analysis of net assets between funds

Note for the current year	Restricted funds £	Unrestricted funds £	Total 2024 £
Group			
Tangible and intangible fixed assets	113,820	17,311	**131,131**
Investments	150,886,547	-	**150,886,547**
Net current assets/(liabilities)	(249,395)	7,856,157	**7,606,762**
	150,750,972	**7,873,468**	**158,624,440**

	Restricted funds £	Unrestricted funds £	Total 2024 £
Charity			
Tangible and intangible fixed assets	-	17,311	**17,311**
Investments	-	1	**1**
Net current assets	442,741	7,856,153	**8,298,894**
	442,741	**7,873,465**	**8,316,206**

Note for the prior year	Restricted funds £	Unrestricted funds £	15 months ended 31 March 2023 £
Group	£		
Tangible and intangible fixed assets	130,080	13,914	**143,994**
Investments	154,643,333	-	**154,643,333**
Net current assets	7,267,653	8,032,465	**15,300,118**
	162,041,066	**8,046,379**	**170,087,445**

	Restricted funds £	Unrestricted funds £	15 months ended 31 March 2023 £
Charity			
Tangible and intangible fixed assets	-	13,914	**13,914**
Investments	-	1	**1**
Net current assets	602,965	8,032,464	**8,635,429**
	602,965	**8,046,379**	**8,649,344**

14. Movements in Funds Group

	At the start of the period £	Income £	Expenditure £	Net gains/ (losses) on investments £	Transfer between funds £	At the end of the period £
Restricted funds						
Portfolio charities	-	2,200,488	(2,200,488)	-	-	**-**
Engage Fund	-	350,000	(350,000)	-	-	**-**
Connect Fund	377,086	683,673	(830,905)	-	-	**229,854**
Youth Jobs Gap	166,418	-	(12,992)	-	-	**153,426**
Covid Response Fund	59,461	-	-	-	-	**59,461**
Restricted funds	602,965	3,234,161	(3,394,385)	-	-	**442,741**
Unrestricted general funds	8,046,379	8,207,314	(8,414,135)	-	33,907	**7,873,465**
Total Charity funds	**8,649,344**	**11,441,475**	**(11,808,520)**	**-**	**33,907**	**8,316,206**
Youth Endowment Fund restricted funds						
Endowed Funds: Home Office	156,939,358	4,911,629	(22,347,210)	8,639,315	(33,907)	**148,109,185**
Centre of Excellence	2,901,089	-	(1,247,090)	-	-	**1,653,999**
#iwill	-	601,202	(601,202)	-	-	**-**
Co-operative	62,349	500,000	(540,980)	-		**21,369**
Comic Relief	1,473,145	100,000	(1,298,145)	-		**275,000**
Focused Deterrence	-	1,000,000	(1,000,000)	-		**-**
Trauma Informed	-	1,591,373	(1,591,373)	-		**-**
Violence Against Women and Girls	-	573,396	(573,396)	-		**-**
National Police Chiefs' Council	-	14,992	(14,992)	-		**-**
Arts Council England	37,500	37,500	(75,000)	-		**-**
Youth Futures Foundation (YFF)	24,660	-	(24,660)	-		**-**
YFF: Summer Jobs	-	17,538	(17,538)	-		**-**
Children in Need	-	666,668	(417,992)	-		**248,676**
General YEF funds	-	750,829	(750,829)	-	-	**-**
Total YEF restricted funds	**161,438,101**	**10,765,127**	**(30,500,407)**	**8,639,315**	**(33,907)**	**150,308,229**
Total group funds	**170,087,445**	**22,206,602**	**(42,308,927)**	**8,639,315**	**-**	**158,624,435**
Summary by type of fund						
Charity restricted funds	602,965	3,234,161	(3,394,385)	-	-	442,741
YEF restricted funds	161,438,101	10,765,127	(30,500,407)	8,639,315	(33,907)	150,308,229
Total restricted funds	**162,041,066**	**13,999,288**	**(33,894,792)**	**8,639,315**	**(33,907)**	**150,750,970**
Unrestricted general funds	**8,046,379**	**8,207,314**	**(8,414,135)**	**-**	**33,907**	**7,873,465**
Total group funds	**170,087,445**	**22,206,602**	**(42,308,927)**	**8,639,315**	**-**	**158,624,435**

Note for the prior year Group	At the start of the period £	Income £	Expenditure £	Net gains/ (losses) on investments £	Transfer between Funds £	At the end of the period £
Restricted funds						
Portfolio charities	-	2,093,805	(2,093,805)	-	-	-
Engage Fund	-	380,000	(380,000)	-	-	-
Connect Fund	505,768	518,660	(647,342)	-	-	377,086
Youth Jobs Gap	-	180,518	(14,100)	-	-	166,418
Covid Response Fund	59,461	-	-	-	-	59,461
Restricted funds	565,229	3,172,983	(3,135,247)	-	-	602,965
Unrestricted general funds	**7,623,634**	**8,724,679**	**(8,396,024)**	**-**	**94,090**	**8,046,379**
Total Charity funds	**8,188,863**	**11,897,662**	**(11,531,271)**	**-**	**94,090**	**8,649,344**
Youth Endowment Fund restricted funds						
Home Office grant	191,135,651	5,688,700	(21,149,202)	(18,641,701)	(94,090)	**156,939,358**
Centre of Excellence grant	4,041,098	-	(1,140,009)	-	-	**2,901,089**
#iwill and Co-operative grants	446,888	1,662,500	(2,047,039)	-	-	**62,349**
Comic Relief	-	5,687,525	(4,214,380)	-	-	**1,473,145**
Focused Deterrence	-	500,000	(500,000)	-	-	-
Trauma Informed	-	139,590	(139,590)	-	-	-
Violence Against Women and Girls	-	407,446	(407,446)	-	-	-
Department for Culture, Media and Sports	-	161,493	(161,493)	-	-	-
National Police Chiefs' Council – County Lines	-	10,008	(10,008)	-	-	-
Arts Council England	-	37,500	-	-	-	**37,500**
Youth Futures Foundation	-	24,660	-	-	-	**24,660**
General YEF funds	(12,475)	944,155	(931,680)	-	-	-
Total YEF restricted funds	**195,611,162**	**15,263,577**	**(30,700,847)**	**(18,641,701)**	**(94,090)**	**161,438,101**
Total group funds	**203,800,025**	**27,161,239**	**(42,232,118)**	**(18,641,701)**	**-**	**170,087,445**
Summary by type of fund						
Charity restricted funds	565,229	3,172,983	(3,135,247)	-	-	602,965
YEF restricted funds	195,611,162	15,263,577	(30,700,847)	(18,641,701)	(94,090)	161,438,101
Total restricted funds	**196,176,391**	**18,436,560**	**(33,836,094)**	**(18,641,701)**	**(94,090)**	**162,041,066**
Unrestricted general funds	**7,623,634**	**8,724,679**	**(8,396,024)**	**-**	**94,090**	**8,046,379**
Total group funds	**203,800,025**	**27,161,239**	**(42,232,118)**	**(18,641,701)**	**-**	**170,087,445**

Note for the current year Charity	At the start of the year £	Income £	Expenditure £	Transfer between Funds £	£
Charity funds					
Restricted funds					
Portfolio charities	-	2,200,488	(2,200,488)	-	-
Engage Fund	-	350,000	(350,000)	-	-
Connect Fund	377,086	683,673	(830,905)	-	**229,854**
Youth Jobs Gap 2	166,418	-	(12,992)		**153,426**
Covid Response Fund	59,461	-	-	-	**59,461**
Unrestricted funds	**602,965**	**3,234,161**	**(3,394,385)**	**-**	**442,741**
Unrestricted general funds	8,046,379	8,241,221	(8,414,135)	-	**7,873,465**
Total Charity funds	**8,649,344**	**11,475,382**	**(11,808,520)**	**-**	**8,316,206**

Note for the prior year Charity	At the start of the year £	Income £	Expenditure £	Transfer between Funds £	£
Charity funds					
Restricted funds					
Portfolio charities	-	2,093,805	(2,093,805)	-	-
Engage Fund	-	380,000	(380,000)	-	-
Connect Fund	505,768	518,660	(647,342)	-	**377,086**
Youth Jobs Gap 2	-	180,518	(14,100)		**166,418**
Covid Response Fund	59,461	-	-	-	**59,461**
Unrestricted funds	**565,229**	**3,172,983**	**(3,135,247)**	**-**	**602,965**
Unrestricted general funds	7,672,371	8,770,032	(8,396,024)	-	**8,046,379**
Total Charity funds	**8,237,600**	**11,943,015**	**(11,531,271)**	**-**	**8,649,344**

Purposes of restricted funds

Portfolio charities: Impetus receives donations for specific domain areas, charities and for specific expenditure. These are treated as restricted donations with appropriate expenditure allocated against them.

Engage Fund: Impetus receives donations to support its work with partners in the school exclusions domain. These are treated as restricted donations with appropriate expenditure allocated against them.

Connect Fund: Impetus receives donations for its fund focussed on race equity work and its leadership academy. These are treated as restricted donations with appropriate expenditure allocated against them.

Covid Response Fund: Impetus carried out a campaign at the height of the Covid-19 pandemic to provide additional assistance to our portfolio charities adversely affected by the pandemic.

Youth Jobs Gap 2: funding secured to build on our Youth Jobs Gap research series, with another set of reports and a dissemination strategy, including an interactive digital tool so the data can be effectively used by decision makers and practitioners.

Youth Endowment Fund: the grant from the Home Office and investment returns from it are used to fund interventions to prevent children and young people from getting caught up in crime and violence by making sure that those at most risk get the best possible support.

Youth Endowment Fund: supplementary funding secured in support of the YEF is used to support and fund interventions to prevent children and young people from getting caught up in crime and violence by making sure that those at most risk get the best possible support.

Centre of Excellence Fund: The Youth Endowment Fund received an additional restricted grant from the Home Office in 2020 to create a 'Centre of Excellence'.

Supplementary income includes the #iwill and Co-op funds, formed in a joint partnership with YEF to create The Peer Action Collective (PAC). Together, the partners are investing £5.2 million to build a network of peer researchers to study the experience of youth violence and turn the learning into opportunities for young people to make their community a safer, fairer place.

Purposes of unrestricted funds

Unrestricted general funds of £7,873,465 (2023 – £8,046,379) will be used to support a significant proportion of conditional grant commitments made to charities of £4,188,500 (2023 – £2,271,250) as per Note 4.

15. Members' liability

Impetus 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. The charity has no parent or ultimate holding company.

16. Operating lease commitments

At 31 March 2024, the charity had commitments under operating leases of:

	Buildings £	Equipment £	2024 Total £	Buildings £	Equipment £	2023 Total £
Impetus						
Due within one year	111,188	1,766	112,954	151,597	1,766	153,363
Two to five years	-	3,091	3,091	-	1,766	1,766
	111,188	4,857	116,045	151,597	3,532	155,129
Youth Endowment Fund						
Due within one year	247,500	-	247,500	171,000	-	171,000
Two to five years	189,000	-	189,000		-	
	436,500	-	436,500	171,000	-	171,000
Total group	**547,688**	**4,857**	**552,545**	**322,597**	**3,532**	**326,129**

17. Related party transactions

Amounts donated to Impetus by its Trustees are disclosed in Note 2a.

Impetus has consolidated a subsidiary, PEF Trading Limited, in the Group financial statements. Note 6 discloses Impetus' investment in this subsidiary and the subsidiary's results to 31 March 2024.

Impetus pays salary and other costs on behalf of the Youth Endowment Fund which it recharges to the restricted fund at cost. It also charges the Youth Endowment Fund for time spent by Impetus staff on YEF matters, including capacity building. Amounts totalling £3,413,187 (2023: £3,457,931) were charged by Impetus to the Youth Endowment Fund during 2024. As at the 31 March 2024 the Youth Endowment Fund owed amounts totalling £297,980 (2023: £253,442) to Impetus.

There are no other related party transactions which require disclosure in the financial statements.



Impetus
Registered office:
1st Floor, Golden Cross House,
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Company number 08460519
Registered charity number 1152262

IMPETUS - THE PRIVATE EQUITY FOUNDATION

England & Wales - Charity number 1152262

Accounts



Impetus Annual report 2022–23

Annual report and consolidated financial statements
for the period ending March 2023

Impetus

Impetus – The Private Equity Foundation (Impetus) is a company limited by guarantee (number 08460519) and a registered charity (number 1152262)

Reference and administrative details

Impetus – The Private Equity Foundation (Impetus) is a company limited by guarantee (number 08460519) and a registered charity (number 1152262).

Trustees:
Hanneke Smits (Chair)
Alexander Walsh (Appointed July 2023)
Andy Thoms (Appointed October 2022)
Bill Benjamin
Charlie Edwards
Filippo Cardini
Joseph Schull
Lisa Stone
Natasha Porter
Robert Ramsaver (Resigned May 2023)
Rohan Haldea
Sat Singh (Appointed October 2022)
Shani Zindel
Simon Turner (Resigned September 2022)
Vanessa Maydon (Resigned January 2023)

Chief Executive Officer:
Eleanor Harrison OBE

Registered Office:
Golden Cross House
8 Duncannon Street
London WC2N 4JF

Auditors:
Haysmacintyre LLP
10 Queen Street Place
London, EC4R 1AG

Primary Banker:
NatWest
127-128 High Holborn
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1 INTRODUCTION

About Impetus

At Impetus we believe that all young people deserve to succeed in school and in work, whatever their background.

We work shoulder-to-shoulder with a range of charities using different interventions to improve education and employment outcomes for young people from disadvantaged backgrounds, and bring transformational changes to their lives.

Our model is unique. We provide long-term, unrestricted funding for core costs, alongside dedicated support from our Investment team and access to our world class pro bono network. This approach enables us to build high trust, two-way partnerships with charities, so together we can strengthen and scale their organisations and deliver the right support to more young people.

And in partnership with other funders and through sector coalitions, we take what we learn and influence decision makers to change entrenched systems and barriers, so that many more young people can benefit from policy change.

We are proud of the pioneering approach to impact management we have developed over the years. We help charities to define which young people they can serve well, what outcomes they'll deliver and how they'll monitor and improve performance as they grow. We support them to develop an impact strategy and delivery plan, and to build a great leadership team and sustainable organisation with benchmark beating outcomes.

Impact is at our core, and this year we have been further refining how to measure success, for ourselves and for our charity partners. It is exciting to be at the forefront of this work which is of sector-wide importance.



The Tutor Trust – charity partner since 2019

We focus on outcomes that are proven to make the biggest impact on young people's lives



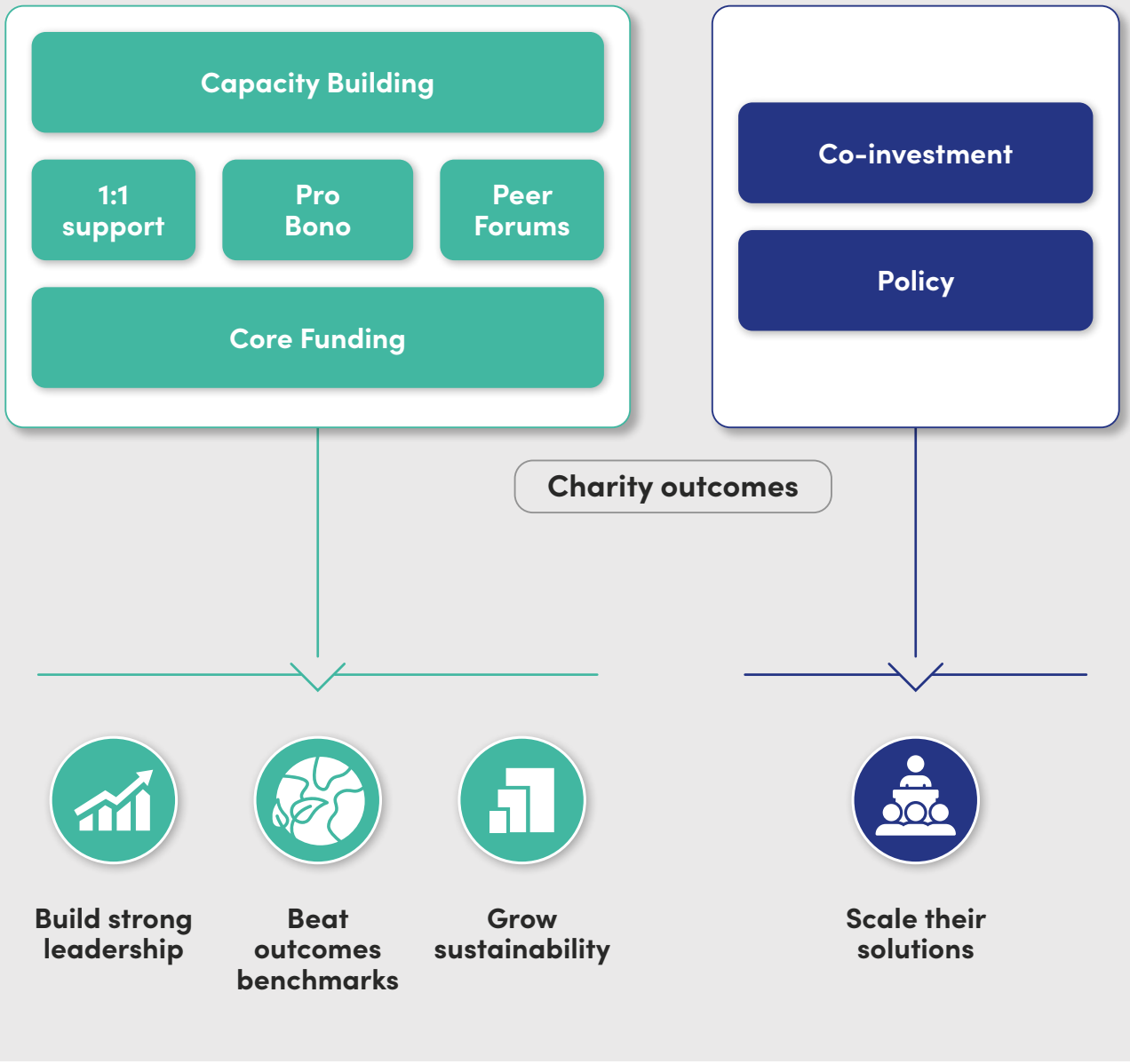
Age expected SATs at 11

GCSE English & maths (9-4) by 19

University access

Sustained employment

Our unique model



Our values

In 2022 the Impetus staff co-created a new set of values to act as our guiding principles as an organisation, and help us to remain focused on achieving our mission to support young people from disadvantaged backgrounds.

Evidence led and results driven for young people

We pursue excellence for the young people we work with, are wholly committed to better outcomes, unapologetically results driven, and accountable for our actions.

High trust, high challenge

We invest the time, kindness, integrity and honesty needed to build and sustain long-term relationships. We focus on developing high trust, to allow for high challenge, helping our colleagues, partners and supporters to be our very best selves in pursuit of our mission.

Diversity enables us to thrive

We seek to embed diversity of thought, background and experience in every aspect of our work. We are open, thoughtful and proactive in better understanding and challenging our assumptions to better deliver the change we seek.

Brave and open

We are brave and open; exploring new solutions to long-term problems, asking difficult questions well; learning from mistakes and challenging the status quo when needed.

Collaboration always

We will not succeed alone. We seek meaningful, productive partnership with others to achieve our mission and drive systems change for young people.



The Impetus staff meets fortnightly

Chair's introduction

As we entered a challenging year, with rising inflation and a likely recession, our work felt more vital than ever before.

Without doubt there is pressure on the third sector. Charities across the board are facing external challenges including recruiting and retaining staff, budget strains and the effect of inflation on running costs. This, alongside fundraising challenges, as donors in turn are stretched.

Our decision to embark on a year of growth and broaden our reach coincided with a deepening of the challenges facing the young people we are here to support.

"We remain steadfast in our commitment to influencing decision makers to ensure young people from disadvantaged backgrounds are represented and supported."

There is a looming mental health crisis and rising unemployment rates among those furthest from the labour market. Rates of persistent absence from school stood at 24.2% at the end of the 2021-22 academic year, with the Department for Education warning it could take a decade for the attainment gap between disadvantaged pupils and their wealthier peers to return to pre-pandemic levels.

Amid this context, we are fortunate to have been able to expand our team to support our growing portfolio of charity partners, allowing us to positively impact many more young lives. This is in no small part thanks to the continued generosity of our donors, and a programme of events that brought in record income this year, proving continued alignment with our core mission.

Impetus' grants and funds

We launched a new open grant round, bringing in three new charities working on social and emotional learning, to better equip young people for learning and for life.

And we made strides with our co-investment strategy, securing additional financing from Impetus funders for our charity partners to help them grow, so that all young people get the support they need.

"The Department for Education is warning it could take a decade for the attainment gap between disadvantaged pupils and their wealthier peers to return to pre-pandemic levels."

The Connect Fund, launched in 2021 to help address the employment gap faced by young people from ethnic minority backgrounds, goes from strength to strength. It has brought in its sixth charity, while the Impetus Leadership Academy, which offers training for emerging youth sector leaders of colour, welcomed its second cohort, building on the success of its alumni. Together we are enabling systemic change towards a more racially equitable society.

The Engage Fund, in partnership with the Henry Smith Charity, is investing in five charities tackling the rising number of pupils at risk of exclusion and improving outcomes for those in alternative provision (AP) in England. We are also planning some new research this area, to better inform our thinking on what works for these young people.

Influencing for policy change

We know that despite our best efforts to scale charities and reach more young people with impactful programmes, real change is needed at the policy level. We remain steadfast in our commitment to influencing decision makers to ensure young people from disadvantaged backgrounds are represented and supported.

"The successes of this year are dependent on the Impetus team, our charity partners, pro bono supporters and donors and their dedication and drive in support of our mission. Thank you."

We have maintained our leading role in the Youth Employment Group, a coalition of expert organisations founded at the beginning of the pandemic. Our influence in this space will be key over the coming years, as post-pandemic support measures, like the Kickstart scheme, are wound down.

On educational attainment, we have continued to raise awareness of the value of the National Tutoring Programme which we helped to found, setting out what needs to be done to ensure that tutoring, a strongly evidence-backed intervention, remains a priority.

We are also playing a leading role in the conversation about widening participation to university, influencing the Government's decision to protect university funding for this in their response to the Augar review of post-18 education and funding, and its decision to drop plans to move to post-qualification admissions. We now convene a regular third sector forum with the Office for Students.


Impetus office, The Strand

Policy change takes time, but we recognise its value and will continue to build on the investment we have put in this area of work since 2016, using core funds and developing effective partnerships and coalitions.

Thank you

The coming year will be an exciting one, as we embark on a refresh of our strategy to set the direction of Impetus for 2024–27.

The successes of this year are dependent on the Impetus Team, our charity partners, pro bono supporters and donors and their dedication and drive in support of our mission. We can be confident that, together, we are making a real difference to those we are here to serve.



Hanneke Smits

Hanneke Smits,
Chair of Impetus

CEO's introduction

The pandemic is officially over, and life can return to normal. That may be the case for many of us, but for the young people we support the legacy of the disruption that the pandemic wrought is still being felt.

Renewed challenges

The stubborn gap in school and work outcomes between young people from disadvantaged backgrounds and their better-off peers, which we knew would increase during the pandemic, persists.

This, as the catchup and support measures that were rolled out during the pandemic – like the National Tutoring Programme and the Kickstart employment scheme – are being wound down by the government.

To put it in numbers – more than 2 million children are now eligible for Free School Meals (FSM), up 6% from 2021-22. That's over 120,000 more children eligible for support, whose families are earning less than £7,400 per year before benefits.

And the number of people who are not in education, employment or training (NEET) remains persistent at around 720,000, despite booms in the employment market and over a million vacancies, many of which young people with the right opportunities and support could fill.

Something isn't working.

A time of growth

This picture makes Impetus' mission all the more important, and urgent. So it is fitting and timely that in the last year our focus has been on growth. Growth as an organisation – in income and the number and effectiveness of the interventions we are supporting – and growth in the number of young people we are supporting through our charity partners.

We welcomed seven new charities into the portfolio and saw two exits, bringing our total number of investments to 25, more than doubling the Impetus portfolio from 2020. Most importantly this represents over 328,000 young people receiving support through our charity partners, to help them succeed in school, work and life.

"The overall picture is of a portfolio of charities becoming stronger and bigger, and proving their worth more than ever through their impact. They are enabling transformational change."

And we have made a series of re-investments, recognising the quality of the programmes our partners are providing, and the organisational development they have effected, with the expert support of our Investment team.

We have also worked hard to expand the geographical spread of our support outside of the South East and into new regions, recognising that need is great across the country and that home-grown, localised interventions are often best at tackling challenges facing young people.

We brought four new charities into the Connect Fund, which focuses on race equity in youth employment outcomes. Sister System, IMO, Babbasa, and Generation work across the country from Bristol to Blackburn to Haringey – providing employment support to ethnic minority young people, who can face multiple barriers to finding a good job.

And we have branched into a relatively new area for Impetus – social and emotional learning – investing in three charities, the Jon Egging Trust, Khulisa and Kids Inspire, which all work with young people who require support with their mental health, behaviour and engagement in school. While Impetus remains committed to supporting attainment, we know many of our young people are far from an attainment outcome and require interventions that address those challenges to be ready to learn.

Impetus for impact

Our partner charities have proved not just resilient in the face of the pandemic and subsequent cost of living crisis, but are growing. The overall picture is of a portfolio of charities becoming stronger and bigger, and proving their worth more than ever through their impact. They are supporting young people to achieve outcomes that other young people from similar backgrounds, with similar prior attainment, do not.

They are enabling transformational change.

We don't believe our partner charities' success stories are an accident. We believe this is because we have helped them become more resilient, more impactful, and better led organisations, and their feedback tells the same story.

Influencing policy change

As an organisation we have prioritised influencing the policy agenda to ensure the needs of our young people are front and centre in decision making. Not only are we growing our profile and authority in this area, but we are using this growing expertise to inform our research priorities, evidenced by new focus on exclusions, attendance, race equity and social and emotional learning to complement our traditional focus on educational attainment, university access and supporting those furthest from the labour market.

Taken in the round, our research and experience shapes our investment priorities, and supports the aims and goals of our charities in turn.

We are proud to have played a meaningful part in the creation of the government's Kickstart scheme – and to have participated in it as an employer. We also count among our successes supporting the founding of the National Tutoring Programme and helping to protect the £800m Widening Participation budget.



Driving Impact workshop with MAMA Youth Project



Ada, National College for Digital Skills – charity partner since 2021



Jon Egging Trust – charity partner since 2022

Investment in our people

Charities and funders often comment on the quality of our people, and as a leadership team we know all too well the crucial role that each member of the Impetus family plays in our success.

This year we started on a journey towards better understanding our team, and their needs, so we can develop our knowledge and skills to deliver for them, for our charities and for the young people we are here to serve.

We are pleased to have recruited two new Trustees – one a graduate from the inaugural Impetus Leadership Academy cohort – and aim to recruit two more as we seek to diversify representation and experience in our governance.

Looking ahead

In the coming year we will celebrate our many achievements as we mark 21 years since Impetus was founded. We will apply the rigour we bring to our partner charities by interrogating our theory of change as we develop our next strategy, to ensure we continue to make strides towards our goal of supporting young people from disadvantaged backgrounds to succeed in education, in work and in life.

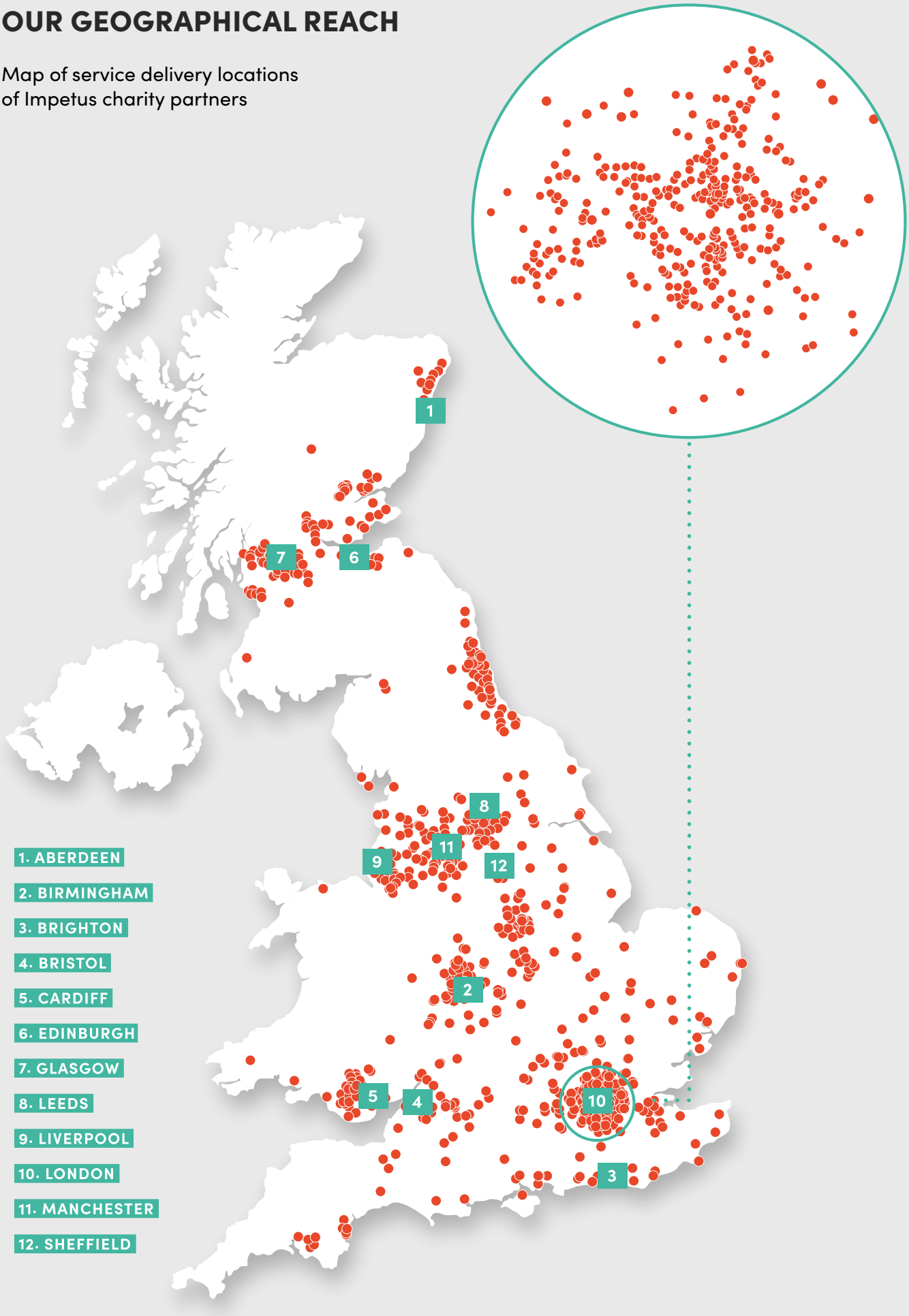
Thank you for your continued support.



Eleanor Harrison OBE,
Impetus CEO

OUR GEOGRAPHICAL REACH

Map of service delivery locations
of Impetus charity partners



Trustees' report

The Trustees, who are also the directors of the charitable company, are pleased to present their annual report on the work of Impetus in 2022-23, and plans for 2023-24, together with the financial statements for Impetus and the Impetus Group for the 15 month period to March 2023.

We have moved from the calendar year to the financial year, to help better align our in-year performance against our planning process, and with the reporting of our subsidiary, Youth Endowment Fund, to their main funder the Home Office. This report therefore covers the 15-month period from January 2022 to March 2023.

Impetus is a registered charity and company limited by guarantee. Our governing document is the Memorandum and Articles of Association incorporated on 23 March 2013.

Impetus has a wholly owned trading subsidiary, PEF trading Limited. It is also the sole corporate trustee of the Youth Endowment Fund Charitable Trust, which is a registered charity in England and Wales, charity number 1185413.



328,000*

young people reached through our charity partners



25

charity investments



£8 million

of direct value delivered to our charity partners

*figure includes direct and indirect reach

Aims and objectives

We support young people from disadvantaged backgrounds to help them succeed in education, employment and life by finding, funding and building the most promising charities working in this space.

We partner with other funders to back effective interventions, and with similar minded organisations to influence government and the wider sector to back effective support.

We are focused on delivering better outcomes for young people in:

- Age-expected SATS at 11
- GCSE English and Maths by age 19
- University access for underrepresented groups
- Sustained employment
- Reduced youth offending (delivered through the Youth Endowment Fund)

Part 2 of this report focuses on our work to improve education and employment outcomes.

Our work to reduce youth offending is covered in detail in the Annual Report of the Youth Endowment Fund Charitable Trust.

Our ambition in our 2020-2023 strategy was to significantly increase our impact and influence in the sector whilst delivering improved sustainability. Ultimately, it is about helping more young people from disadvantaged backgrounds achieve more, and better, education and employment outcomes.

Our 2022 priorities

This report reflects on our progress against the priorities we set ourselves for 2022-23:



Maintain our **growth momentum** with a target of reaching **309,000 young people** and grow the portfolio from 20 to 25 charities



Deliver **£7.4 million** in income (including co-investment) and diversify our donor base



Roll out our **communications strategy** and build awareness of our work, honing our messaging on our impact



Through our policy work, shape the **post-pandemic employment** plan, protect Higher Education funding for young people from disadvantaged backgrounds, and **build our influencing agenda** on education and exclusions



Shape our **culture** and ways of working to act as **'one Impetus'** – Upgrading systems and policies to improve reporting. Deliver on our **diversity agenda**

2 REPORT

Charity investments

Delivering impact for young people

Our Investment team sits at the heart of Impetus' unique offer and approach.

This team provides support, expertise and guidance to our partner charities, with a sharp focus on impact and building strong foundations to support organisational growth.

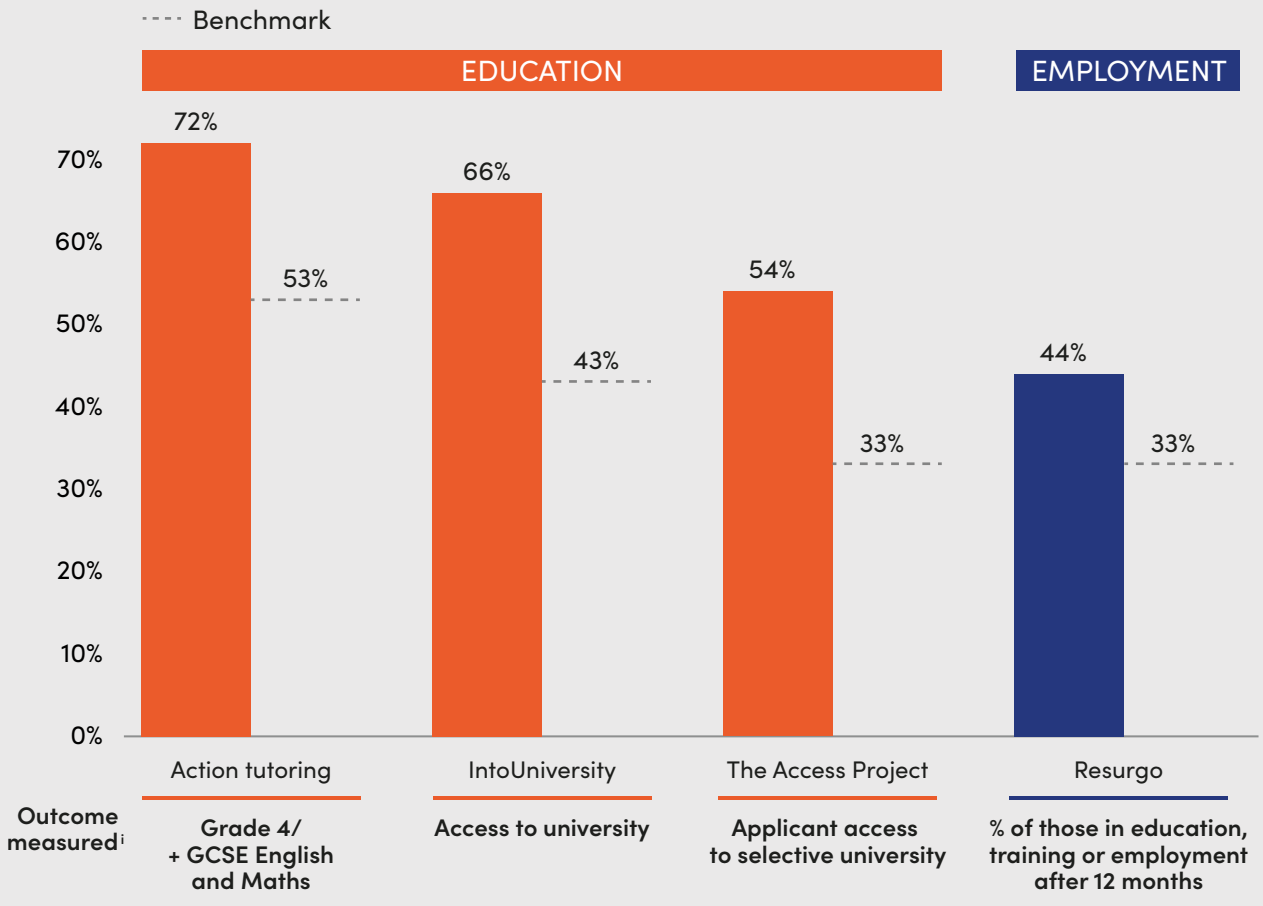
And it's working. Our charities are growing, and they are growing with impact.

In 2022, we carried out a benchmarking exercise with our more established charities – comparing outcomes achieved by their young people against a sample group with comparable characteristics.

The results showed our more mature partner charities (those in Grow, Scale and Sustain phases of investment) are beating benchmarks, meaning they are helping young people to achieve things they would not otherwise have achieved. This gives real confidence our partner charities' interventions are having a real, transformational impact on the young people they support.

Results we will further test this coming year, using improved data two years post-Covid.

Our charities perform well against sector benchmarks (from 2022)



Our charity partners

EDUCATION

TUTORING

Action Tutoring

The Tutor Trust

SOCIAL AND EMOTIONAL LEARNING

West London Zone for children and young people

Football Beyond Borders

Jon Egging Trust – Helping young people achieve

Kids Inspire – Therapy, opportunity, love & care

khulisa

SCHOOL EXCLUSIONS

MCR Pathways

TLG transforming lives for good

The Difference

TFTF Think for the Future

UNIVERSITY ACCESS

IntoUniversity

The Access Project

ORACY

voice 21

EMPLOYMENT

RACE EQUALITY AND EMPLOYMENT

babbasa

imo

Mama Youth Project

career ready

sister system

Generation

SCHOOL TO WORK TRANSITION

ada National College for Digital Skills

Think Forward – Coaching Connecting Inspiring Young People

SUPPORT INTO EMPLOYMENT

resurgo

City Gateway

Our partnership with IntoUniversity


Rachel Carr, CEO, IntoUniversity

IntoUniversity supports young people from disadvantaged areas to attain their chosen aspiration, including further and higher education, employment and work-based training.

It has grown from a project at a local community centre in 2002 to a start-up charity in 2007 to 39 centres across England and Scotland, now reaching 45,000 young people a year.

IntoUniversity's founder and CEO Rachel Carr describes the impact of the charity's 16 year partnership with Impetus.

Impetus has been with us since we first became a registered charity – and the partnership has been transformational.

Initially, Impetus undertook a rigorous due diligence process – after which they put their trust in us and committed to supporting our mission. Since then, they've provided us with a winning combination of three types of support; substantial financial generosity, which has been essential; pro bono expertise, which has been absolutely key in all the stages of our growth; plus ongoing, crucial advice and experience from the inhouse Investment team at Impetus.

We've benefitted from various major pro bono projects at key moments in our development – from big-picture support with our growth through to crucial help with the day-to-day running of the charity. Support from our Impetus Investment Directors has also really positively influenced our approach to impact measurement, helping us demonstrate impact and develop our key metric – progression to university.

Throughout, we've worked closely with Impetus to develop and build on strong foundations for growth. During our first grant period we had a modest plan for growth within London, so the next phase of the journey – opening further centres in London and beyond – was a real sea change for us.

We developed this business plan in partnership with our Impetus Investment Director and with the input of further pro bono support. This led to a major expansion into new towns and cities. Impetus invested £1 million in us at this stage, an important financial contribution to make that growth happen and a signifier to other funders of their confidence in us. Further long-term reinvestment in 2016-7 helped us build on our University partnerships, undertaking sophisticated feasibility studies to seek more strategic growth. It's no exaggeration to say that without Impetus we would not be at 39 centres and growing!

We've also benefited hugely from specialist forums for my senior staff, and an Impetus CEO forum. I have really appreciated the latter – a space where expert speakers outside the charity sector provide a wealth of insight that I wouldn't otherwise have access to; and a virtual (best WhatsApp group ever!) and physical space for charity leaders to share our knowledge, experience, and challenges and solutions. There's a spirit of mutual enterprise and entrepreneurship within Impetus' portfolio model where charities, whatever stage on their journey, whatever their size, can learn from each other. I find this so rewarding, and refreshing.

The combination of all of these things, with the dedicated support of an Investment Director acting as a critical friend at every step, has been a tremendous support to me and to IntoUniversity throughout our journey together.

Resurgo's DWP evaluation

Resurgo has grown bigger and more impactful since partnering with us in 2010 and we now know that it is one of the best evidenced employment interventions in the country.

This year, the Employment Data Lab at the Department for Work and Pensions carried out an evaluation of their Spear programme, which aims to support young people who face barriers getting into work or education.

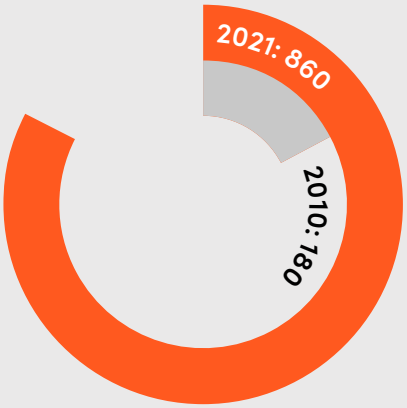
The report found that the Spear programme increases participants' employment outcomes and reduces by 28% the chances of them being NEET one year after the programme.

This means that if all NEET young people received support as effective as Resurgo's programme, we could reduce the number of young people who are NEET by over 130,000, filing over 10% of the vacancies in the economy.

REACH

Number of young people enrolled on core programmes

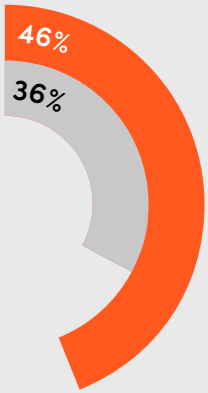
- At entry into portfolio
- In 2021



OUTCOME RATE

In Education, Training or Employment (EET) after 12 months

- Department for Work and Pensions (DWP) matched group
- Resurgo



Year joined:
2010

Investment phase:
Sustain

Income (2021):
£3.2 million

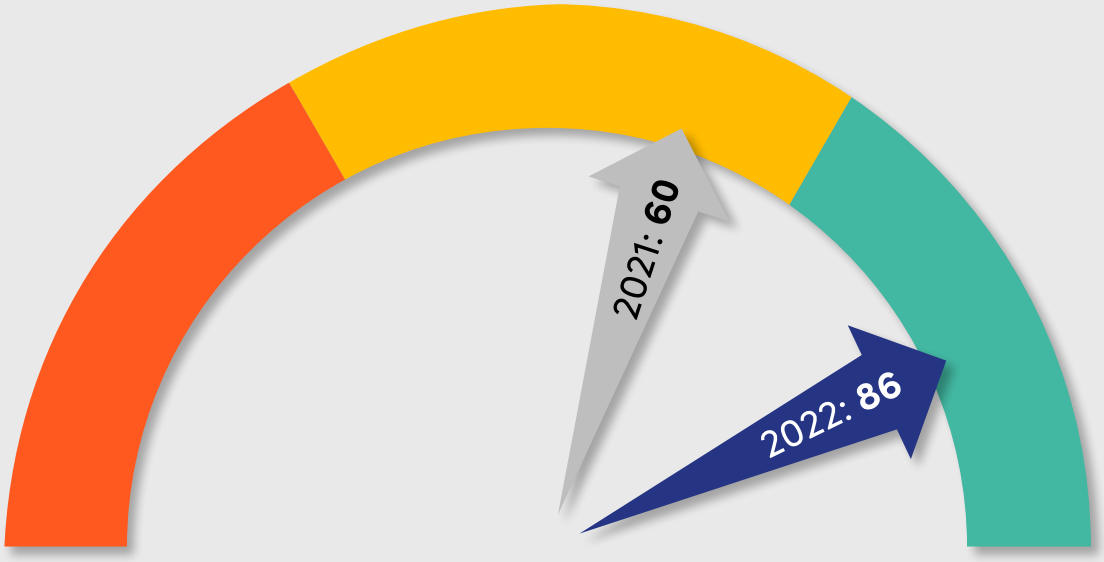
Young people supported:
860

Age range:
16–24

Location: London, Leeds, Brighton, Bournemouth and Bristol

resurgo

Impetus' overall net promoter score has improved from 2021 and 100% of our portfolio agree impetus' support has been valuable



Building our team capacity

Over the course of the year, we have grown our Investment team to 18 people, restructuring it to include Sector Leads in Education and Employment plus a new Impact Lead, building on our commitment to understanding and continually improving our impact. We have also hired new Investment Directors, bringing vital additional capacity with which to serve our charity partners.

And we are pleased to have our charity partner CEOs say our support makes a significant, transformative difference to their organisations. We achieved our highest net promoter score to date, now at 86 up from 60 out of 100 in 2021.

This was driven by an increased ability to respond to charities' needs while maintaining the strategic view, an uptick in co-investment – additional funding direct from Impetus' funders to our partner charities – and pro bono support, as well as internal training and efforts to embed best practice amongst our team.

Portfolio growth

We successfully grew our portfolio to 25 organisations, making seven new investments and reinvesting in seven existing portfolio charities. We also expanded our geographical spread such that two thirds of the young people reached through our partners' interventions are now outside of London and the South East.

We welcomed a new cohort of charities under the new policy priority area of social and emotional learning (SEL) for attainment, following an open grant round that received record applications.

The Engage Fund has been successfully bedded into the organisation, with five charities performing well and growing with impact, supported by Impetus' capacity building support.

We made four new investments as part of the Connect Fund, including three grassroots organisations with deep links to under-supported communities outside of London. The early focus has been on building organisational foundations and governance support alongside Driving Impact workshops to interrogate target population and outcomes.

Overall we delivered £6 million of direct value to our charity partners, including capacity building support from our Investment team, grants and co-investment funding and pro bono projects carried out by our corporate partners. This in addition to £0.7 million dedicated resource to the Impetus Leadership Academy.

Across the year 16 of our 22 charities made use of pro bono support, a 33% increase from last year. We also provided £4.64 million of grant funding and co-investment to partner charities in 2022, up from £3.50 million in 2021.

Building strong organisations

In this 15-month period our Investment team has worked intensively, shoulder-to-shoulder, with all 25 of our partner charities, providing 1-1 coaching support to CEOs and senior teams across a range of targeted leadership, sustainability, growth and impact projects; all with the aim of supporting our partner charities to become stronger, better and bigger organisations.

As part of this we delivered eight of our hallmark 4-day Driving Impact workshops to new partner charities, to support them to clarify their missions, make informed choices on their target populations and target outcomes, and agree refinements to their programmes. We supported 11 partner charities to develop strategies for growth, and seven to prepare for external impact evaluations.

We also helped our partner charities to learn from each other, by convening and curating three day-long workshops on subjects including Leadership, Growing with Impact and Income Generation, in addition to quarterly Communications forums.

Fuelling growth

More than 75% of our partner charities grew in reach and income in 2022. Eight of our charities grew by more than 20% across both measures. This is all set against average sector growth of less than 1% – a massive difference.

This, combined with growth in the number of partner charities we support, means we have significantly increased the number of young people we reach through our partners.

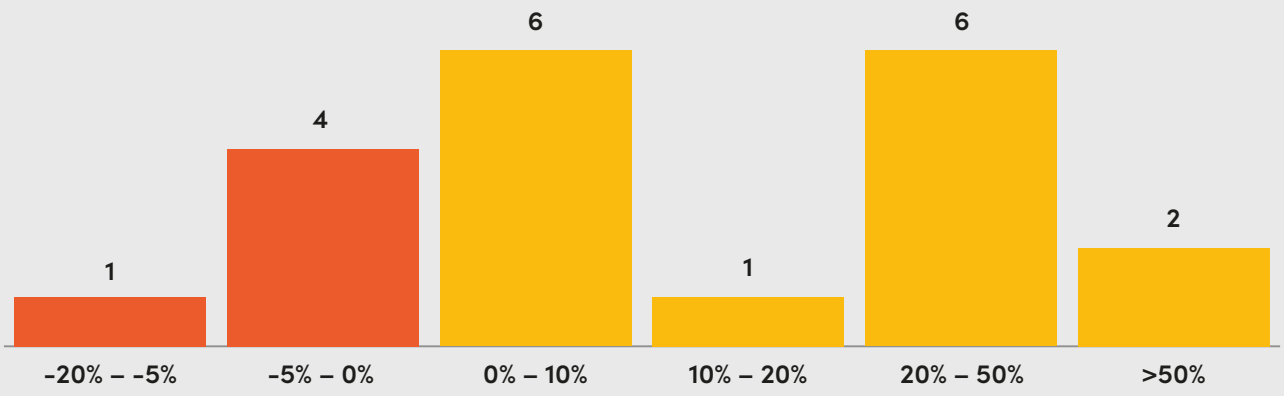
Direct vs indirect reach

Our direct reach has grown steadily, up from 67,000 in 2021 to 84,000 in this reporting period. That's an additional 17,000 individuals directly supported through our charities' programmes and interventions.

Our indirect reach has grown more dramatically, largely due to the interventions of two charities, Voice21 and The Difference, who count the number of people they reached through teachers trained. Indirect reach grew from 111,000 in 2021 to 245,000.

Combined we have achieved an 84% increase in our reach through direct delivery and teacher training interventions.

Charity partners' income growth



Note: Data for new entrants in late 2022 not included. The charity with significant negative growth intentionally deferred grant income to the next financial year.

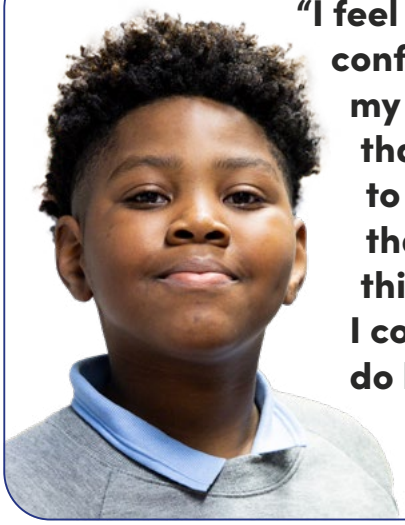
The power of tutoring



Action Tutoring – charity partner since 2014

Action Tutoring unlocks the potential of children and young people who are facing disadvantage.

Their trained volunteer tutors are empowered to enable pupils to make meaningful academic progress, supporting them to reach their potential and improve their future prospects.



"I feel more confident with my maths than I used to be, and that I can do things that I couldn't do before."

MEKHIYAH, AGE 11

Mekhiyah was a pupil at Comber Grove Primary School in London. Through Action Tutoring he received 8 sessions of English tutoring and 16 sessions of maths tutoring.

His school put him forward for maths tutoring as he was struggling with the subject and would be unable to afford private tutoring.

Having begun Year 6 working at lower than expected standard in maths, Mekhiyah went on to meet expected standards in his maths SATs.

He says: "I feel more confident with my maths than I used to be, and that I can do things that I couldn't do before.

"I enjoy that I get to show off my maths and show off my skills."

When asked what his favourite thing about tutoring was, Mekhiyah responded: "Because of Covid I didn't learn as much, so I think now tutoring's happened it will help me in the future."

Driving Impact

Driving Impact (DI) workshops are an integral part of Impetus' support to charity partners.

Carried out in the first year of investment, DI lays the foundations to help organisations to move from good impact, to great impact.

The 4-day process is a chance to step back from the day-to-day and look at the big questions: the who, what, why and how?

Mission → Target Population → Outcomes → Programme Design → Performance Management

Facilitated by the Impetus team, the workshops involve people from all levels of the organisation, to ensure multiple perspectives are heard and consensus is built around the decisions made.

The sessions draw on the group's experience of current operations, supported and challenged by the facilitator to ensure consistency, and bring in external evidence.

The results are:

- Organisation-wide alignment and consensus on mission
- Clear vision of the programme and organisation
- Motivation and commitment to make changes

"Thank you for your care, wisdom, energy and hard work over the 4-day Driving Impact process. It's been a true gift to JET and to our young people. We are determined to use everything we have discussed and agreed together."

DR EMMA EGGING, CEO,
JON EGGING TRUST

"Most charities deliver some impact for some of the people they work with. Better charities deliver significant impact for a majority of the people they work with. Very few charities deliver transformative impact for the vast majority of people they work with. That's where Impetus comes in."

JAMES GUBB,
IMPETUS
IMPACT LEAD



- A 'blueprint' that summarises decisions and sets out work required
- Agreed vision on the future state of the organisation and its programme(s).

The DI process also helps to resolve mission-level tensions within organisations. It clarifies what the organisation will not do, creates accountability for meaningful outcomes, informs and bounds future decisions and produces clear articulation of mission to funders and partners.

Driving Impact is the cornerstone to building organisations that deliver transformative and lasting impact for young people. The next step is building a rigorous implementation plan and strategy to roll-out changes to enact the vision.

Race equity and inclusion

At Impetus we're committed to addressing systemic racism both as an organisation and through the work we support.

We have made positive steps towards our goals which were formally adopted after a thorough review of our practices, and extensive staff engagement.

Promoting equity, diversity and inclusion within Impetus

We have increased monitoring and reporting within our HR systems to better understand the makeup of the Impetus team and actively seek to attract candidates from more racially diverse backgrounds. We are on track to reach the target of having 40% of our staff from ethnic minority backgrounds.

40%

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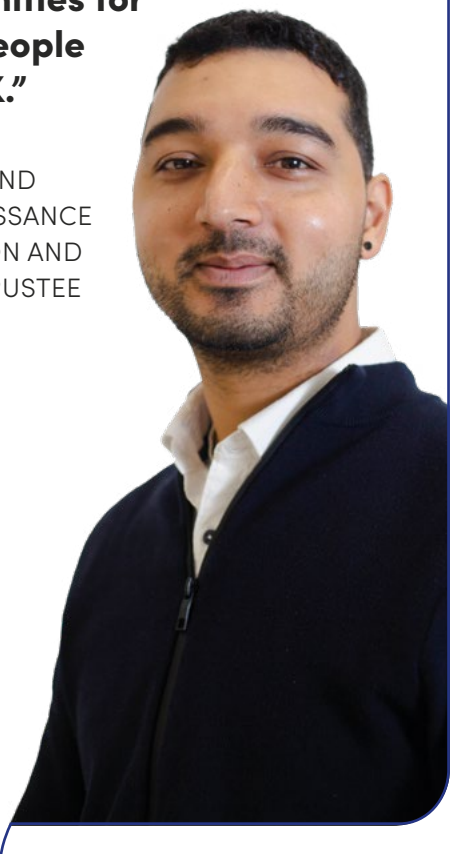
We have an internal working group on equity, diversity and inclusion, made up of staff from across all teams that has direct access to senior management to ensure positive change continues.

We are being more intentional in our policy work, cognisant of the need for diversity of background and experience in our partnerships and coalitions, and recognising that we have an important role to play in embedding racial diversity in our sector. On governance we are making strides towards our goal of greater diversity among our trustees and committee members. We are pleased to have welcomed one of the first cohort of the Impetus Leadership Academy to our governing board.

Implementing these goals is not always easy, and we still have a lot to learn, but we're on the journey.

"During my time on the Impetus Leadership Academy, I was able to experience Impetus' work first hand, and the programme had a transformational impact on my leadership journey. I share the passion of the dedicated Impetus team to make changes to improve the youth sector and create transformational opportunities for young people in the UK."

SAT SINGH, FOUNDER AND CEO, RENAISSANCE FOUNDATION AND IMPETUS TRUSTEE



Promoting equity, diversity and inclusion through the work we support

Connect Fund

In 2021 we launched the Connect Fund, bringing in two new charity partners working to narrow the employment gap faced by young people from ethnic minority backgrounds. Robust Driving Impact workshops were held with these first investments, Career Ready and MAMA Youth Project.

Recruitment for the second intake of charities was conducted through an open grant round in 2022, which built diversity into the due diligence process to attract a range of new, more diverse applicants from across the country. We welcomed four new charities, taking our fund investment to six organisations. These charities bring greater diversity of thought, background and experience to our portfolio.

To support the influencing strand of the Connect Fund, our Youth Jobs Gap 2 research will examine the links between personal characteristics, including race and socio-economic background, and labour market outcomes and could prove a vital tool in advocating for more effective employment interventions. We are grateful to have this work supported by the Ares Foundation.



Driving Impact workshop with Generation UK

Impetus Leadership Academy

As part of the Connect Fund, in 2021 Impetus launched a leadership programme for aspiring leaders from ethnic minority backgrounds, in partnership with Bank of America. The Impetus Leadership Academy (ILA) supports talent from ethnic minority backgrounds in the UK youth sector to progress into senior leadership roles.

Our Youth Jobs Gap research shows that young people from ethnic minority backgrounds are twice as likely to be unemployed as their white counterparts in the UK and, through the ILA, we are investing in a generation of representative leaders who can steer the national conversation on issues facing these young people.

The ILA programme includes a series of masterclasses on a range of strategic issues including finance, leadership, influencing and advocacy alongside mentoring, coaching and networking.

Results from the first cohort were very positive, with participants reporting an increase in their knowledge, self-awareness, confidence and agency. The target on progression into new senior roles was doubled – with 10 out of 12 participants securing new roles in the period.

We are excited to work with our second cohort of aspiring leaders and welcome back many of our coaches and corporate mentors who have given up their time to support the programme. A third cohort will be welcomed in 2023.



ILA cohort 2

Lessons from the Connect fund



Impetus forum

The Connect Fund was launched in 2021, taking on two charities in its first year and a further four in the year 2022-3.

We're inspired by the organisations and leaders we're supporting and the incredible work they do, and grateful for their openminded engagement with Impetus. This is a journey and in the first year we too have come away with several key learnings.

Network building

As race equity and inclusion is a relatively new area for us, we had to expand our networks to reach the right organisations. We built relationships with over 35 funders, councils, youth organisations and experts working in the race equity space across the country and those contacts helped us map the landscape and get the word out about the Open Grant Round.

Accessible funding

Too many organisations face systems-based barriers to accessing funding. We listened to feedback and streamlined our application, due diligence and evaluation processes to enable more resource-stretched organisations to apply for support. We want to be part of the solution, not the problem.

Organisational development

In founder-led, community- based organisations, dependence on individual CEOs is often extremely high. We prioritised building strong organisational foundations, structures and systems to relieve the pressure on leaders, and secure a more sustainable footing on which they can flourish.

Programme development

Our Connect partners' programmes are very culturally sensitive and understanding of the needs of the communities they serve, but have lacked the benefit of unrestricted funding that would enable organisations to develop them further. Therefore part of our role as funders is to provide the time and money for leadership to step back and codify their deep understanding of what interventions really work.

These organisations are working in areas of high need and have unparalleled access to minoritised groups facing unique barriers to employment. Although many are not as scalable in the traditional sense, they are reaching young people that larger organisations are not.

As a team we're learning continuously from the leaders, partner organisations and the young people themselves. We're so proud to be investing in small, localised and transformative interventions that are really making a difference to the lives of young people from ethnic minority backgrounds.



Sonal Shenai, *Impetus Investment Director and Connect Fund Lead*

The Impetus Leadership Academy



Samantha Marcus was one of the first cohort of the Impetus Leadership Academy. During the programme she was promoted to Director of Services at Power2.

It was my CEO who spotted the opportunity and encouraged me to apply – she could see my passion for my job, my team and the young people we work with. And it came at a good time for me career-wise, I was keen to move into a more senior position but felt I needed to develop my skills some more.

I know where my strengths lie. I come from a similar background to many of our young people so I can really relate to them. In one-to-one situations I'm confident and knowledgeable – but in more formal settings, like senior management meetings, I could be very underconfident and would tend to take a back seat. I was very conscious that I was often the only brown face in the room. I felt like an intruder I suppose.

My ILA coach and mentor are two very strong females. They took sledgehammers to my barriers and smashed them down for me. They were really good at putting things into context, helping me get perspective. They helped me look at things differently so I could tackle things differently. Through the ILA I have learnt to recognise my worth and to understand that my voice is important too!

The masterclass that stood out for me the most was the Impact Management masterclass. It really clicked with me and made total sense. The way the class was delivered was really interesting and insightful. What I also valued about the ILA was the support from the group, they are all amazing people and really elevated me.

While participating in the programme I was promoted to Director of Services. I've also gained the confidence to expand my networks and am now active in a number of sector forums. I think I had it all inside of me, but the ILA gave me the confidence to take the next steps.

People of colour are definitely under-represented in more senior positions, without doubt we need more role models on senior management teams and on Boards. I'd definitely recommend the ILA to anyone who wants to progress, has the knowledge, passion and skills, but needs that extra boost to build their self-belief. It has been such a rewarding experience.



ILA cohort 1 graduation ceremony

Philanthropy and partnerships

Impetus' remarkable organisational growth in this period has been enabled by considerable fundraising success in 2022-23. We exceeded our targets to deliver £9.4 million in income and £2.5 million in pro bono support despite the economic downturn.

Income

This year we brought in £9.4 million, a ringing endorsement from our supporters old and new, for our unique model of support for charities working to improve the lives of young people from disadvantaged backgrounds. We are pleased to have issued £4.6 million in grants to our partner charities.

Co-investments

Co-investment has become a core part of our strategy, bringing in vital additional funds for portfolio charities and enabling real growth in our reach and impact. Our partnerships went from strength to strength, securing over £2.1 million in co-investment, including new partnerships with Inflexion and Clayton, Dubilier & Rice (CD&R).

Co-investment: our partnership with CD&R

CLAYTON DUBILIER & RICE

In 2022 we partnered with private investment firm Clayton, Dubilier & Rice (CD&R) Foundation who will invest £2.4 million across three years, in Impetus and our charity portfolio.

In addition to providing three Impetus charities with multi-year grant funding, CD&R staff generously donated their time and expertise to run a range of practical sessions for young people seeking work, including a 'Dragon's Den'-style workshop. Volunteers and young people were invited to co-create business plans and pitch their investments to four 'dragons'. The session proved a great success, with an air of friendly competition and humour, and high engagement from volunteers and young people. Other sessions included mock interviews and skills training.

"The goal of the CD&R Foundation is to meaningfully expand the firm's existing philanthropic, service, and educational efforts by supporting organisations committed to creating greater economic opportunity and employment for people of all backgrounds. We look forward to continuing our work alongside Impetus to support high profile charities to reach more young people through employment opportunities."

DAVE NOVAK, CO-PRESIDENT OF CD&R

Pro bono and events

Our pro bono network continues to expand. We delivered £2.5 million of value to charities in the Impetus portfolio through 50 bespoke projects across disciplines ranging from financial due diligence to business planning and change management.

Income from our programme of events surpassed projections, with record participation and attendance. As we seek to bring in a range of new donors, next year will see the introduction of a new event for the Real Estate PE sector to complement the Triathlon and Transforming Lives Dinner.



"Impetus is a leader in impact. That's very important to us. To any company thinking of partnering with Impetus, we've found it very rewarding. We get so much from working together."

WOL KOLADE, MANAGING PARTNER, LIVINGBRIDGE





Impetus Triathlon

"Goodwin is delighted to continue its partnership with the Impetus Triathlon – it is always a fantastic opportunity for us to come together as a team, connect with our peers in the Private Equity industry and take on the challenge so we can underline our support of the work Impetus and its partner charities do to transform the lives of the young people they serve."

CARL BRADSHAW, PARTNER, GOODWIN

Open grant rounds

This year we refined the open grants round process, inviting charities to apply to the Connect Fund which focuses on improving race equity in employment for young people. This process was first piloted in 2021 with our social and emotional learning (SEL) charities, to give more organisations the opportunity to apply to join the Impetus portfolio directly.

Again, we found it hugely successful, introducing us to new charities, in particular high-quality organisations in under-served regions of the UK, small grass-roots charities, and charities led by CEOs from minority ethnic backgrounds.

We are confident the learning from this process will inform our practice for many years to come, making us a more effective funder.

Funding partnerships

We continue to convene like-minded funders on the issues of school exclusions, alternative provision and race equity in employment, bringing in a total of £1.1 million in restricted income to support the Engage and Connect Funds, Impetus' Youth Jobs Gap research and other projects.

Thanks to our generous supporters, we have a number of exciting research projects in the pipeline for the next financial year.

Increased resourcing in the Philanthropy team has contributed to this overall success, and we are particularly proud of the level of stewardship we are able to offer to our supporters old and new.

We are thankful to all of our supporters for their backing this year, it is this commitment that enables us to continue to impact the lives of young people from disadvantaged backgrounds across the country.




Impetus Transforming Lives Dinner

Thank you to our donors

Advent International
Allan and Gill Gray Philanthropies
Andrew Sillitoe & Joy Tadaki
Aon
Apax Foundation
Ares Management
Bain & Company
Bain Capital
Bank of America
BC Partners
Beechbrook Capital
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Tuixen Foundation
Warburg Pincus
Weil, Gotshal & Manges (London) LLP
Wol Kolade

Influencing the public agenda

Educational attainment

We fought to maintain the integrity of the government's commitment to education catch-up support through the National Tutoring Programme (NTP), of which Impetus was a founding partner.

The evidence shows that tutoring works, yet 13% of schools have not taken up the scheme, and it reaches a lower proportion of disadvantaged groups than top charities like Action Tutoring and The Tutor Trust.

We produced two reports on the development of the NTP, highlighting the risks of the programme falling short of its potential. These helped shape the bidding process for the revised contract.

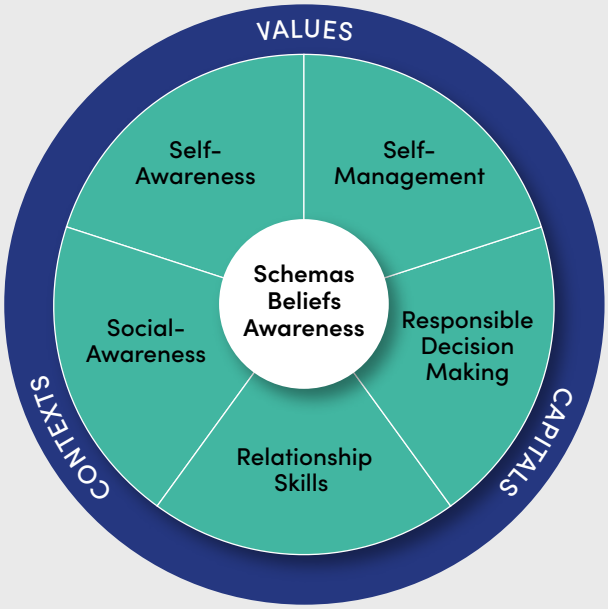
Two Impetus charities, Action Tutoring and the Tutor Trust are delivery partners of the NTP, and we will continue to support them by offering expertise and advice to ensure the scheme meets its objective of supporting pupils from disadvantaged backgrounds and closing the attainment gap.

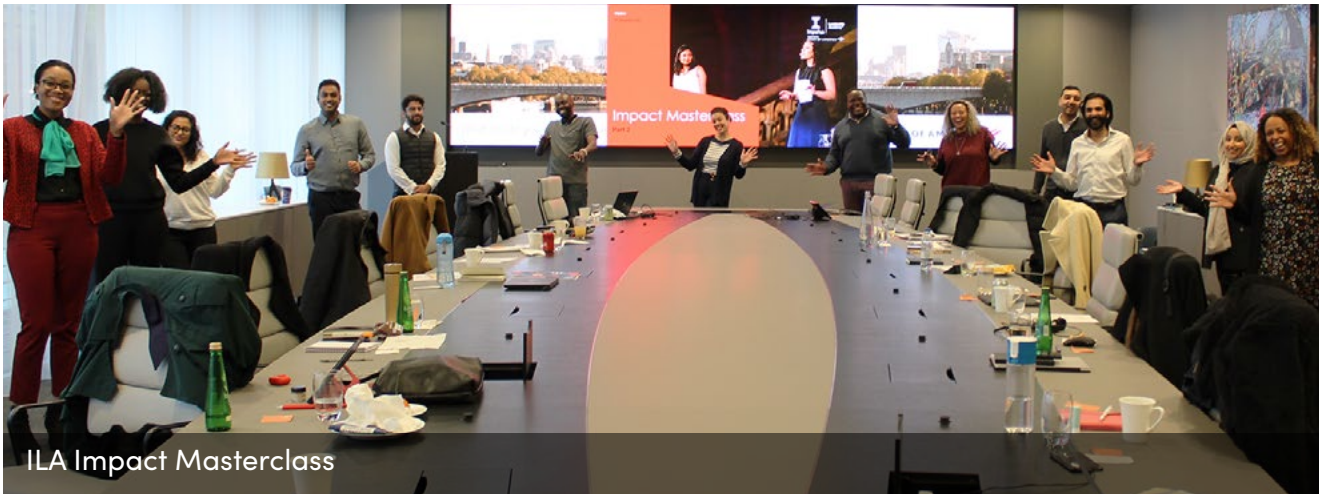
Social and emotional learning

Social and emotional learning (SEL) is a new priority area for Impetus, as we seek to explore how development of these capabilities improves academic attainment.

In 2022 we brought on three new charities with a SEL focus, and commissioned a review of the evidence by the Centre for Education and Youth. Our roundtable event in December posed the question 'are social and emotional skills taught or caught?' and we heard from practitioners and experts about how building relationship skills and self management in turn, improve academic attainment.

Framework for understanding social and emotional learning




ILA Impact Masterclass



Third sector forum

Access to Higher Education

The year got off to a strong start for the Public Affairs team as we hosted John Blake for his first external speech in his new role as Director for Fair Access and Participation at the Office for Students (OfS). This was an opportunity for him to set out how collaboration with the charity sector can support his vision of an education system that creates equality of opportunity and enhances social mobility.

Building on the momentum of the event, Impetus now convenes a termly third sector forum made up of Widening Participation charities, ensuring regular dialogue with the OfS and solidifying Impetus' position as a go-to organisation on the issue of fair access.

"Impetus makes an incredible contribution to the cause of social mobility by supporting a wide variety of charities dedicated to improving the lives of young people who have experienced poverty."

JOHN BLAKE, DIRECTOR FOR FAIR ACCESS AND PARTICIPATION, OFFICE FOR STUDENTS

"Impetus' commitment to empowering young people facing barriers is truly remarkable. Their support to City Gateway has made a significant difference in transforming the lives of young people, opening doors for them to opportunities that were previously deemed unreachable."

DIANE BETTS, CEO, CITY GATEWAY

University of Bath WP project

Building on this policy area, we partnered with the Widening Participation department at the University of Bath, helping to develop their Theory of Change, clarify their objectives and set out their plans to tackle the access gap. This has informed their access and participation plan for the coming years, which they have since submitted to the Office for Students to meet regulatory requirements.

The university access gap between young people from disadvantaged backgrounds and their better-off peers has remained stubbornly static over the last 15 years, and is currently at 18.7%pts

Youth Hubs

In January 2022 the Library of Birmingham Youth Hub was officially opened by Mayor of the West Midlands, Andy Street. The Youth Hub service was co-designed by the providers, including the Combined Authority the Department for Work and Pensions, in workshops facilitated in 2021 by Impetus and our charity partner, Resurgo.

It found that for Youth Hubs to be different from Jobcentres, things have to be done differently (like creating a culture of hospitality), that Youth Hubs need to monitor their data to manage performance, and that driving things forward requires clear leadership.

The resulting Blueprint has become a model for Youth Hubs across the country.



The Library of Birmingham

300

The Youth Employment Group now has more than 300 member organisations.

Sustained employment

The Youth Employment Group now has more than 300 member organisations. While this issue drops down the political agenda amid low overall unemployment and high vacancies, we continue to advocate for a quality employment, education or training pathway for all young people, in particular the most marginalised. We regularly meet with Ministers and officials to ensure the issue remains in focus.

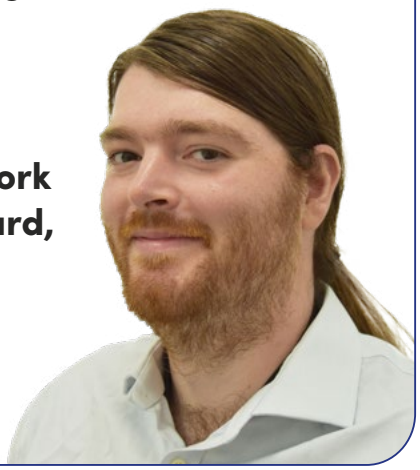
There are now seven YEG sub-groups convening on the issues of disability, youth justice, apprenticeships, self-employment, employers, quality of work and ethnic disparities. Impetus remains a co-Chair and we are leading on shaping the future vision for the group.

Our policy team spoke at roundtable events at both the Labour and Conservative party conferences this year, highlighting the hidden epidemic of youth underemployment, its causes and what policy makers can do to help.

"One of the best things about our work is when we get to be a trusted partner for government as they think through policy challenges affecting young people from disadvantaged backgrounds.

Last year, I was part of the National Tutoring Programme Expert Advisory Group, helping the Department for Education shape the form of the NTP. I am also a member of the Department for Work and Pension's Employment Data Lab advisory board, using expertise from the Youth Jobs Gap research I led to help shape a new evaluation services for employment interventions"

BEN GADSBY, HEAD OF POLICY AND RESEARCH, IMPETUS



Amplifying our voice

We have achieved good progress towards our objective of raising our profile to grow our influence among key stakeholders.

Throughout the year we secured media coverage on our policy priorities including the potential of social and emotional learning (SEL) and the importance of tutoring on closing the disadvantage gap.

We got traction through responses to events including the 'mini-budget', the proposed extension of free school meals to all primary schools in London and the apprenticeship levy – always stressing the unique Impetus view, grounded in evidence.

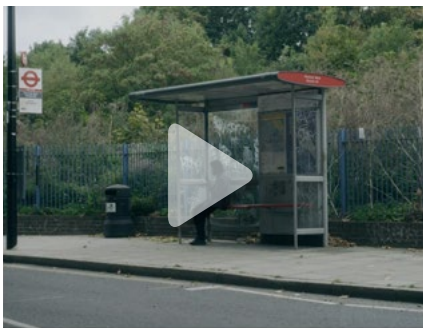
And we have utilised partnerships and coalitions to raise our issues on educational attainment and youth employment, recognising that a collective voice rises higher.

In September we launched a new newsletter 'Impetus Insights' covering ideas, articles and interesting reading about education and employment policy – and what we think it means for young people from disadvantaged backgrounds. Shared monthly, the newsletter also includes news and updates about our own policy work. Six months on we now have over 1,400 people subscribed to receive policy updates from us.



MAMA Youth Project – charity partner since 2021

And we are particularly proud of our new, award-winning, film 'The Hidden Opportunity' which powerfully highlights the work of our charity partners and the transformational impact they can have on the young people they support, and was screened at our fundraising and networking events.













Digital and knowledge management

As a result of our continued growth, we have renewed focus on our digital capabilities, creating a new post of Director of Digital and Information, to review and improve how we use technology within Impetus.

The overarching aim is to understand the way we work, enable deeper and more effective collaboration, better share information and improve efficiency. This will enable staff to operate at the top of their capabilities, and maximise the amount of time they are spending working in this way.

Phase One saw the development of core internal platforms and processes to develop a more sophisticated information management system that quickly serves up information needed, and frees up staff time for the most productive uses.

Elliott's story

The MAMA Youth Project recruits, trains and nurtures young people from under-represented groups or with limited educational or employment opportunities, to succeed in the media industry.

MAMA Youth was one of the first charities to join the Connect Fund, receiving an initial investment of core funding plus non-financial support, to help them strengthen their programmes and explore expanding their reach outside of London.

Elliott struggled to break into the media industry, but after graduating from their digital skills training, is now working in a job he loves.

"I've always been a storyteller I think. I'd always watch movies, make little stupid films on the side – I was like, 'this is what I want to do!' I always had a vision of myself growing up, and who I wanted to be. I've had my struggles, my childhood wasn't the best. I had a father who wasn't really there for us. When I turned about 12, he killed himself.

Something in me changed when I realised he made every wrong decision possible. I decided 'I'm going to fight for what I want, for who I want to be'.



Elliot was supported by MAMA Youth Project

I was applying for jobs in the TV industry, but was constantly shut down. I had no idea that I would get the call that would completely change my life – the call to become part of the charity MAMA Youth.

The team at MAMA Youth are just the most wonderful, loving, caring people. They support you throughout your career, no matter what decision you make. If you need guidance, they're there. If you pass your training they give you all their contacts, all their assets and they give you the biggest, best push you could possibly get.

Now I'm a junior producer. Every day is packed with fun new things, you never know what you're going to get. It's amazing, literally the best job I've ever had. Now I just want to see how far I can go – I just I want to keep dreaming bigger."

Prioritising our people

Impetus' year of growth presented an opportunity to ensure adequate resourcing for all teams and really focus on our strongest asset – our people.

Recruitment

We more than doubled the number of campaigns run in 2021, successfully appointing to all our advertised roles and welcoming new staff with an improved induction process.

New recruits included seven Investment Directors, two new Trustees and two interns through the Kickstart scheme – a government scheme providing funding to employers to create 6-month job placements for 16 to 24 year olds on Universal Credit.

Investment in the development of an improved data management system helped to streamline the recruitment process and better capture data, including monitoring for equality, diversity and inclusion.

Office working

Office working continues to go well. After trialling hybrid working with 2 core days in the office, feedback indicated a desire for greater flexibility on the second day which has now been adopted. We invested further in equipment and systems to improve hybrid working and are seeing more people coming into the office.

Salaries and training

Salaries are benchmarked at Impetus and we pay salaries in the upper quartile for their roles.

In the context of a high inflationary environment, we went beyond this in the financial year and awarded a 4.5% pay increase across the organisation in April 2022, with a further one off cost of living payment awarded to all staff in November 2022.

Staff engagement and development

Responding to a noticeable shift in the job market leading to challenges recruiting the right candidates and, crucially, a desire to retain talented staff, we prioritised People and Culture in the second part of the year. Recognising that our sector attracts mission-driven individuals for whom job satisfaction is key, we conducted in-depth focus groups with staff, discussions with SMT and a dedicated staff away day in October.

This was really about engaging with and listening to staff and finding out what they want and need from the organisation. This initial scoping work formed the basis of a formal and structured People Plan.

We engaged further with Resurgo with a key focus on how to build on Impetus's feedback culture by enhancing communication and creating stronger working relationships. Resurgo also ran a tailored coaching for leadership programme with the Investment Team. We will continue to work closely with Resurgo in 2023-24 to identify and develop appropriate training to support organisational needs.

Safeguarding group

As an organisation supporting young people, safeguarding is of paramount importance. Our CEO Eleanor Harrison ran safeguarding training for all staff, and we conducted a full review of all our policies and training for induction. We audited all our communications assets to ensure that content meets our stringent usage guidelines.

Staff survey

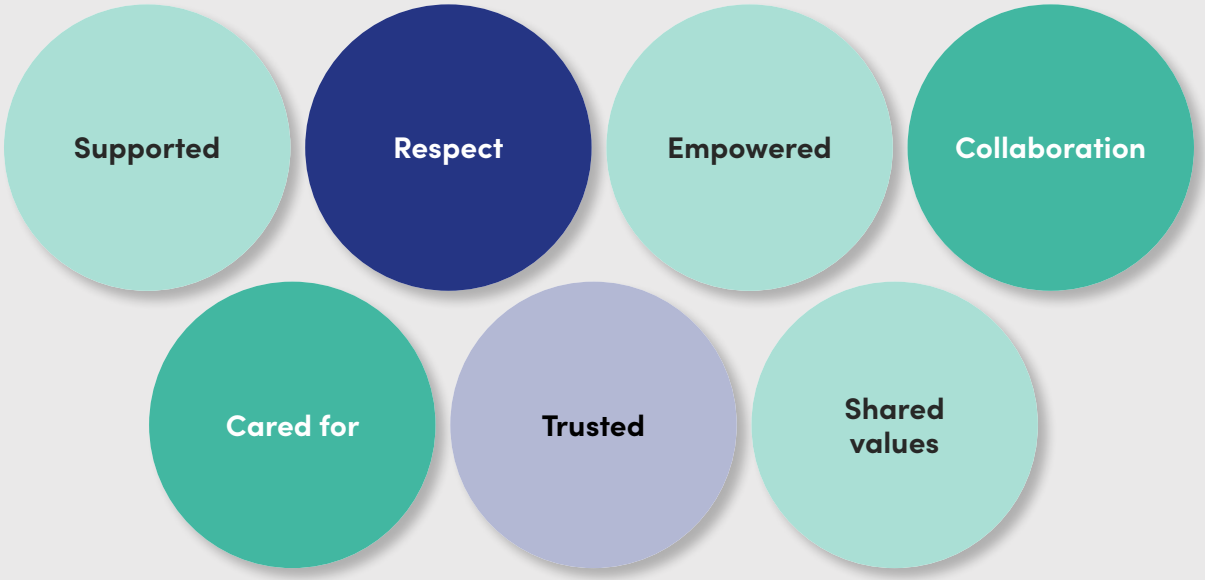
Our annual staff survey is in its 8th year and covers the areas of people, relationships and culture; practical needs and work environment; leadership and strategy; and progression and development.

We are pleased to report high engagement and positive results, with some constructive feedback and suggestions for development which will form part of the People Plan.

Staff particularly recognised having the opportunity to collaborate with colleagues, being recognised and praised for doing good work and said they feel cared about at Impetus.

People, Relationships & Culture: Comments & areas for development

Positive feedback





Impetus staff

Our priorities for 2023–24

2022–23 has been a year of strong growth for Impetus. And with growth comes change and adaptation.

We are excited about the strong position we are in as an organisation. Our priorities for 2023–24 are to continue our track record for creating benchmark beating, sector leading organisations and consolidate the work we have done to strengthen internal systems.

Charity investments

In the coming year we will slow the growth in new investments slightly, focusing on continuing to develop our Investment team, and consolidating the gains made for, and with, our current portfolio charities.

We will continue to put the Driving Impact agenda at the forefront of our work with our newer charities, while steering a number of our portfolio charities through the reinvestment process.

We will also be taking the time to drill down into our understanding of Impetus' own mission and direction, taking a comprehensive look at our model and achievements to date to ensure the unique model of support we offer our charities continues to have transformative impact on young people from disadvantaged backgrounds across the country.



Babbasa – charity partner since 2022



Westminster

Influencing the public agenda

We will attend the Conservative and Labour Party conferences again this year in a bid to ensure that support for young people from disadvantaged backgrounds is a political priority, and influence party manifesto pledges in advance of a General Election.

We will continue to convene the third sector forum on fair access and widening participation and co-chair the Youth Employment Group.

School exclusions

We will be joining forces with a number of charities and funders working on exclusions to assemble a coalition to drive change in this space.

Pupils from disadvantaged backgrounds are four times as likely to be permanently excluded, and only 6.5% of young people who sit their GCSEs in alternative provision (AP) get their English and maths qualifications, compared to 65% in mainstream schools.

As a group we will be looking to raise the profile of the situation for excluded children – who are missing out on learning, more likely to experience long-term unemployment and are over-represented in the criminal justice system – and encourage policy makers to tackle these overlooked issues.

Amplifying our voice

Communications work impacts our organisation's sustainability. In addition to our planned research projects, we are particularly committed to more fully explaining the work we do and our unique model, highlighting the impact we make to our charity partners in order to secure funding, attract new and more diverse charities, and better support our mission through influencing systems change.

Original research

The Public Affairs team will continue to work on the key themes of work readiness and educational attainment, but we will be expanding our areas of research 2023–24.

Youth Jobs Gap 2

We will undertake a significant research project following on from our flagship 2019 Youth Jobs Gap report. This will explore the link between young people's characteristics and their labour market outcomes, giving insights that will help us advocate for more effective support for young people who are furthest from the labour market.

The first report found that young people from disadvantaged backgrounds are twice as likely to be NEET as their better off peers.

This second phase of the project will explore factors including race and gender, disability and experience of the care system.

This will result in multiple reports and a digital tool that can be used by policy makers to better target intervention and support, and help amplify our calls for systemic change.

School attendance

We have also commissioned new research on attitudes to attendance amid growing concern about the rising number of absences from school.

Overall absence rates have significantly worsened over recent years. In 2021-22 the rates of persistent absence stood at 24.3% – that's nearly a quarter of the school population missing school more than 10% of the time.

Children who receive Free School Meals are persistently absent at around double the rate of those not eligible. This is pushing young people who already have worse outcomes even further behind, which is not only a disaster for young people now but is storing up a huge problem for the future.

But until we know what is behind the rise in absence, we cannot adequately tackle the problem.

6.5%

Only 6.5% of young people who sit their GCSEs in alternative provision get English and maths qualifications, compared to 65% in state schools.


The Tutor Trust

Prioritising our people

We recognise that our people are our best asset, and we want Impetus to be a great place to work.

In 2023 we will focus on the completing and implementing our comprehensive People Plan with key focus on culture, pay and progression, and learning and development to ensure all Impetus employees feel valued, engaged and motivated throughout their employment with us.

Digital and knowledge management

Phase Two of our digital strategy will consist of a review of our information and knowledge management alongside other workstreams to maximise effective collaboration and decision-making and drive further efficiency – including process improvements, and data visualisation methods, supported by a programme of training to upskill all staff on new ways of working.

Race equity and inclusion

We have made some progress towards meeting our commitments on race equity and inclusion



Transforming Lives for Good – charity partner since 2021

within our organisation, and through the charities we partner with.

We will continue to pursue the goals we have set for ourselves to ensure we have diversity in thought, background and experience.

In the coming year we will recruit a race equity expert to advise on Connect Fund work, build on strong foundations and guide us to learn more from our charities and share that knowledge across the sector.



Ada, National College for Digital Skills, Charity Partner since 2021

OUR OBJECTIVES FOR 2023–24



Invest in four new charities and focus on delivering for current partners. Increase grant spend from £4 to £4.9 million.



Build digital foundations to improve systems and processes across the organisation that enable us to better capture, analyse, communicate and learn from our work in the long term.



Deliver £9.4 million in income through renewals, events and major co-investors, while diversifying our donor base.



Develop and implement our vision for the organisation and our people and establish cross-team working practices.



Raise our profile to influence the development of party manifestos, build our voice in social and emotional learning and school exclusions and develop Youth Jobs Gap 2 research.



Interrogate our Theory of Change, and develop Impetus' next 3-year strategy.

Financial performance

Impetus group - Impetus and Youth Endowment Fund Accounts

Our income for the period ending March 2023 grew to £27.1 million compared with £20.8 million in 2021, the substantial increase reflecting a £5.6 million increase in Donations and Grant income across the group. The total group funds at the end of 2023 were £170.1 million (2021: £203.8 million).

The main change to the balance sheet was an increase in group cash balances by £3.2 million to £14.9 million and a decrease in investments to £154.6 million from £192 million, reflecting the spend-down nature of the Youth Endowment Fund.

£'000s *	2023	2021	Variance
Income	27,161	20,790	6,371
Expenditure	(42,232)	(28,106)	(14,126)
Net (expenditure)/income	(15,071)	(7,316)	(7,755)
Investment (loss)/gain	(18,642)	9,190	(27,832)
(Deficit)/surplus	(33,713)	1,874	(35,587)

Balance Sheet	2023	2021	Variance
Fixed assets	144	147	(3)
Investments	154,643	192,170	(37,527)
Current assets	16,490	12,803	3,687
Creditors	(1,190)	(1,320)	130
Net Assets	170,087	203,800	(33,713)

*2023 represents a 15-month period from January 2022 to March 2023.



Sister System – charity partner since 2022



Resurgo – charity partner since 2009



Khulisa – charity partner since 2022

Impetus (excluding the Youth Endowment Fund)

Our income in 2022- 23 grew to £11.9 million (2021: £10.0 million). We received generous financial support from four main sources: individual donations, corporate sponsors, grant-making trusts and foundations, and public funding. Grants and donations to Impetus increased from £8 million to £10.0 million.

Our income includes the value our pro bono experts contributed in the form of donated services. This was £2.5 million over the past year, compared to £1.7 million in 2021.

£11.9 million

Our income in 2023 grew to £11.9 million (2021: £10.0 million) Grants and donations increased from £8 million to £10 million

Our expenditure increased from £8 million to £11.5 million, reflecting the fact that we continued to invest in our people, infrastructure and the number of charities we support. We were able to increase our grant spend to charities from £3.5 million to £4.6 million.

Youth Endowment Fund

We received a £200 million grant from the Home Office in April 2019 which is to be spent over ten years to 2029. The grant was included in full in the income for 2019.

£200 million

We received a £200 million grant from the Home Office in April 2019

Investments from the fund returned a net loss of £13.0 million (including income and market value loss) in the 15 months to 31 March 2023. Additional grant income received during the period totalled £9.6 million.

Expenditure in the 15 months to 31 March 2023 totalled £30.7 million, of which £25.3 million was on grants to interventions with a further £5.4 million spend on activities YEF undertook directly.

Of the grant, £155 million remained invested with Goldman Sachs and remained the largest component of the balance sheet at the year-end.

YOUTH ENDOWMENT FUND

Reserves and reserves policy

Impetus (excluding the Youth Endowment Fund)

Impetus has healthy unrestricted reserves and a strong cash position at the balance sheet date. Our reserves policy, as initially approved by the Board in March 2014, entails:

- Minimum unrestricted funds being set as six months operating costs and the cash cost of any office lease commitment up until the break; and
- Unrestricted funds not being designated by the Trustees. Rather, a narrative is used to explain how unrestricted funds would be used against ongoing grant agreements and planned new investments.

Our unrestricted funds were £8.0 million as at 31 March 2023 (2021: £7.7 million). The minimum level of unrestricted reserves to comply with our reserves policy is £3.0 million (2021: £2.1 million).

£8.0 million

Our unrestricted funds were £8.0 million as at 31 March 2023

Given the longer-term nature of our investments, a proportion of our funds are earmarked at fulfilling future funding commitments to our charity partners. The total value of grants to portfolio charities that are authorised but not accrued as expenditure at 31 March 2023 was £2.3 million (2021: £1.9 million), a slight decrease as a number of grant agreements are shortly up for review as part of our funding process.

These grants only become an obligation to Impetus if the charities achieve specific milestones. The authorised amount of £2.3 million relates to the current portfolio charities and excludes any amounts in respect of new investees or next phase investments yet to be approved by the Investment Committee.



Resurgo

Our level of reserves is such that we can reduce them over the next few years (though remaining above the minimum level) as we continue to support more organisations, including through grants and funds, for a significant period in their journey to scaling impact.

In the longer-term, we will need to raise additional funds to fulfil our commitments, and the strategy agreed by the Board in December 2019 is designed to increase our sustainability.

Youth Endowment Fund

The Impetus board, as sole Trustee, agreed a policy of holding minimum restricted funds in respect of the Home Office funded work equal to six months operating expenditure. The receipt of the Home Office grant at the outset of our work means that this policy is comfortably met.

Going concern

We consider that we have adequate financial reserves to continue to deliver our plans and have a reasonable expectation that we will have adequate resources to continue in operational existence for the foreseeable future. There are no material uncertainties that call into doubt the group and charity's ability to continue.

Investment policy for funds other than the Youth Endowment Fund

Given the need to be able to honour long-term commitments to the charities it funds, the Board has adopted a cautious investment strategy with funds received by Impetus for activities other than the Youth Endowment Fund invested in deposit accounts.

Investment policy and objectives for the Youth Endowment Fund

The grant from the Home Office was invested and has been managed by Goldman Sachs who were appointed after a competitive selection process. The investment objective is to achieve an average nominal return of 2%, net of management fees, over the life of the fund.

As at the 31 March 2023, of the total portfolio of £155 million, £89 million was invested in fixed income bonds and £53 million in equities. The performance of the managed fund against the target is most usefully measured over a longer period than was available in 2023. The Trustees consider that the portfolio performed well, taking advantage of the equities markets during the pandemic with a well-defined glide path to reduce equity risk post year-end.

To ensure that there are sufficient funds to cover planned grant giving and the costs of the partners in managing the YEF, the equivalent of six months forecast spending is held in cash and cash equivalents.



City Gateway

The investment portfolio has been divided into three sub-portfolios, each invested in different types of asset:

Liquidity sub-portfolio – cash and cash equivalent investments
- Mid-term sub-portfolio – investment grade government and corporate bonds
- Growth sub-portfolio – global equities

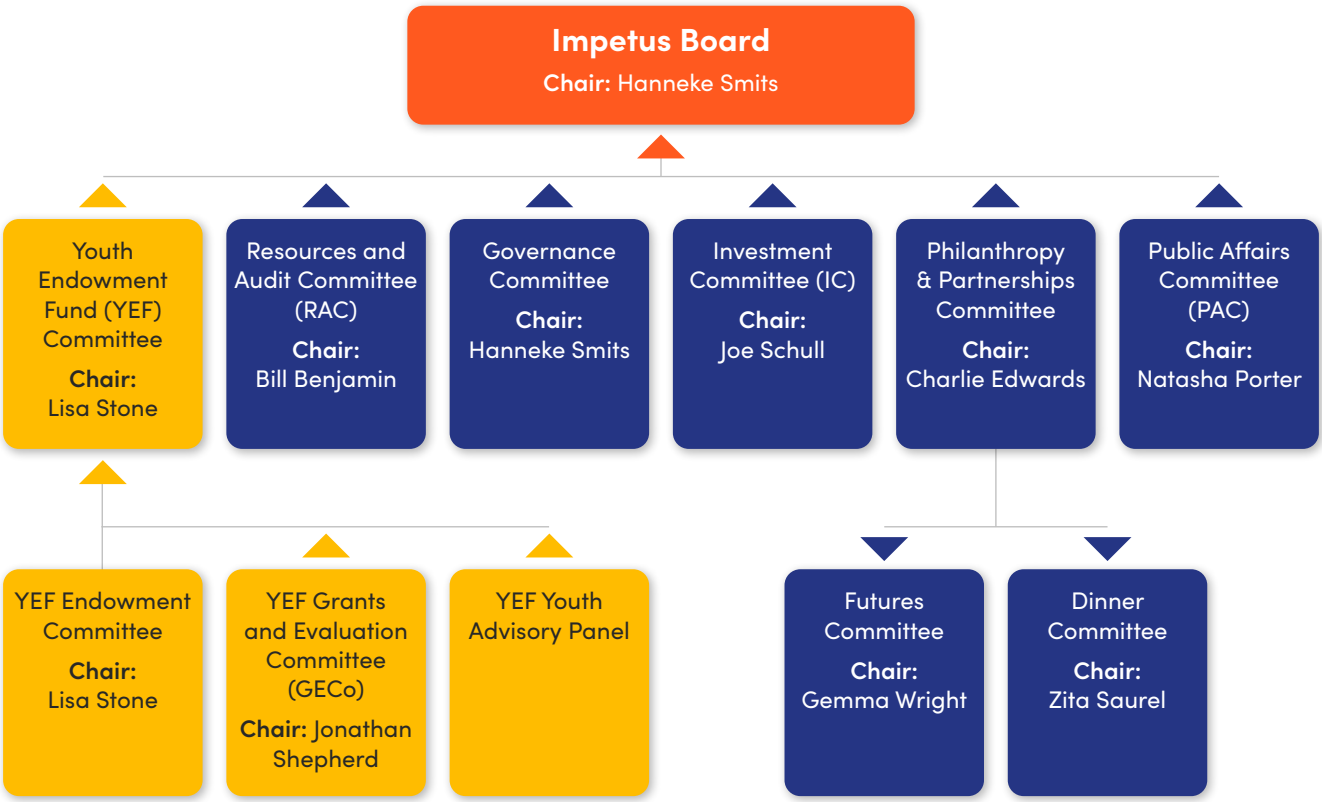
The balance between the three portfolios will vary over time in line with the fund's planned cash flows and the need to limit the level of capital risk within the portfolio.

To limit currency risk in the portfolio, cash and cash equivalent investments are only invested in sterling instruments. Bond investments are in sterling or hedged back into sterling. Hedging of non-sterling currency exposure arising from overseas equity investments is permitted but not required.

The fund managers are required to integrate consideration of environmental, social and governance (ESG) issues into their investment process in a thoughtful manner and actively engage with companies to improve their ESG practices and policies. Given the Fund's social objectives, the Trustee considers it inappropriate to invest in certain companies whose activities have a clearly negative social impact. No direct or indirect investment is therefore permitted in companies whose principal activity is in tobacco and alcohol manufacturing, armaments and controversial weapons, gambling, adult entertainment or high interest rate lending.

The focus during this year has been on building out the investment portfolio as market opportunities presented themselves whilst being mindful of the impact of ongoing geo-political events, including the war in Ukraine, recent economic forecasts and events. The Endowment Investment Committee, alongside the Investment Managers, reviewed the state of the portfolio ensuring the investment strategy remains prudent and protects the charity's investment.

Structure, governance and management



Governance and management

Impetus is a charitable company registered with the Charities Commission (Charity number 1152262) registered in 2013 under its Memorandum and Articles (governing document). The governing body of the charity is the Board of Trustees who are listed on the administrative details page.

The governing body also meets as the sole corporate Trustee of The Youth Endowment Fund, a registered charitable trust.

The appointment of a new Trustee takes place after due consideration from both parties. This is vital to ensuring a good strategic fit for the Board and the prospective Trustee.

Over time, new Trustees meet our charities to gain a good understanding of our work. New Trustees are also briefed on their obligations under charity and company law, the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and the financial performance of the charity.

During their induction, they meet members of staff and other Trustees whom they have not previously met. Trustees attend training events where these facilitate the undertaking of their role.

Trustees are typically elected for three-year periods and may be re-elected for a further three-year period. The Chair conducts an annual appraisal of the Board's performance and composition and the functioning of its committees, and a designated Trustee conducts a review of the Chair's role and performance.

The Board sets strategy and reviews policy. Day-to-day responsibility is delegated to the Chief Executive Officer, who works closely with the Chair. During 2022–23, the Board met six times.

There were five committees reporting to the Impetus Board in 2022-3: Investment, Governance, Resources and Audit, Public Affairs, and the Youth Endowment Fund Committee. The Youth Endowment Fund Committee has two further sub committees, the Grants and Evaluation Committee and the Endowment Investment Committee.

The committees ensure in-depth review and oversight of our activities. They ensure that our specific areas of focus are led, where possible, by Trustees. Trustees are aware of and comply with the duty to act in the public benefit in accordance with section 17 of the Charities Act 2011.

Investment Committee

The Committee is responsible for ensuring that Impetus manages well a balanced portfolio that helps us deliver our mission. The committee scrutinises individual investment proposals and recommends for Board ratification the charities that should enter, progress through and exit the portfolio. The committee also reviews how each charity is progressing through our Outcomes Framework in the semi-annual Charity Review as well as their progress against funding milestones.

Governance and Nominations Committee

The Committee has a strategic role in defining the role of the Board as well as how the Board interacts with its committees. It also directs the Trustee recruitment process and Trustee responsibilities. The committee is responsible for conducting the Chair evaluation as well as advising on Trustee and Board development.

Resources and Audit Committee

The Committee is responsible for reviewing and monitoring all financial and operational aspects of Impetus and reports to the Board on such matters, including financial risk management and people. Due to the size and nature of the organisation, the committee considers that an internal audit function is not required. The Committee also helps ensure that we maintain and develop relationships with our donors, co-investors and supporters in order for Impetus and its charities to receive the funding, pro bono and other relevant support to achieve our overall mission and strategy.

Public Affairs Committee

The Committee supports Impetus in defining and achieving our public affairs goals. The Committee reviews our public affairs strategy to ensure it is aligned with our organisational mission, and achievable in terms of the external landscape. Committee members also review research and publications in draft to help ensure our public work is high-quality, and relevant to those we are seeking to reach and influence. Annually, the committee reviews progress against the public affairs KPIs, to assess performance and impact.

Philanthropy and Partnerships Committee

The Committee's over-arching purpose is to ensure that Impetus is able to acquire and develop relationships with donors, co-investors and fund donors in order for Impetus and its charities to receive the funding, pro bono resource and other relevant support to achieve its overall mission and strategy.



The 8th Impetus triathlon, 2022

The Youth Endowment Fund

Impetus acts as the sole corporate Trustee through its board of Trustees. Impetus established The Youth Endowment Fund Charitable Trust Committee as a committee of its board. The Committee has delegated responsibility for the management of the Youth Endowment Fund (YEF) and compliance with, and implementation of the Home Office Grant Agreement. Impetus has the following matters reserved to it, receiving recommendations from the Committee on each matter:

- The overall strategy for the charity and the grants strategy or any material changes thereto
- A budget and business plan for the charity within the framework set by the Home Office Grant Agreement and Partnership Agreement
- The appointment or termination of appointment of Committee members and the YEF Executive Director; individual grants or material changes to existing grants with a value in excess of £10 million, including those made from Supplementary Funding
- The terms of any partnerships with other funders, where their funding is in excess of £10 million
- The Investment Policy and the appointment of investment managers

The Committee has two sub-committees, the Grants and Evaluation Committee and the Endowment Investment Committee.

The Youth Endowment Fund – the Grants and Evaluation Committee
The Grants and Evaluation Committee provides oversight and scrutiny of grants to Project Implementation Partners and agreements with independent evaluators. It makes recommendations in respect of individual grants, monitors grants awarded and produces reports for the YEF Committee.

The Youth Endowment Fund – the Endowment Investment Committee
The Endowment Investment Committee has delegated responsibility for the investment


Khulisa

management of the Youth Endowment Fund. The Trustees consider that the portfolio performed well, despite turbulent market conditions, with a well-defined glide path to reduce equity risk post year-end.

Remuneration arrangements for key management personnel
The Trustees consider the Impetus board and the senior management team to be the key management personnel for reporting purposes. In 2023, the senior management team at Impetus (excluding the YEF Charitable Trust) comprised the Chief Executive Officer, Director of Public Affairs, Portfolio Director, Director of Philanthropy and Partnerships, Director of Finance and Operations and the Director of Digital and Information.

Trustees receive no remuneration. Employee pay is set by reference to an upper quartile salary benchmark which is established using a salary survey for the sector which Impetus subscribes to. The remuneration is agreed by the Resources and Audit Committee with a recommendation from the Chair in respect of the Chief Executive Officer.

Fundraising
We do not use external professional fundraisers and did not receive any complaints about our fundraising activities. We fundraise by soliciting donations from organisations and individuals. We also organise fundraising events including those where individuals fundraise directly for us. We are registered with the Fundraising Regulator and pay its annual levy and comply with its Code of Fundraising Practice.

Safeguarding

Impetus is committed to protecting our staff, volunteers, partner organisations and the people we work with alongside the interests of the young people we support and who benefit from the grants we make. Our safeguarding policies and procedures set out clear expectations of our staff and charity partners ensuring we effectively manage our risk, whilst setting out clear accountability mechanisms.

We have a dedicated senior safeguarding lead, and our Board and Resources and Audit committee, receive any necessary safeguarding updates. All staff are made aware of our safeguarding policies and procedures during their induction. We continue to support and work with our charity partners to ensure the risks surrounding safeguarding are monitored and managed effectively.

Risk and internal control

The Trustees are responsible for ensuring that the charity has an appropriate system of controls, financial and otherwise. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention of fraud and other irregularities.

Assisted by the executive team and the Resources and Audit Committee, the Board regularly reviews and assesses the major risks to which Impetus is exposed. Movements against risks are reviewed at Board meetings with mitigating actions and controls discussed.

The most significant risks identified by the Board post our current mitigation strategies are:

Risk	Mitigation
Our ability to continue to fundraise against the backdrop of a difficult economic environment	Continued success with our co-investment donors has increased our financial sustainability and diversified our donor mix. We have reviewed our planning assumptions on revenue but recognise these are subject to a high degree of uncertainty, especially given the nature of our income streams, and have made prudent assumptions in our budgeting process. The economic downturn could lead to a reduction of our corporate donations, as organisations seek to reduce costs, especially within our fundraising events. Whilst we as an organisation and our charity partners are impacted by the cost of living crisis in a high inflationary environment.
Insufficient influence with decision makers, especially with the upcoming election	We are building stronger networks and we've made improvements to how we communicate our strengths and the benefits of working with Impetus. Our influence on the policy side has been very strong, building on the groundwork laid during the pandemic. We continue to advocate for the continuation and evolution of the National Tutoring Programme, and maintain our leadership role in the Youth Employment Group.
Investment model not as effective as planned	We use a comprehensive outcomes framework and portfolio dashboard to monitor our charities' progress. Our improved portfolio data (KPIs, Outcomes Framework and Dashboard) has improved our monitoring. We continue to work on how we interpret and use the data in partnership with our charity partners. Difficulty in recruiting and retaining high-calibre staff remains a challenge in the current job market, especially within the charity sector.

These risks are monitored by the Resources and Audit Committee and the Impetus Board of Trustees, which reviews risk movements and the various mitigation strategies in place to manage risks. The Board believes these risks cannot be fully eliminated but they can be managed through looking to reduce their impact and the chance of their occurrence as part of the reviews.

Statement of Trustees' responsibilities

The Trustees (who are the directors of the charitable company) 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 charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgments and accounting estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Each of the Trustees confirms that to the best of his/her knowledge there is no information relevant to the audit of which the auditors are unaware. The Trustees also confirm that they have taken all necessary steps to ensure that they themselves are aware of all relevant audit information and that this information has been communicated to the auditors.

The Trustees' report, incorporating the directors' report and strategic report, was approved by the Trustees on 28 September 2023 and signed on their behalf by the Chair.

Hanneke Smits



Chair of Impetus

Independent auditor's report to the members of Impetus – The Private Equity Foundation

Opinion

We have audited the financial statements of Impetus – The Private Equity Foundation for the period ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Charity Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2023 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the period 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 group 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 group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Chair's Introduction, the CEO's Introduction and the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 (which includes the directors' report and strategic report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report included within 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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the directors' report and strategic 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 by the parent charitable company; or
- the parent charitable company 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.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 51, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company 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:

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to trust law requirements over the use of restricted funds, charity law and GDPR, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011, and payroll tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to recognition of voluntary income. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual descriptions and entries posted at unusual times; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Tracey Young
(Senior Statutory Auditor)

For and on behalf of Haysmacintyre LLP, Statutory Auditor, 10 Queen Street Place London EC4R 1AG

Date: 22 December 2023

3 ACCOUNTS

Group financial statements

Consolidated Statement of Financial Activities
For the 15 month period ended 31 March 2023

	Note	Restricted £	Unrestricted £	2022-23 Total £	Restricted £	Unrestricted £	Year ended 31 December 2021 Total £
Income:							
Donations and grants	**2a**	12,747,860	6,846,431	**19,594,291**	8,614,933	5,346,255	**13,961,188**
Events and fundraising activities	**2b**	-	1,834,170	**1,834,170**	-	1,856,467	**1,856,467**
Investment	**2c**	5,688,700	27,322	**5,716,022**	4,940,903	373	**4,941,276**
Other	**2d**	-	16,756	**16,756**	-	30,637	**30,637**
Total income		18,436,560	8,724,679	**27,161,239**	13,555,836	7,233,732	**20,789,568**
Expenditure:							
Raising funds	**3a**	-	1,307,370	**1,307,370**	-	846,221	**846,221**
Charitable activities	**3a**	33,836,094	7,088,654	**40,924,748**	22,570,512	4,688,935	**27,259,447**
Total expenditure		33,836,094	8,396,024	**42,232,118**	22,570,512	5,535,156	**28,105,668**
Net expenditure		(15,399,534)	328,655	**(15,070,879)**	(9,014,676)	1,698,576	**(7,316,100)**
Transfers between funds		(94,090)	94,090	**–**	11,732	(11,732)	**–**
Net (loss)/gain on investments	**10**	(18,641,701)	-	**(18,641,701)**	9,190,475	-	**9,190,475**
Net movement in funds		(34,135,325)	422,745	**(33,712,580)**	187,531	1,686,844	**1,874,375**
Reconciliation of funds:							
Funds at the start of the year	**14**	196,176,391	7,623,634	**203,800,025**	195,988,860	5,936,790	**201,925,650**
Funds at the end of the year	**14**	162,041,066	8,046,379	**170,087,445**	196,176,391	7,623,634	**203,800,025**

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 14 to the financial statements.

The notes that follow form an integral part of these financial statements.

Charity statement of financial activities
For the 15 month period ended 31 March 2023

	Note	Restricted £	Unrestricted £	2022-23 Total £	Restricted £	Unrestricted £	Year ended 31 December 2021 Total £
Income:							
Donations and grants	**2a**	3,172,983	6,846,431	**10,019,414**	2,736,433	5,346,255	**8,082,688**
Events and fundraising activities	**2b**	–	1,834,170	**1,834,170**	–	1,856,467	**1,856,467**
Investment	**2c**	–	27,322	**27,322**	–	373	**373**
Other	**2d**	–	62,109	**62,109**	–	79,373	**79,373**
Total income		3,172,983	8,770,032	**11,943,015**	2,736,433	7,282,468	**10,018,901**
Expenditure:							
Raising funds	**3e**	–	1,307,370	**1,307,370**	–	846,221	**846,221**
Charitable activities	**3e**	3,135,247	7,088,654	**10,223,901**	2,430,165	4,688,935	**7,119,100**
Total expenditure		3,135,247	8,396,024	**11,531,271**	2,430,165	5,535,156	**7,965,321**
Net expenditure		37,736	374,008	**411,744**	306,268	1,747,312	**2,053,580**
Transfers between funds		–	–	**–**	11,732	(11,732)	**–**
Net movement in funds		37,736	374,008	**411,744**	318,000	1,735,580	**2,053,580**
Reconciliation of funds:							
Funds at the start of the year		565,229	7,672,371	**8,237,600**	247,229	5,936,791	**6,184,020**
Funds at the end of the year		602,965	8,046,379	**8,649,344**	565,229	7,672,371	**8,237,600**

The notes that follow form an integral part of these financial statements.

Consolidated and Charity Balance Sheets
As at 31 March 2023

	Note	Group March 2023 £	Group December 2021 £	Charity March 2023 £	Charity December 2021 £
Fixed assets					
Intangible fixed assets	9(a)	**130,080**	142,393	**–**	–
Tangible fixed assets	9(b)	**13,914**	4,959	**13,914**	4,959
Investments	10	**154,643,333**	192,170,308	**1**	1
		154,787,327	192,317,660	**13,915**	4,960
Current assets					
Debtors	11	**1,626,071**	1,119,587	**769,930**	1,318,283
Cash at bank and in hand		**14,864,448**	11,682,958	**8,263,016**	7,943,018
		16,490,519	12,802,545	**9,032,946**	9,261,301
Creditors: amounts due within one year	12	**(1,190,401)**	(1,320,180)	**(397,517)**	(1,028,661)
Net current assets		**15,300,118**	11,482,365	**8,635,429**	8,232,640
Net assets	13	**170,087,445**	203,800,025	**8,649,344**	8,237,600
Funds					
Restricted funds	14	**162,041,066**	196,176,391	**602,965**	565,229
Unrestricted funds	14	**8,046,379**	7,623,634	**8,046,379**	7,672,371
Total funds		**170,087,445**	203,800,025	**8,649,344**	8,237,600

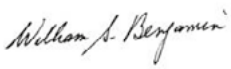
The financial statements for Impetus, (company registration number 08460519 and charity registration number 1152262), for the 15 month period ended 31 March 2023 were approved and authorised for issue by the Board on 28 September 2023.

Hanneke Smits



Trustee

Bill Benjamin



Trustee

The notes that follow form an integral part of these financial statements.

Consolidated cash flow statement
For the 15 month period ended 31 March 2023

	Note	2022–23 £	2021 £
Net cash used in operating activities	(a)	**(21,396,833)**	**(11,046,845)**
Cash flows from investing activities:			
Dividends and interest from investments		**5,716,022**	4,940,659
Purchase of software and equipment		**(22,973)**	(155,104)
Proceeds from sale of investments		**24,556,611**	16,181,529
Purchase of investments		**(5,671,337)**	(4,940,659)
Net cash provided by investing activities		**24,533,638**	**16,026,425**
Change in cash and cash equivalents in the year		**3,181,490**	4,979,580
Cash and cash equivalents at the beginning of the year		**11,682,958**	6,703,378
Cash and cash equivalents at the end of the year		**14,864,448**	**11,682,958**

(a) Reconciliation of net movement in funds to net cash flow from operating activities

	2022–23 £	2021 £
Net movement in funds	**(33,712,580)**	1,874,375
Losses/(Gains) on investments	**18,641,701**	(9,190,475)
Dividends and interest from investments	**(5,716,022)**	(4,940,659)
Loss on disposal of fixed assets	**-**	7
Depreciation and amortisation	**26,331**	13,063
(Increase)/Decrease in debtors	**(506,484)**	571,453
(Decrease)/Increase in creditors	**(129,779)**	625,391
Net cash used in operating activities	**(21,396,833)**	**(11,046,845)**

The charity has no debt, so no analysis of net debt is presented.

The notes that follow form an integral part of these financial statements.

Notes to the financial statements
For the 15 month period ended 31 March 2023

1. Accounting policies

a) The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) Second Edition effective 1 January 2019 and the Companies Act 2006.

Impetus – The Private Equity Foundation is a company, number 08460519, limited by guarantee and incorporated in England and Wales. Its registered office is at Golden Cross House, 8 Duncannon Street, London, WC2N 4JF.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements of the wholly owned subsidiary, PEF Trading Limited, have been consolidated with those of the charity on a line by line basis. The financial statements of The Youth Endowment Fund Charitable Trust have also been consolidated in the accounts of the group.

The charity is the sole corporate trustee of The Youth Endowment Fund Charitable Trust (YEF), a registered charity number 1185413. The activities of the subsidiary charity, YEF, have been included as a restricted funds in the accounts of the group.

Going concern
The accounts are prepared on the going concern basis as the trustees expect that the activities will continue for the foreseeable future and Impetus has healthy reserves and a strong cash position at the balance sheet date. There are no material uncertainties that call into doubt the group and charity's ability to continue in operational existence.

b) Income is included in full in the statement of financial activities once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants to Impetus are recognised in full in the statement of financial activities in the year in which they are receivable, or in the case of grants with associated eligibility criteria, in the year in which those criteria are satisfied.

Where entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the income is recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the charity can meet such conditions, recognition of income is deferred.

c) Donated services and facilities are recognised as income and expenditure in the financial statements when companies or individuals offer their professional expertise on a pro bono basis. The value of these donated services and facilities is an estimated figure based upon the valuation the professional individual or organisation places upon the time, services and facilities they have provided to Impetus. Individuals offering their time to work in areas where they are not undertaking their profession are classified as volunteers and their time is not quantified in the accounts.

d) Expenditure is recognised on an accruals basis, inclusive of any VAT which cannot be recovered. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is allocated to the particular activity where the cost relates exclusively and directly to that activity. In addition, an allocation of salary and overhead costs of the central function is made and is apportioned based upon staff estimates of time spent on each activity (including the time of the executives who offer their services on a pro bono basis).

Expenditure on raising funds relate to the costs incurred by the charitable company in raising funds for the charitable work. This includes an allocation of salary and overhead costs of the central function and is apportioned based upon staff estimates of time spent on fundraising activity.

e) Grants payable to charities are charged in the year when the offer is conveyed to the investee charity except in those cases where the offer is conditional, which is typical of investee charities of Impetus. Funding is usually offered over a period of up to five years, which is reviewed on a regular basis throughout the funding relationship. Continued funding is conditional upon the charities meeting specified milestones. Conditional grants are recognised as expenditure

when the conditions are fulfilled. If the conditions have not been met at the year end, the grants are disclosed as a future commitment but are not shown as expenditure.

Grants payable to interventions by the YEF are charged in the year in which they are disbursed to the intervention. Continued funding is conditional on the interventions meeting specified milestones. Conditional grants are recognised as expenditure when the conditions are fulfilled. If the conditions have not been met at the year end, the grants are disclosed as a future commitment but are not shown as expenditure.

f) The group's financial instruments all qualify as basic financial instruments in accordance with section 11 of FRS102 and are recognised on the following bases:
   i. Investments in subsidiaries are measured at cost less provision for impairment.
   ii. Other investments are measured at market value at the balance sheet date.
   iii. Cash and cash equivalents represent bank balances and deposits held in sterling.
   iv. Debtors, including Gift Aid receivable, are measured at the transaction price less any provision for doubtful debts.
   v. Trade creditors are measured at the transaction price.

g) Items of equipment and software are capitalised where the purchase price or the cost of the capital project exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

h) Depreciation and amortisation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Computer equipment	Three years
Computer software	Ten years
Office equipment	Four years
Fixtures and fittings	Five years

i) Short term deposits represent cash on deposit.

j) Unrestricted funds are donations and other income receivable or generated for the objects of the charity.

k) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is matched to the restricted funds, together with a fair allocation of overheads and support costs, if appropriate.

l) The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the group to the fund. The group has no liability under the scheme other than for the payment of those contributions.

Pension contributions are also made on behalf of eligible employees and are paid into personal pension schemes as nominated by the employee and contributions pass through the SOFA as incurred.

m) Transactions in foreign currencies are translated into sterling at the rates of exchange current at the date of the transaction. Foreign currency monetary assets and liabilities in the balance sheet are translated into sterling at the rates of exchange ruling at the end of the year. Resulting exchange gains and losses are taken to the statement of financial activities.

n) Leases are regarded as operating leases and the rentals are charged to operating expenses on a straight-line basis over the term of the lease. Operating lease incentives received are added to the lease rentals and charged to operating expenses over the life of the lease. The charity has no finance leases.

o) The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the period. The key judgment which has had the most significant effect on amounts recognised in the financial statements relates to the recognition and measurement of Donated Services (see note 1(c)).

2. Total income

2 (a). Donations and grants

	Group 2022–23 Total £	Group 2021 Total £	Charity 2022-23 Total £	Charity 2021 Total £
Other grants	**10,737,002**	7,383,049	**2,093,805**	1,960,549
Donated services	**3,415,308**	2,179,817	**2,483,628**	1,723,817
Income for Engage and Connect Funds	**898,660**	1,109,622	**898,660**	1,109,622
Cash donations from individuals and companies	**4,543,321**	3,288,700	**4,543,321**	3,288,700
Donations and grants	**19,594,291**	13,961,188	**10,019,414**	8,082,688

Donations and events income received from Trustees for the charity totalled £259,090 (2021: £371,176)

Donated services represent pro bono services and facilities received by Impetus and the Youth Endowment Fund (YEF). These services relate both to work performed for Impetus or the YEF, and for our portfolio charities and are included as expenditure under note 3.

2 (b). Events and fundraising activities

Fundraising events	**1,834,170**	1,856,467	**1,834,170**	1,856,467

2 (c). Investment

Interest receivable	44,685	617	27,322	373
Fixed income bonds	797,782	4,326,504	–	–
Global equities	4,873,555	614,155	–	–
Investment income	**5,716,022**	4,941,276	**27,322**	373

2 (d). Other income

Contract income	**16,756**	30,637	**41,365**	30,637
Capacity building	**-**	–	**20,744**	48,736
	16,756	30,637	**62,109**	79,373
Total income	**27,161,228**	20,789,568	**11,943,015**	10,018,901

2 (e). Additional funds raised for portfolio charities

Additional funds raised for charities are donations made directly to the portfolio charities where Impetus was instrumental in obtaining those funds. These amounts are not included in Impetus's own financial statements nor those of the group.

	2022-23 Total £	2021 Total £
Total additional funds generated by Impetus for portfolio charities	**6,828,010**	6,542,102

3. Expenditure

3 (a). Total expenditure – Group

Note for the current period	Grant funding £	Activities undertaken directly £	Support costs £	Group Total 2022-23 £
		Note 3(b)	Note 3(c)	
Raising funds				
Fundraising and events	–	–	1,307,370	**1,307,370**
Charitable activities				
Supporting charities	–	5,159,559	3,307,577	**8,467,136**
Evaluation and research	5,897,952	–	–	**5,897,952**
Grants payable (note 4)	23,144,352	–	–	**23,144,352**
Donated services	931,680	1,779,789	703,839	**3,415,308**
Total charitable activities	29,973,984	6,939,348	4,011,416	**40,924,748**
Total expenditure	**29,973,984**	**6,939,348**	**5,318,786**	**42,232,118**

Note for the prior year	Grant funding £	Activities undertaken directly £	Support costs £	Group Total 2021 £
Raising funds				
Fundraising and events	–	–	846,221	**846,221**
Charitable activities				
Supporting charities	-	3,468,873	2,265,006	**5,733,879**
Evaluation and research	–	1,895,581	–	**1,895,581**
Grants payable (note 4)	17,450,170	–	–	**17,450,170**
Donated services	–	1,446,932	732,885	**2,179,817**
Total charitable activities	17,450,170	6,811,386	2,997,891	**27,259,447**
Total expenditure	**17,450,170**	**6,811,386**	**3,844,112**	**28,105,668**

3 (b). Activities undertaken directly – Group

	Group 2022-23 £	Group 2021 £
Staff costs	**4,225,214**	2,940,814
Programme costs paid to Youth Endowment Fund delivery partners	**-**	18,994
Evaluation and Research	**–**	1,895,581
Consultancy costs	**426,639**	272,372
Office costs	**305,490**	167,748
Depreciation	**3,078**	1,473
Donated services	**1,779,789**	1,446,932
Other costs	**199,139**	67,472
	6,939,349	6,811,386

3 (c). Support costs – Group

	Raising funds £	Charitable activities £	Total 2022-23 £	Raising funds £	Charitable activities £	Total 2021 £
Staff costs	744,262	1,525,522	**2,269,784**	497,646	843,191	1,340,837
Office costs	134,118	469,374	**603,492**	72,987	149,072	222,059
Depreciation	1,351	1,577	**2,928**	647	755	1,402
Donated services	–	703,839	**703,839**	–	732,885	732,885
Fundraising events costs	385,827	–	**385,827**	254,887	–	254,887
Investment management fees	–	576,148	**576,148**	–	594,134	594,134
Other costs	41,8112	734,956	**776,768**	20,054	677,854	697,908
	1,307,370	4,011,416	**5,318,786**	846,221	2,997,891	3,844,112

Included within support costs above are governance costs totalling £180,905 (2021: £105,801).

3 (d). Pro bono income and expenditure – Group and Charity

Donated services are analysed as income and expenditure within the financial statements.
The split of donated services across portfolio charities and other activities is as follows:

	2022-23 £	2021 £
Unrestricted		
Support to portfolio charities	**1,779,789**	990,932
Support to Impetus for portfolio work	**665,641**	658,402
Support to Impetus	**38,198**	74,483
Youth Endowment Fund	**931,680**	456,000
Total donated services	**3,415,308**	**2,179,817**

3 (e). Total expenditure – Charity

Note for the current period	Grant funding £	Activities undertaken directly £	Support costs £	Total 2022-23 £
		Note 3(f)	Note 3(g)	
Raising funds				
Fundraising and events	–	–	1,307,370	**1,307,370**
Charitable activities				
Supporting charities	–	1,942,862	1,153,606	**3,096,468**
Grants payable (note 4)	4,643,805	–	–	**4,643,805**
Donated services		1,779,789	703,839	**2,483,628**
Total charitable activities	4,643,805	3,722,651	1,857,445	**10,223,901**
Total expenditure	**4,643,805**	**3,722,651**	**3,164,815**	**11,531,271**

Note for the prior year	Grant funding £	Activities undertaken directly £	Support costs £	Total 2021 £
Raising funds				
Fundraising and events	–	–	846,221	**846,221**
Charitable activities				
Supporting charities	–	1,292,031	604,074	**1,896,105**
Grants payable (note 4)	3,499,178	–	–	**3,499,178**
Donated services	–	990,932	732,885	**1,723,817**
Total charitable activities	3,499,178	2,282,963	1,336,959	**7,119,100**
Total expenditure	**3,499,178**	**2,282,963**	**2,183,180**	**7,965,321**

3 (f). Activities undertaken directly – Charity

	2022-23 £	2021 £
Staff costs	**1,435,155**	1,055,338
Office costs	**305,490**	167,748
Depreciation	**3,078**	1,473
Donated services	**1,779,789**	990,932
Other costs	**199,139**	67,472
	3,722,651	2,282,963

3 (g). Support costs – Charity

	Raising funds £	Charitable activities £	Total 2022-23 £	Raising funds £	Charitable activities £	Total 2021 £
Staff costs	744,262	885,668	**1,629,930**	497,646	465,377	963,023
Office costs	134,118	156,470	**290,588**	72,987	85,151	158,138
Depreciation	1,351	1,577	**2,928**	647	755	1,402
Donated services	–	703,839	**703,839**	–	732,885	732,885
Fundraising events costs	385,827	–	**385,827**	254,887	–	254,887
Other costs	41,811	109,891	**151,702**	20,054	52,791	72,845
	1,307,369	1,857,445	**3,164,814**	846,221	1,336,959	2,183,180

Included within support costs above are governance costs totalling £180,905 (2021: £88,403).

4. Grants payable

	2022-23 £	2021 £
Grants payable fall in three categories:		
- paid to Impetus portfolio charities	**4,643,805**	3,496,548
- paid to Impetus research organisations	**-**	2,630
- paid to Youth Endowment Fund interventions	**18,500,547**	13,950,992
	23,144,352	**17,450,170**

	2022-23 £	2021 £
Grants paid to portfolio charities in the period were as follows:		
Access Project	**275,000**	125,000
Action Tutoring	**100,000**	62,500
Ada	**137,500**	37,500
Babbasa Youth Empowerment Projects	**40,000**	-
Career Ready	**105,809**	50,000
City Gateway	**375,000**	486,391
Dallaglio Rugby Works	**-**	196,391
Football Beyond Borders	**493,750**	391,250
Generation UK	**50,000**	-
IMO	**30,000**	-
IntoUniversity	**125,000**	100,000
Jon Egging Trust	**75,000**	-
Khulisa	**75,000**	-
Kids Inspire	**80,000**	-
Mama Youth Project	**160,000**	30,000
MCR Pathways	**225,000**	235,000
Olive Academies	**125,000**	75,000
Resurgo	**457,996**	283,267
Sister System	**30,000**	-
The Difference	**225,000**	135,000
ThinkForward	**350,000**	154,000
Think for the Future	**40,000**	40,000
Transforming Lives for Good	**125,000**	75,000
Tutor Trust	**177,500**	245,000
Venture Trust	**50,000**	206,250
Voice 21	**210,000**	180,000
West London Zone	**506,250**	388,999
Charity total	**4,643,805**	3,496,548

	2022-23 £	2021 £
Grants paid to research organisations in the period were as follows:		
Youth Jobs Gap	–	2,400
Other	–	230
Charity Total	**–**	**2,630**

Impetus adopts a three-stage approach to its portfolio investment in charities. The three stages are Focus, Build and Scale. The precise nature of the investment including term and amount invested is reviewed on a case by case basis by the Investment Committee. As a result, total annual payments to charities can vary significantly depending on the phase of the investment programme. At present, there are charities in the Focus, Build and Scale stages.

Continued funding of portfolio charities is conditional upon the charities meeting specified milestones. Conditional grants are recognised as expenditure when the conditions are fulfilled. If the conditions have not been met at the year end, the grants are noted as a future commitment but not shown as expenditure.

The total amount of grants authorised but not accrued as expenditure at 31 March 2023 was £2,271,250 (as at 31 December 2021: £1,846,250). This amount relates to the charities listed above, but excludes any amounts in respect of new investees or next phase investments yet to be approved by the Investment Committee. If all current charity investees progress as envisaged, the phasing of future commitments is estimated as follows:

	£
2023-24	1,323,000
2024-25	728,250
2025-26	220,000
	2,271,250

	2022-23 £	2021 £
Grants paid by the Youth Endowment Fund to interventions in the period were as follows:		
The Global Fund for Children UK Trust	3,762,140	–
London VRU	2,332,153	–
South London and Maudsley NHS Foundation Trust (SLaM)	359,942	1,908,482
Mental Health Foundation	622,553	539,809
Centre for Youth Impact (Part of YMCA-WC)	1,064,723	–
Achieving for Children	464,609	220,835
Imperial College London	367,658	287,772
Lives Not Knives	27,088	575,000
The Titan Partnership	262,247	268,635
The Nottinghamshire Office of the Police and Crime	519,820	–
Empire Fighting Chance	152,780	355,264
Violence Reduction Network for Leicester (OPCC)	498,541	–
West Midlands Police and Crime Commissioner	476,506	–
Media Academy Cymru	313,519	159,749
Wakefield Council Youth Work Team	50,078	418,158
Redthread Youth Limited	454,547	–
StreetGames UK	273,821	179,151
London Borough of Lambeth	125,198	318,962
Family Psychology Mutual	–	440,585
REMEDI- Restorative Services	432,109	–
High Trees Community Development Trust	319,305	102,653
Artswork Ltd.	278,473	127,422
Young Persons Advisory Service	244,090	159,377
LifeLine Community Projects	108,066	294,160
Youth Focus North East	270,664	122,634
ASSIST Trauma Care	70,431	318,089
Young Devon	252,309	131,934
Family Psychology Mutual CIC	121,257	251,336
Blackburn with Darwen Borough Council	69,013	301,238
WE ARE WITH YOU	292,200	59,360
Volunteering Matters	250,090	92,760
Birmingham City Council	262,202	72,209
United Borders	299,438	–
The Rugby Football League Limited	–	294,395
YES Outdoors	248,058	34,966
Life Skills Education Charity	–	271,650
Salford Foundation Ltd	222,793	26,505
Lancashire & South Cumbria NHS FT	227,734	–
The English Football League Trust (FL Community Ltd)	224,466	–
Behavioural Insights Ltd.	213,784	–
South Wales VRU	206,288	–
The Tavistock and Portman NHS Foundation Trust	(49,493)	383,156
St Christopher's Fellowship	(62,000)	230,000
Other grants paid below £200,000	1,871,347	5,004,746
Total	**18,500,547**	13,950,992

Only grants of £200,000 and above have been individually disclosed in the note above. To obtain the detail of the grants below £200,000 please contact Impetus at its registered address.

The Youth Endowment Fund aims to prevent children and young people from getting caught up in crime and violence by making sure that those at most risk get the best possible support, as early as possible, to get on a positive path and succeed.

The total amount of grants authorised but not accrued as expenditure at 31 March 2023 was £33,031,000 (as at 31 December 2021: £27,917,000). This amount relates to the organisations listed above. If all current interventions progress as envisaged, the phasing of future commitments is estimated as follows:

	2022-23 £	2021 £
2022	–	12,376,000
2023	17,447,000	10,188,000
2024	11,926,000	27,917,000
2025	3,658,000	–
	33,031,000	27,917,000

The above conditional grant commitments to organisations are underwritten by existing reserves (see note 14).

5. Net expenditure for the period

This is stated after charging:

	Group 2022–23 £	Group 2021 £	Charity 2022-23 £	Charity 2021 £
Trustees' remuneration	-	–	-	–
Trustees' expenses	-	–	-	–
Depreciation and amortisation	26,331	13,063	6,006	2,875
Operating lease expenses	441,698	77,920	441,698	77,920
Auditors' remuneration for audit services	41,148	38,268	22,200	20,870

Directors and Officers insurance which covers the Trustees against any personal liability was provided at a cost of £11,944 (2021: £4,546).

6. Subsidiaries

6a. Investment in PEF Trading Limited

The investment of £1 in PEF Trading Limited (PEFTL) represents the whole of the issued ordinary share capital of a company incorporated in England and Wales on 13 February 2012. PEFTL engaged in miscellaneous trading activities connected to Impetus but has not traded since 2015.

	As at 31 March 2023 £	As at 31 Dec 2021 £
Administrative expenses	–	–
Net movement in funds	–	–
Ordinary share capital	1	1
Profit and loss account	–	–
Shareholders' funds represented by net assets	1	1

6b. The Youth Endowment Fund Charitable Trust

On 10 April 2019, The Youth Endowment Fund Charitable Trust was established with Impetus as its sole corporate trustee. YEF is a registered charity, number 1185413.

Summary financial results of the Youth Endowment Fund:

	15 month period ended 31 March 2023 £	As at 31 Dec 2021 £
Total income	15,263,577	10,819,403
Total expenditure	(30,746,202)	(20,189,083)
Gain on investments	(18,641,701)	9,190,475
Net movement in funds	(34,124,326)	(179,205)

Summary balance sheet

	As at 31 March 2023 £	Year ended 31 Dec 2021 £
Investments	154,643,333	192,170,308
Intangible assets	130,080	142,393
Current assets	7,711,014	3,791,102
Creditors: amounts due within one year	(1,046,327)	(541,377)
Net assets	161,438,100	195,562,426
Total funds	**161,438,100**	195,562,426

7. Staff costs

Staff costs were as follows:

	Group 2022–23 £	Group 2021 £	Charity 2022-23 £	Charity 2021 £
Salaries and wages	**5,571,597**	3,671,790	**2,635,140**	1,727,686
Social security costs	**644,261**	421,460	**129,236**	202,249
Pension contributions	**279,139**	188,401	**300,708**	88,425
	6,494,997	4,281,651	**3,065,084**	2,018,360

The salary breakdown by employee is shown in the table below (where applicable).

	Number of employees	
	2022-23	2021
Salary band		
£60,000 – £70,000	18	8
£70,000 – £80,000	7	1
£80,000 – £90,000	6	6
£90,000 – £100,000	1	-
£100,000 – £110,000	-	1
£110,000 – £120,000	4	1
£120,000 – £130,000	1	-

The employer's pension contributions for staff earning more than £60,000 per annum amounted to £150,182 (2021: £65,346).

Employee benefits, (salary, bonus, employer NI and employer pension contributions), paid for the senior management team totalled £1,810,774 for the 15 month period ended 31 March 2023 (for the year ended 31 December 2021: £1,130,968)

Staff numbers

The average weekly number of Charity and Group employees is shown below on a full-time equivalent and headcount basis:

	Group 2022–23	Group 2021	Charity 2022-23	Charity 2021
Full-time equivalents	84.7	70.3	36.4	32.5
Headcount	89	73	38	35

8. Taxation

There were no taxable profits arising for the period ended 31 March 2023.
Consequently Impetus has no liability to tax and no deferred tax.

9. Fixed assets

9(a). Intangible fixed assets

	Software £	Total £
Cost		
At the start of the period	152,581	**152,581**
Additions in period	8,012	**8,012**
At the end of the period	**160,593**	**160,593**
Amortisation		
At the start of the period	10,188	**10,188**
Charge for the period	20,325	**20,325**
At the end of the period	**30,513**	**30,513**
Net book value		
At the end of the period	**130,080**	**130,080**
At the start of the period	142,393	142,393

The charity has no intangible fixed assets

9(b). Tangible fixed assets

	Fixtures and fittings	Office and computer equipment	Group and Charity Total
Cost			
At the start of the period	54,245	15,400	**69,645**
Additions in period	3,288	11,673	**14,961**
Disposals in period	-	-	**-**
At the end of the period	**57,533**	**27,073**	**84,606**
Depreciation			
At the start of the period	54,245	10,441	**64,686**
Charge for the period	658	5,348	**6,006**
Depreciation on disposals	-	-	**-**
At the end of the period	**54,903**	**15,789**	**70,692**
Net book value			
At the end of the period	**2,630**	**11,284**	**13,914**
At the start of the period	-	4,959	4,959

10. Investments

	Group 2023	Group 2021
Market value as at 1 January 2022	192,170,308	194,220,703
Disposals	(23,946,418)	(15,579,512)
Dividends and interest reinvested	5,671,337	4,940,659
Investment management fees deducted from portfolio	(610,192)	(602,017)
Realised losses	(9,533,746)	(1,858,965)
Unrealised gains	(9,107,955)	11,049,440
Market value as at 31 March 2023	**154,643,333**	**192,170,308**

Listed and unlisted investments at the year end consist of amounts invested with Goldman Sachs for the Youth Endowment Fund. Impetus holds a £1 investment in PEF Trading Limited.

	Group 2023 £	Group 2021 £
Cash and cash equivalents	12,537,093	6,325,207
Fixed income bonds	89,100,396	118,717,261
Global equities	53,005,843	67,127,840
	154,643,333	192,170,308

11. Debtors

	Group 2023 £	Group 2021 £	Charity 2023 £	Charity 2021 £
Accrued income	**1,273,562**	890,990	**236,879**	904,160
Gift Aid	**73,531**	43,750	**73,531**	43,750
Amount due from subsidiary charity	**–**	–	**253,442**	236,687
Other debtors	**53,066**	36,182	**53,066**	36,182
Prepayments	**225,912**	148,665	**153,012**	97,504
	1,626,071	1,119,587	**769,930**	1,318,283

12. Creditors: amounts due within one year

	Group 2023 £	Group 2021 £	Charity 2023 £	Charity 2021 £
Trade and other creditors	**659,654**	254,501	**77,106**	146,894
Tax and social security	**174,335**	122,655	**174,335**	122,655
Accruals and deferred income	**356,412**	943,024	**146,076**	759,112
	1,190,401	1,320,180	**397,517**	1,028,661

13. Analysis of net assets between funds

Note for the current period

	Restricted funds £	Unrestricted funds £	Total 2022-23 £
Group			
Tangible and intangible fixed assets	130,080	13,914	**143,994**
Investments	154,643,333	-	**154,643,333**
Net current assets	7,267,653	8,032,465	**15,300,118**
	162,041,066	**8,046,379**	**170,087,445**

	Restricted funds £	Unrestricted funds £	Total 2022-23 £
Charity			
Tangible fixed assets	–	13,914	**13,914**
Investments	-	1	**1**
Net current assets	602,965	8,032,464	**8,635,429**
	602,965	**8,046,379**	**8,649,344**

Note for the prior year

	Restricted funds £	Unrestricted funds £	Total 2021 £
Group			
Tangible fixed assets	142,393	4,959	**147,352**
Investments	192,170,308	-	**192,170,308**
Net current assets	3,863,690	7,618,675	**11,482,365**
	196,176,391	**7,623,634**	**203,800,025**

	Restricted funds £	Unrestricted funds £	Total 2021 £
Charity			
Tangible fixed assets	–	4,959	**4,959**
Investments	–	1	**1**
Net current assets	565,229	7,667,411	**8,232,640**
	565,229	**7,672,371**	**8,237,600**

14. Movements in funds Group

	At the start of the period £	Income £	Expenditure £	Net gains/ (losses) on investments £	Transfer between Funds £	At the end of the period £
Restricted funds						
Portfolio charities	-	2,093,805	(2,093,805)	-	-	**-**
Engage Fund	-	380,000	(380,000)	-	-	**-**
Connect Fund	505,768	518,660	(647,342)	-	-	**377,086**
Youth Jobs Gap	-	180,518	(14,100)	-	-	**166,418**
Covid Response Fund	59,461	-	-	-	-	**59,461**
	565,229	3,172,983	(3,135,247)	-	-	**602,965**
Unrestricted funds						
Unrestricted general funds	7,623,634	8,724,679	(8,396,024)	-	94,090	**8,046,379**
Total Charity funds	**8,188,863**	**11,897,662**	**(11,531,271)**	**-**	**94,090**	**8,649,344**
Youth Endowment Fund restricted funds						
Home Office grant	191,135,651	5,688,700	(21,149,202)	(18,641,701)	(94,090)	**156,939,358**
Centre of Excellence grant	4,041,098	-	(1,140,009)	-	-	**2,901,089**
#iwill	248,371	722,500	(970,871)	-	-	**-**
Co-operative	198,517	940,000	(1,076,168)	-		**62,349**
Comic Relief	-	5,687,525	(4,214,380)	-		**1,473,145**
Focused Deterrence	-	500,000	(500,000)	-		**-**
Trauma Informed	-	139,590	(139,590)	-		**-**
Violence Against Women and Girls	-	407,446	(407,446)	-		**-**
Department for Culture, Media and Sports	-	161,493	(161,493)	-		**-**
National Police Chiefs' Council – County Lines	-	10,008	(10,008)	-		**-**
Arts Council England	-	37,500	-	-		**37,500**
Youth Futures Foundation	-	24,660	-	-		**24,660**
	-	-	-	-		**-**
General YEF funds	(12,475)	944,155	(931,680)	-	-	**-**
Total YEF restricted funds	**195,611,162**	**15,263,577**	**(30,700,847)**	**(18,641,701)**	**(94,090)**	**161,438,101**
Total group funds	**203,800,025**	**27,161,239**	**(42,232,118)**	**(18,641,701)**	**-**	**170,087,445**

Transfers between funds include charges between Impetus and The Youth Endowment Fund for Capacity Building support to projects.

Note for the prior year Group

	At the start of the year £	Income £	Expenditure £	Net gains/ (losses) on investments £	Transfer between Funds £	At the end of the year £
Charity funds						
Portfolio charities	187,768	1,473,180	(1,672,680)	-	11,732	-
Engage Fund	-	350,000	(350,000)	-	-	-
Connect Fund	-	759,622	(253,854)	-	-	505,768
Online tuition pilot	-	153,631	(153,631)	-	-	-
Covid Response Fund	59,461	-	-	-	-	59,461
	247,229	2,736,433	(2,430,165)	-	11,732	565,229
Unrestricted funds						
Unrestricted general funds	5,936,790	7,233,732	(5,535,156)	-	(11,732)	7,623,634
Total Charity funds	**6,184,019**	**9,970,165**	**(7,965,321)**	**-**	**-**	**8,188,863**
Youth Endowment Fund restricted funds						
Home Office grant	194,942,330	5,396,903	(18,394,057)	9,190,475	-	191,135,651
Centre of Excellence grant	811,776	4,000,000	(770,678)	-	-	4,041,098
#iwill and Co-operative grants	-	1,422,500	(975,612)	-	-	446,888
General YEF funds	(12,475)	-	-	-	-	(12,475)
Total YEF restricted funds	**195,741,631**	**10,819,403**	**(20,140,347)**	**9,190,475**	**-**	**195,611,162**
Total group funds	**201,925,650**	**20,789,568**	**(28,105,668)**	**9,190,475**	**-**	**203,800,025**

Note for the current period Charity

	At the start of the period £	Income £	Expenditure £	Transfer between Funds £	At the end of the period £
Charity funds					
Restricted funds					
Portfolio charities	-	2,093,805	(2,093,805)	-	-
Engage Fund	-	380,000	(380,000)	-	-
Connect Fund	505,768	518,660	(647,342)	-	377,086
Online tuition pilot	-	-	-	-	-
Youth Jobs Gap 2	-	180,518	(14,100)		166,418
Covid Response Fund	59,461	-	-	-	59,461
	565,229	3,172,983	(3,135,247)	-	602,965
Unrestricted funds					
Unrestricted general funds	7,672,371	8,770,032	(8,396,024)	-	**8,046,379**
Total Charity funds	**8,237,600**	**11,943,015**	**(11,531,271)**	-	**8,649,344**

Note for the prior year Charity	At the start of the period £	Income £	Expenditure £	Transfer between Funds £	At the end of the period £
Charity funds					
Restricted funds					
Portfolio charities	187,768	1,473,180	(1,672,680)	11,732	-
Engage Fund	-	350,000	(350,000)	-	-
Connect Fund	-	759,622	(253,854)	-	505,768
Online tuition pilot	-	153,631	(153,631)	-	-
Covid Response Fund	59,461	-	-	-	59,461
	247,229	**2,736,433**	**(2,430,165)**	**11,732**	**565,229**
Unrestricted funds					
Unrestricted general funds	**5,936,791**	**7,282,468**	**(5,535,156)**	**(11,732)**	**7,672,371**
Total Charity funds	**6,184,020**	**10,018,901**	**(7,965,321)**	**-**	**8,237,600**

Purposes of restricted funds

Portfolio charities: Impetus receives donations for specific domain areas, charities and for specific expenditure. These are treated as restricted donations with appropriate expenditure allocated against them.

Connect Fund: Impetus receives donations to support its work on race equality. These are treated as restricted donations with appropriate expenditure allocated against them.

Engage Fund: Impetus receives donations to support its work on school exclusions. These are treated as restricted donations with appropriate expenditure allocated against them

Online tuition pilot: Impetus receives donations for the National Tutoring Programme, which aims to provide tutoring to disadvantaged pupils who have fallen behind due to the Covid-19 pandemic.

Youth Jobs Gap 2: Impetus received donations to support its Youth Jobs Gap 2 report, which aims to investigate the link between education and employment outcomes.

Covid Response fund: Impetus carried out a campaign at the height of the Covid-19 pandemic to provide additional assistance to our portfolio charities adversely affected by the pandemic.

Youth Endowment Fund: the grant from the Home Office and investment returns from it are used to fund interventions to prevent children and young people from getting caught up in crime and violence by making sure that those at most risk get the best possible support.

Youth Endowment Fund: supplementary funding secured in support of the YEF is used to support and fund interventions to prevent children and young people from getting caught up in crime and violence by making sure that those at most risk get the best possible support.

Centre of Excellence fund: The Youth Endowment Fund received an additional restricted grant from the Home Office in 2020 to create a 'Centre of Excellence'.

Supplementary income includes the #iwill and Co-op funds, formed in a joint partnership with YEF to create The Peer Action Collective (PAC). Together, the partners are investing £5.2 million to build a network of peer researchers to study the experience of youth violence and turn the learning into opportunities for young people to make their community a safer, fairer place.

The National Police Chiefs' Council, Arts Council England, and Youth Futures Foundation grants are aimed at providing systematic reviews and advice on specific interventions.

Purposes of unrestricted funds

Unrestricted general funds of £8,046,379 (2021: £7,623,634) will be used to support a significant proportion of conditional grant commitments made to charities of £2,271,250 (2021: £1,846,250) per note 4.

15. Members' liability

Impetus 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. The charity has no parent or ultimate holding company.

16. Operating lease commitments

At 31 March 2023 the group had commitments under operating leases of:

	Buildings £	Equipment £	2022-23 Total £	Buildings £	Equipment £	2021 Total £
Impetus						
Due within one year	151,597	1,766	153,363	151,597	1,766	153,363
Two to five years	–	1,766	1,766	–	1,766	1,766
	151,597	3,532	155,129	151,597	3,532	155,129
Youth Endowment Fund						
Due within one year	171,000	–	171,000	228,000	–	228,000
Two to five years	-	–	-	228,000	–	228,000
	171,000	–	171,000	456,000	3,532	456,000
Total group	**322,597**	**3,532**	**326,129**	**607,597**	**3,532**	**611,129**

17. Related party transactions

Amounts donated to Impetus by its Trustees are disclosed in note 2a.

Impetus has consolidated a subsidiary, PEF Trading Limited, in the Group financial statements. Note 6 discloses Impetus' investment in this subsidiary and the subsidiary's results to 31 December 2021.

Impetus pays salary and other costs on behalf of the Youth Endowment Fund which it recharges to the restricted fund at cost. It also charges the Youth Endowment Fund for time spent by Impetus staff on YEF matters, including capacity building. Amounts totalling £3,457,931 (2021: £2,339,948) were charged by Impetus to the Youth Endowment Fund during the period. As at the 31 March 2023 the Youth Endowment Fund owed amounts totalling £253,442 (2021: £236,687) to Impetus.

There are no other related party transactions which require disclosure in the financial statements.



Impetus
Registered office:
1st Floor, Golden Cross House,
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Company number 08460519
Registered charity number 1152262

IMPETUS - THE PRIVATE EQUITY FOUNDATION

England & Wales - Charity number 1152262

Accounts



Impetus 2021 Annual accounts

Annual report and consolidated financial statements for the year ended 31 December 2021

Impetus – The Private Equity Foundation (Impetus) is a company limited by guarantee (number 08460519) and a registered charity (number 1152262).

Impetus

Reference and administrative details

Impetus – The Private Equity Foundation (Impetus) is a company limited by guarantee (number 08460519) and a registered charity (number 1152262).

TRUSTEES

Henneke Smits, Chair	
Louis Elson	(Resigned December 2021)
Bill Benjamin	
Filippo Cardini	
Charles Edwards	
Lisa Stone	
Simon Turner	
Shani Zindel	
Robert Ramseur	
Rohan Haldea	
Vanessa Mayden	
Natasha Porter	
Joseph Schull	(Appointed Decmeber 2021)

Chief Executive Officer: Eleanor Harrison OBE

Registered Office:	Golden Cross House 8 Duncannon Street London, WC2N FJF
Auditors:	Haysmacintyre LLP 10 Queen Street Place London, EC4R 1AG
Primary Banker:	NatWest 127-128 High Holborn London, WC1V 6PQ
Investment Managers:	Goldman Sachs International Plumtree Court 25 Shoe Lane London, EC4A 4AU

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Chair's report

As the year began, the effect of school closures, the missed opportunities to gain those valuable first steps into work, and the impact on the wellbeing and motivation of young people of lost time was all too clear. But even in these challenging times there was hope. Our charities remained resolute to help young people from disadvantaged backgrounds to achieve in school, work and life.

At Impetus, we were more determined than ever, working alongside our charity partners to support them to deliver more and better outcomes for the young people they serve. Impetus was founded on the principle of not just funding charities but working shoulder to shoulder alongside them to help them learn, grow and prosper. Our team had to adapt and adapt again while delivering our strategic aims, working with many more partners and growing our portfolio to significantly increase our reach and impact.

We have been generously supported by our donors. We celebrated the opportunity to meet again in person, raising a record breaking £1.5m at our Transforming Lives Dinner. I am personally grateful for our donors who weathered the storm with us, and I am delighted to welcome new donors to join us in tackling the challenges ahead.

This year our strategy took flight. We began our work with five leading charities in our Engage Fund, delivered in partnership with the Henry Smith Charity. Working together we are supporting these charities to tackle the negative effects of the high rates of school exclusion and the unacceptably poor outcomes in credible GCSE results from alternative provision.

We also welcomed our first two charities to the Connect Fund. This fund is focussed on tackling the employment gap faced by young people from ethnic minority and socio-economic disadvantaged backgrounds, to promote systemic change towards a more racially equitable society. As part of this fund and our commitment to race equity we went further, launching the Impetus Leadership Academy. The Academy will support talent from ethnic minority backgrounds in the UK youth sector to progress into senior leadership roles, and contribute to the national conversation on issues facing young people from ethnic minority backgrounds in the UK. This commitment is held strongly by the Board, and we too looked at how we can better benefit from the insight and inspiration of a more diverse team.

The value of partnerships and collaborations, introducing more co-investments and exploring new funding streams, is at the heart of the ethos of Impetus. We will continue to forge ahead finding new ways to bring to life our value of meaningful collaboration with supporters, charity partners and decision makers.

Today our mission is more urgent than ever. Our strategy for the coming three years is clear: to grow our impact while delivering sustainably. Working with others to channel more resources to where they will do the most good, for the greatest number of young people from disadvantaged backgrounds, is crucial if we are to achieve the scale of change that we want to see.

Hanneke Smits, Chair

Chief Executive Officer's report

I joined Impetus as our new CEO in the middle of the COVID-19 Pandemic. It's easy to forget how difficult those times were for all of us. We were living in an uncertain world. Young people from disadvantaged backgrounds were losing their jobs, losing their chance to prove their academic ability in the exam hall and, worst of all, often losing their hope for the future.

Too many young people from disadvantaged backgrounds continue to face the long tail of this crisis. Even as we seek to catch up these lost opportunities to learn, work and connect, rebuilding livelihoods and restoring hopefulness, we face a much deeper post-pandemic challenge.

The disadvantage gap in education and employment, which was exacerbated by the pandemic, has resettled to pretty much where it was before lockdown – but with much higher numbers of young people now sadly classified as disadvantaged. In fact, it has remained as stark through recession and recovery for over a decade. For young people in long-term poverty, the disadvantage gap in education has failed to improve since 2011. Despite record levels of participation in full-time education, overall unemployment at its lowest since the 1970s and record vacancies, **1 in 8 young people** are still outside learning or work. We must do more and do better to address this or we are doomed to repeat it for another decade.

Unless we change how we work as funders, the charities we support will not be able to meet this post pandemic challenge.

Our unique position has given us the freedom to stand by our charity partners and the flexibility to collaborate with like-minded organisations to explore new solutions to long-term problems.

We have moved swiftly to form new, bold partnerships including the **Connect Fund**, to help decrease the employment gap faced by young people from ethnic minority, disadvantaged backgrounds, and promote systemic change towards a more racially equitable society. We also launched the **Engage Fund** with the Henry Smith Charity to help reduce permanent school exclusions and improve the quality of alternative provision.

We hosted the **Fair Access Coalition** of charities focussed on increasing the number of young people from underrepresented groups in higher education. Together we opposed plans to introduce a system of Post Qualification Admissions that would mean many more young people from disadvantaged backgrounds not accessing the support they need to go to university.

We continued to grow and develop the **Youth Endowment Fund** during the year; providing both the needed group support and freedom to help the Youth Endowment Fund to focus on its mission to establish what works in reducing youth violence and deliver evidence-based change. We disbursed £17.5m to projects during the year and 43 evaluations are now being conducted. The Youth Endowment Fund Toolkit was also launched during the year, providing free, clear and accessible summaries of current evidence on what works for academics, practitioners and policy makers alike. Please do look at the Youth Endowment Fund Charitable Trust Annual Report and Accounts for further detail.

We have put our organisation on a stable footing so that we can continue our promise to the charities we support. We see our inclusivity and diversity as our strength, so we are taking forward the recommendations of our **Race Equity Taskforce** in every part of our organisation.

We have sought to be more transparent as a funder, running an open grant round for the first time.

And we have been together again. We have hosted our much-loved fundraising events like the Transforming Lives Dinner and Triathlon and held new ones like our Real Estate event. We have brought together our charity partner CEOs for peer learning forums. We have held team days to agree our vision and values.

All this has meant that this year we have grown at an unprecedented pace. We have driven significant rise in our income. We have built the size and strength of our charity portfolio. We have deepened our influence with decision makers. Most importantly, we have helped more young people from disadvantaged backgrounds achieve more and better outcomes in education and employment.

We know that the path to change is hard, which is why we provide long term, unrestricted funding and embedded support to our charities that helps them to build powerful leadership teams, learn how to measure their impact and deliver truly impact led organisations. We know that to deliver lasting, systemic change we need to build on our trusted relationships with decision makers in Government and elsewhere, setting out bold, evidence-led proposals.

As we face the post pandemic challenge together, we have an opportunity to pause and reflect on how we work as funders to bring about lasting change in the outcomes for young people from disadvantaged backgrounds. There is much to learn, and we will try - and fail at times. But we believe that if we can succeed, we can build a movement that can make sure that every young person can achieve in school, work and life.

Eleanor Harrison OBE, Chief Executive

2021 Trustees' report

The Trustees, who are also the directors of the charitable company, are pleased to present their annual report on the work of Impetus and the Group in 2021 and its plans for 2022, together with the financial statements for the year ended 31 December 2021.

Objectives and activities

Impetus is a registered charity and a company limited by guarantee. Our governing document is the Memorandum and Articles of Association incorporated on 23 March 2013. Impetus has a wholly owned trading subsidiary, PEF Trading Limited. It is also the sole corporate trustee of The Youth Endowment Fund Charitable Trust, which is a registered charity in England and Wales, number 1185413.

We support young people from disadvantaged backgrounds to help them succeed in education, employment and life by finding, funding and building the most promising charities, working in partnership with other funders to back effective interventions, and influencing government and the wider sector to back effective support.

We are focused on delivering better outcomes for young people in:

- Age-expected SATS at 11
- GCSE English and Maths by age 19
- University access for underrepresented groups
- Sustained employment
- Reduced youth offending (delivered through the Youth Endowment Fund)

The following report focuses on our work to improve education and employment outcomes.

Our work to reduce youth offending is covered in detail in the Annual Report of the Youth Endowment Fund Charitable Trust.

The ambition in our 2020-2023 strategy is to significantly increase our impact and influence in the sector whilst delivering improved sustainability. Ultimately, it is about helping more young people from disadvantaged backgrounds achieve more and better education and employment outcomes.

We aim to do this by:

- Growing our charity portfolio to 30 charities whilst sharpening our core investment model and outcomes framework.
- Investing in partnerships with both public and private funders to drive more funding to effective interventions.
- Continuing to grow our policy influence; with a key commitment to engaging the expertise, insights and voices of our portfolio charities in our research and influencing work.
- Better integrating our investment and policy work to drive more and better education and employment outcomes both within our portfolio charities and beyond.
- Delivering a happy, inclusive, productive and sustainable organisation where people thrive.

Our objectives for 2021

We set ourselves the following priorities for 2021:

- Launching two new funds on school exclusions and race equity and youth employment and adding new charities to grow our reach, outcomes and influence in areas of identified need.

- Critically assessing our impact to date through our model; the priority areas of support and new emerging needs for charities as the external environment evolves for the third sector. This is needed to ensure we continue to grow our impact efficiently and effectively.

- Being a valued critical friend, hands on supporter and champion of quality at scale in our partnerships in the Youth Employment Group, National Tutoring Programme and Fair Access Coalition; ensuring that young people from disadvantaged backgrounds remain the priority of government in terms of education catch up and employment support.

- Testing, iterating and cementing new ways of working internally to maximise the learning, insights and expertise between our policy and investment teams.

- Both diversifying and deepening our donor relationships. We will deliver a new fundraising strategy in 2021 and engage with our wonderful supporters in growing our income to support more young people with our proven model.

Our year in impact

10 M

Grown our income to £10m+ (including pro-bono).

25+

Brought in over 25 new donors this year for our work; covering core fundraising, co-investment and the new Connect Fund.

New Investments

Made 8 new investments and 1 reinvestment.

113,500 to 177,500

The number of disadvantaged young people supported by Impetus portfolio charities grew from 113,500 to 177,500.

Our year in impact

- Our portfolio charities have continued to improve their impact on disadvantaged young people's lives. For example:

  - In 2021 80% of the young people supported by our partner charity Action Tutoring achieved GCSE grades 4 in English and Maths compared to 62% in 2017.
  - Our partner charity ThinkForward increased the number of young people they supported into education, training or employment by 10% compared to 2017 (55% to 65%).
  - Our partner charity The Access Project increased the number of young people securing a university place by 14% (53% to 67%).

- Alongside this we influenced critical policy discussions and funding decisions on the reform of access to higher education, the impact of the COVID-19 pandemic on young people's employment opportunities and the investment in catch up for lost learning at school, including:

  - Protecting widening participation funding and opposing new university entrance schemes that would disadvantage young people from underrepresented groups. This benefitted more than 5,000 young people not accessing university.
  - Making the case for the youth provisions of the Plan for Jobs, including the Kickstart scheme which will benefit more than 100,000 unemployed young people to be helped into work.
  - Supporting the design and delivery of the National Tutoring Programme, benefitting more than 100,000 children in receipt of Pupil Premium.

City Gateway supports Mukadim to get back to work

Impetus have been supporting City Gateway since 2014, investing £2.1m in core funding and £940,000 in non-financial support to help them thrive despite the difficult circumstances.

Mukadim lost his job during the first COVID lockdown. The job market was at its toughest and he didn't know how apply for opportunities. After a series of rejections, he gave up.

Mukadim learnt about City Gateway online. He was supported remotely by a personal Employability Coach who taught him how to develop his CV, write a cover letter and adapt both to meet the requirements of a job description.

Six months on, Mukadim was able to secure a job through the Kickstart scheme working as an administrator and Early Years Assistant. He now works at Marks & Spencer in the evening and is hoping to save enough to set up his own company.

“Without City Gateway I would be unemployed right now. During lockdown my mental state was really bad ...now I'm ready to take on the world.”

Mukadim

Supporting our charity partners to deliver

At the core of our work are the charities we find, fund and build.

We have made strong progress towards our goal of investing in 25-27 charities by the end of 2022, starting 2021 with 13 charities in the portfolio and finishing the year with 20, with total grant funding of £3.5m which includes our co-investment grant. As part of our continued co-investment partnerships, grants of £1.55m were made to 8 charities.

Following a year of investment in internal performance management, we ran a robust annual portfolio review session in November, looking at outcomes, reach, the value we add, and allocation of resources. We found that our whole portfolio is performing well – with growth in reach, outcomes and financial sustainability across the board. For example, our Direct Fund charities have seen a 24% average annual growth in reach since entry into the portfolio.

Total outcomes for our core charities have also increased significantly. Through a combination of new investments and growth of existing charities, we significantly increased our reach in 2021 from 113,500 young people to 177,500.

In 2021, we introduced two new funds, the Engage Fund and the Connect Fund. The Engage Fund distributed £460,000 to five charities and the Connect Fund distributed £80,000 to two charities during the period. We also started the pipeline work for three new investments in social and emotional learning for attainment with our first open grant round alongside our ongoing intense capacity building support with every charity in our portfolio.

"The level of support and commitment to delivering outcomes to our young people is unparalleled"

Response from a portfolio charity CEO (in our anonymous survey)

Challenge and support to grow with impact: The Tutor Trust

The Tutor Trust provides tutoring support to young people from disadvantaged backgrounds - particularly in deprived areas in the North of England, who are falling behind at school. Their work helps these young people to achieve national standards of reading and writing and to pass their GCSEs. Tutoring is one of the best approaches to increasing outcomes for young people from disadvantaged backgrounds: evidence shows that 15 hours of tutoring has a statistically significant impact on a young person's attainment.

The organisation has grown reach significantly through the National Tutoring Programme from around 2,000 young people in 2019 to 6,000 young people in 2022. With growth came challenges in ensuring that every young person receives the full 15 hours of tutoring that is intended.

We worked with the Head of Impact to develop an impact plan with the right KPIs for session attendance and amounts of tutoring. We helped the team to setup impact dashboards to better track and monitor KPIs and individual school progress so they could see the difference they were making and adjust their plans to deliver the greatest impact. Through our day to day support we provided constructive challenge to CEO and Board to prioritise tracking and monitoring of KPIs and embed the work of the Head of Impact in delivery.

Tutor Trust provides small group (1:3) and 1:1 tutoring to young people in schools across the North of England, helping those from more disadvantaged communities to achieve their potential at school. Their support helps these young people to achieve national standards in Maths, English and Science, supporting them throughout the year, especially in advance of GCSEs and SATs. Tutoring is one of the best approaches to improving outcomes for young people from disadvantaged backgrounds: Evidence shows that 12 hours of tutoring has a statistically significant impact on a young person's attainment.

The organisation has grown its reach significantly through the National Tutoring Programme, from supporting around 2,500 young people in the academic year 2019/2020 to over 6,500 in 2021/2022. With growth came increasing challenges to ensure that every young person received the full 12 hours of tutoring. This challenge was magnified by the disruption of programmes and high rates of school absence during the Covid-19 pandemic.

We worked with the Director of Impact to develop an impact plan with the right KPIs for session attendance and amounts of tutoring. We helped the team to set up impact dashboards to better track and monitor KPIs and individual school progress so they could see the difference they were making and adjust their plans to deliver the greatest impact. Through our day-to-day support we provided constructive challenge to the CEO and Board to prioritise tracking and monitoring of KPIs and embed the work of the Director of Impact in delivery.

We also worked with the CEO and Board of Tutor Trust to ensure all tutoring was sold in 15-hour blocks, to make certain, allowing for absences, that the majority of tutees achieved a minimum of 12 hours of tutoring support, which is proven to have the greatest impact.

Peer Learning

Though regular peer learning forums we worked with our charity partners to help them focus on achieving impact and achieve measurable and lasting change. We held:

4 Impact Forums - including evaluation in COVID times.
“Our qualitative data collection will be a big focus next year. Impetus can help by sharing best practice on processes for collecting qualitative data and also best practice for analysing this information.” - Impact forum attendee (in our anonymous survey)

3 CEO Forums - including topics such as pitching for funding.
“Impetus led by example, through sharing the hard work it has already done on this agenda. Impetus and others shared really honestly about the dynamics and difficulties of making progress on this complex and sensitive agenda. It was a frank and fruitful discussion.” - CEO forum attendee (in our anonymous survey)

1 Communications Forum - focused on communicating impact.
“Understanding the motivations of both the impact team and the comms team will really help ensure that the impact data itself and communicating impact data align.”
- Communications forum attendee (in our anonymous survey)

Value added to our charity partners

Since Impetus and its predecessors were established, we've raised £149.7m of value towards our mission (excluding the £200m Home Office grant in respect of the Youth Endowment Fund). This includes the donation and investment income we've secured, the pro-bono services donated to us and our portfolio of charities, and the additional funds the charities have been able to raise with our support.

The table below shows the cumulative value that we generated for our charities by the end of 2021 and how much we generated in 2021. The difference between the £6.3m of value raised towards our mission and the £13m on the full value basis in the table below is leverage, which is income raised by our charity partners due to their relationship with Impetus, and co-investment funds paid directly to charity partners. Both income streams do not pass through Impetus, but are received by the charities directly, and therefore cannot be recognised on a statutory basis.

In accordance with accounting standards, pro-bono services donated that are recognised in the financial statements, ('statutory basis' in the table below), only include those services provided by an individual or entity as part of their trade or profession.

The 'full value' basis in the table includes additional funds raised for charities. These are included in the accounts of those charities and not Impetus' financial statements.

£'000s	2021	Since inception
Grants to Charities	3,496	54,188
Pro-bono services donated to charities	991	31,080
Value of Impetus Team	1,875	28,592
Value to Charities (Statutory basis)	**6,362**	**113,860**
Co-Investment support to charities not through Impetus	140	1,617
Leverage	6,542	34,229
Value to Charities (Full value basis)	**13,044**	**149,706**

"There is no doubt in my mind that we are where we are today and have achieved the growth and impact we have in large part due to our very powerful partnership with Impetus" -

Response from a portfolio charity CEO (in our anonymous survey)

Co-investment and partnerships

Through the Youth Employment Group, we have continued to play a vital role in putting youth employment at the forefront of the Government response to the pandemic. We regularly engage with the Departments for Education, Work and Pensions and the Treasury, and have played a key role in shaping the Plan for Jobs, including the Kickstart scheme and Youth Hubs. With the support of the Westminster Foundation, we have supported seven subgroups of interested organisations, focusing on the critical issues facing the groups of young people most affected by shocks to the labour market. The subgroups made significant progress informing national policy positions, driving sector consensus and commissioning new research to deepen understanding of the persistent barriers that young people face.

Through the Fair Access Coalition, which we convene with our portfolio charities and other key players, we engaged the regulator the Office for Students, and hosted a roundtable with young people discussing widening participation with the new Chair. We also increased our engagement with the Department for Education, through our thoughtful and timely engagement in the post qualifications assessment debate.

We made considerable progress towards delivering our strategic aim of convening like-minded funders on the issues of school exclusions, alternative provision and race equity in employment.

Having launched our new Engage Fund with the Henry Smith Charity, we welcomed 5 new charities in June 2021 working across the spectrum of reducing internal exclusions, supporting teachers and improving the quality of alternative provision. Engage aims to tackle the rising number of school exclusions and improve outcomes for young people in alternative provision, including the shocking statistic that only 6.5% of young people who sit their GCSEs in alternative provision get English and Maths GCSEs, compared to 65% in state schools.

Our co-investment in this fund means we are now reaching 44,500 young people at risk of exclusion or in alternative provision. We have worked with our new charities to align their work to our impact approach and identify a shared agenda for influencing the wider system.

We achieved our ambition of establishing a new fund focussed on race equity in employment and launched the Connect Fund with partners. The Connect Fund sits within our broader work on race equity and diversity and aims to help decrease the employment gap faced by young people from ethnic minority, disadvantaged backgrounds and promote systemic change towards a more racially equitable society. We welcomed our first two charities MAMA Youth and Career Ready into this fund and started our work to build and scale their effective, impact-led employment programmes.

Addressing systemic racism through the work we support

In August 2020, following the Black Lives Matter movement and the killing of George Floyd, we started a Race Equity Taskforce internally to look at every aspect of our organisation and our work from a race equity lens, and identify recommendations for improvement. Those recommendations were unanimously approved by our Board in March 2020. You can find out more about our work at: **www.impetus.org.uk/race-equity-diversity**

We sought funding partners to launch a new fund focused on race equity and youth employment and are delighted to now be working with The Centrebridge Foundation, Allan and Gill Gray Philanthropy, The Towerbrook Foundation, Sainsbury's and Bain and Company on this work. Our Youth Jobs Gap research highlighted that young people from ethnic minority backgrounds are twice as likely to be unemployed as their white counterparts in the UK. Our Connect Fund aims to look strategically at what works in reducing the employment gap and how to use that evidence to influence funders and employers.

We also kicked off our Impetus Leadership Academy, made possible with the generous support of Bank of America, with a brilliant cohort of 12 emerging leaders from ethnic minority backgrounds working in the UK youth sector. Over the course of the programme, we will be running a series of workshops and other activities to further develop and build their skills.

Influencing the Government agenda

Educational attainment

We supported the Education Endowment Foundation (EEF) to roll out the first year of the National Tutoring Programme (NTP). The programme supported over 200,000 young people, despite the challenges of further school closures. Alongside our partners Nesta we provided capacity building support to the 33 tuition partners. Thanks to the enthusiasm for tutoring, the Government committed over a billion pounds to fund up to 6 million tutoring courses.

In the debate about post-pandemic catch-up, the proposal to lengthen the school day became popular within Government and sector. Our research found that across everything we measured, including levels of deprivation, attainment and the attainment gap between young people from disadvantaged backgrounds and their better-off peers, the relationship between the length of the day and the outcomes wasn't clear cut. We argued that much more research, on a much bigger scale, was needed.

Access to higher education

We have been pleased to see the potential move to a system of post-qualifications admissions rejected in favour of reforms that will have greater impact on fair access, something we campaigned for over the course of the last year.

Sustained employment

Following our urging, the Government extended the Kickstart scheme in Q4, providing 6 month paid work placements for young people who have been out of education, employment or training for more than 6 months. Over 100,000 young people have started placements so far.

Working together to deliver an impact model for Youth Hubs

Working in partnership with the West Midlands Combined Authority (WMCA) and the department for Work and Pensions (DWP), we delivered a series of theory of change workshops for the new Youth Hub in Birmingham. Youth Hubs are a new government youth employment initiative, aiming to bring together a range of services to give young people joined up support outside the jobcentre. By adapting our model, we've produced a Blueprint for what the service should look like, with lessons for Government to take forward to the 150 other Youth Hubs across the country.

Securing the resources to deliver

With the support of existing and new donors we secured over £8 million in philanthropy income in 2021, bringing in 88 new donors this year, alongside all our event supporters, for core fundraising, co-investment and our Connect Fund.

We were pleased to be able to return to in person events, hosting our Transforming Lives Dinner at the Natural History Museum, bringing 400 people together for the first time since 2019 under the banner of 'making up for lost time'. In that one evening we raised a record breaking £1.5m. We also held our Triathlon in person again, bringing together more than 300 people and raising over £450k.

Our pro-bono programme delivered £1.72m of value to Impetus and our portfolio charities, finding ways to adapt practices to online working when necessary. We increased the number of Impetus donors to our supply of pro-bono supporters, including support in marketing and communications, as well as the usual strategy, business planning, financial due diligence and mentoring that we rely on to drive impact with our charities.

Youth Endowment Fund

Impetus is the sole corporate Trustee of The Youth Endowment Fund (YEF) and therefore their accounts are consolidated with Impetus core in the Impetus group accounts. The Youth Endowment Fund (YEF) exists to prevent children from becoming involved in violence. The Fund's vision is 'a world where no child or young person becomes involved in violence' with a mission to find what works and build a movement to put this knowledge into practice.

Our primary objective in 2021 was to ensure YEF had the resources, governance, strategic clarity and personnel to deliver on this mission. To avoid duplication, details on the Youth Endowment Fund are included in the annual report and financial statements produced for The Youth Endowment Fund Charitable Trust which is a registered charity (number 1185413).

Our People and Operations

We made a welcome return to the office in 2021, finding a new home in central London and bringing together our team and our partners face to face after a prolonged period of remote working.

To bring our team back together we ran interactive 'Values Sessions' in Q3 and 4 discussing existing and aspirational values that matter to staff that can be key guiding principles in how we work, behave and thrive. We also ran a series of creative away days, which gave us time to reconnect and learn together as a team.

We put in place systems to support a hybrid working approach, ensuring staff had the necessary equipment to successfully work from home as well as the office support to run hybrid meetings.

We continued to be dedicated to attracting the best talent to Impetus through our pay policy and flexible working arrangements alongside a robust performance management process and improvements to our learning and development offer.

Conscious of our responsibilities to the safety of young people we undertook safeguarding training as an organisation.

Our focus areas for 2022

Looking ahead to 2022 we are keeping our focus on our longer-term strategy while learning and growing as an organisation. We have set ourselves the following goals for 2022:

- Maintain our growth momentum on investment with a target of reaching 309,000 young people, with at least 60% of 2022 programme graduates achieving outcomes during the year.
- Deliver £7.4m in income by maintaining high donor retention, securing further income for the Connect Fund and continuing to diversify our unrestricted donor base.
- Through our policy work, shape the post-pandemic employment plan and protect Higher Education funding for young people from disadvantaged backgrounds.
- Roll out our new communications strategy to build our brand, with a focus on building awareness of our work and honing our messaging on our impact.
- Shape our culture and ways of working to act as "one Impetus" and develop an operating platform that is fit for growth.

Financial Performance

Impetus Group

Our income in 2021 was £21 million compared with £13 million in 2020, the substantial increase reflecting a £6.7m increase in donations and grant income across the group. The total group funds at the end of 2021 were £204m (2020: £202 million).

The main change to the balance sheet was an increase in group cash balances by £5 million and a decrease in investments to £2 million, reflecting the spend-down nature of the Home Office grant.

£'000s	2021	2020	Variance
Income	20,790	13,147	7,643
Expenditure	(28,106)	(24,939)	(3,167)
Net income/expenditure	**(7,316)**	**(11,792)**	**4,476**
Investment gains	9,190	9,527	(337)
Surplus/(deficit)	**1,874**	**(2,265)**	**4,139**

Balance Sheet	2021	2020	Variance
Fixed assets	147	5	142
Investments	192,170	194,221	(2,051)
Current assets	12,803	8,395	4,408
Creditors	(1,320)	(695)	(625)
Net Assets	**203,800**	**201,926**	**1,874**

Impetus (excluding the Youth Endowment Fund)

Our income in 2021 was £10.0 million (2020: £7.3 million). We received generous financial support from four main sources: individual donations, corporate sponsors, grant making trusts and foundations, and public funding. Grants and donations increased from £6.3 million to £8.1 million. We saw an increase in our income from fundraising events from £1.0 million to £1.9 million, largely due to a record breaking Transforming Lives Dinner fundraiser.

Our income includes the value our pro-bono experts contributed in the form of donated services. This was £1.72 million over the past year, compared to £1.75 million in 2020.

Our expenditure increased from £7.5 million to £8.0 million, reflecting the fact that we were able to convene much of our fundraising events in year, bringing in record levels of income, and we were able to increase our grant spend to charities by £300k.

Youth Endowment Fund

We received a £200 million grant from the Home Office in April 2019 which is to be spent over ten years to 2029. The grant was included in full in the income for 2019. The investment generated returns of £4.9 million in 2021 (2020: £4.8 million). The grant is treated as a restricted fund and at the year-end amounted to £195.6 million, with a small deficit of £12k on the unrestricted fund, which will be met by supplementary funding in 2022.

Expenditure in 2021 totalled £20.2 million, of which £14.0 million was on grants to interventions. Investment performance remained strong in 2021, however since the year end equities within the portfolio suffered from the impact of the geopolitical environment. Our exposure is well managed in order to deal with short term market fluctuations.

Reserves and reserves policy

Impetus (excluding the Youth Endowment Fund)

Impetus has healthy unrestricted reserves and a strong cash position at the balance sheet date. Our reserves policy, as initially approved by the Board in March 2014, entails:

- Minimum unrestricted funds being set as six months operating costs and the cash cost of any office lease commitment up until the break; and
- Unrestricted funds not being designated by the Trustees. Rather, a narrative is used to explain how unrestricted funds would be used against ongoing grant agreements and planned new investments.

Our unrestricted funds were £7.6 million as at 31 December 2021 (2020: £5.9 million). The minimum level of unrestricted reserves to comply with our reserves policy is £2.1 million (2020: £1.3 million).

However, given the longer-term nature of our investments, a proportion of our funds are earmarked at fulfilling future funding commitments to our charities' partners. The total value of grants to portfolio charities that are authorised but not accrued as expenditure at 31 December 2021 was £1.8 million (2020: £1.8 million).

These grants only become an obligation to Impetus if the charities achieve specific milestones. The authorised amount of £1.8 million relates to the current portfolio charities and excludes any amounts in respect of new investees or next phase investments yet to be approved by the Investment Committee. If all current grant agreements progress as planned, then the grants made in 2022 will be £1.3 million.

Our level of reserves is such that we can reduce them over the next few years (though remaining above the minimum level) as we continue to support more organisations, including through grants and funds, for a significant period in their journey to scaling impact.

In the longer-term, we will need to raise additional funds to fulfil our commitments and the strategy agreed by the Board in December 2019 is designed to increase our sustainability.

Youth Endowment Fund

The Impetus board, as sole Trustee, agreed a policy of holding minimum restricted funds in respect of the Home Office funded work equal to six months operating expenditure. The receipt of the Home Office at the outset of our work means that this policy is comfortably met.

Going concern including the impact of COVID-19

We consider that we have adequate financial reserves to continue to deliver our plans and that we have a reasonable expectation that we will have adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties that call into doubt the charity's ability to continue.

The continued impact of the pandemic across the world represented a significant event during the financial year. We have carried out a detailed assessment of the potential impact of COVID-19 over the period and revised our budget for 2021 and 2022 and projections for future years accordingly. We have also monitored the impact of the virus on the work and financial position of our portfolio of charities and we have reviewed our cash flow forecasts and monthly performance.

We have concluded that the going concern basis remains an appropriate basis of preparation for these financial statements. The virus will have contributed to some market volatility in the value of investments which have overall performed well during the period.

Investment policy for funds other than the Youth Endowment Fund

Given the need to be able to honour long-term commitments to the charities it funds, the Board has adopted a cautious investment strategy with funds received by Impetus for activities other than the Youth Endowment Fund invested in deposit accounts.

Investment policy and objectives for the Youth Endowment Fund

The grant from the Home Office was invested and has been managed by Goldman Sachs who were appointed after a competitive selection process. The investment objective is to achieve an average nominal return of 2%, net of management fees, over the life of the fund.

As at the 31 December 2021, of the total portfolio of £192.1 million, £118.7 million was invested in fixed income bonds and £67.1 million in equities. The performance of the managed fund against the target is most usefully measured over a longer period than was available in 2021. The Trustees consider that the portfolio performed well, taking advantage of the equities markets during the pandemic with a well-defined glide path to reduce equity risk post year-end.

To ensure that there are sufficient funds to cover planned grant giving and the costs of the partners in managing the YEF, the equivalent of six months forecast spending is held in cash and cash equivalents.

The investment portfolio has been divided into three sub-portfolios, each invested in different types of asset:

- Liquidity sub-portfolio - cash and cash equivalent investments.
- Mid-term sub-portfolio - investment grade government and corporate bonds.
- Growth sub-portfolio - global equities.

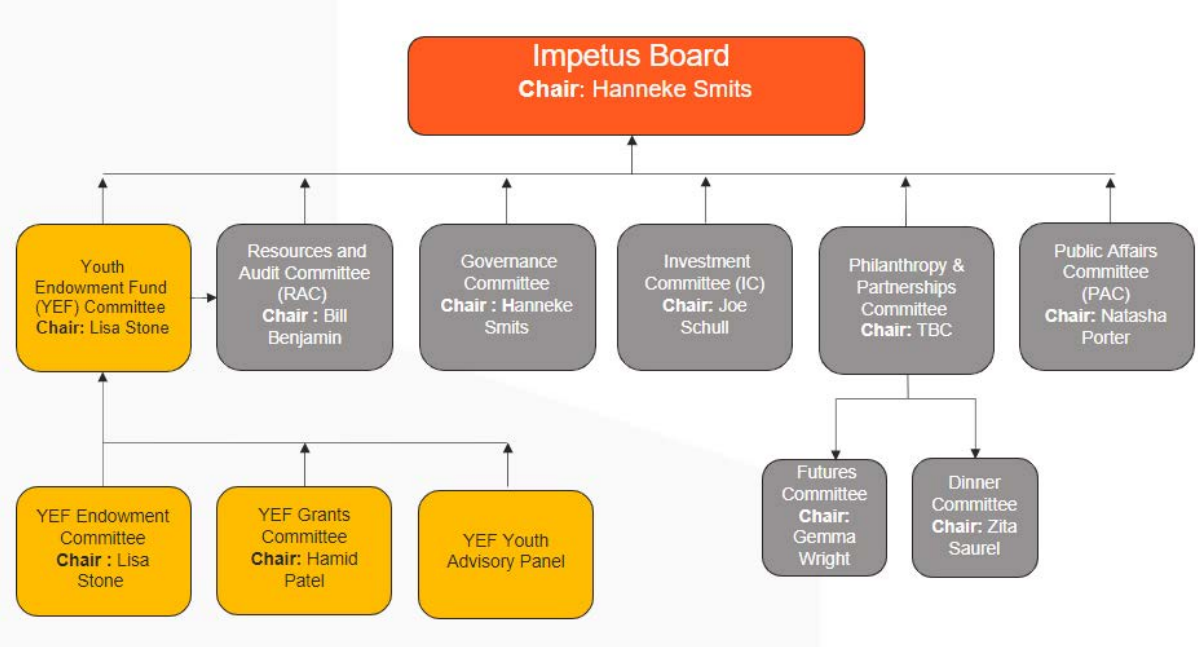
The balance between the three portfolios will vary over time in line with the fund's planned cash flows and the need to limit the level of capital risk within the portfolio.

To limit currency risk in the portfolio, cash and cash equivalent investments are only invested in sterling instruments. Bond investments are in sterling or hedged back into sterling. Hedging of non-sterling currency exposure arising from overseas equity investments is permitted but not required.

The fund managers are required to integrate consideration of environmental, social and governance (ESG) issues into their investment process in a thoughtful manner and actively engage with companies to improve their ESG practices and policies. Given the Fund's social objectives, the Trustee considers it inappropriate to invest in certain companies whose activities have a clearly negative social impact. No direct or indirect investment is therefore permitted in companies whose principal activity is in tobacco and alcohol manufacturing, armaments and controversial weapons, gambling, adult entertainment, and high interest rate lending.

The focus during this year has been on building out the investment portfolio as market opportunities presented themselves whilst being mindful of the impact of Brexit, the continued impact of COVID-19 and the revised expenditure forecasts for the fund. Post year end the portfolio was impacted by ongoing geo-political events, including the war in Ukraine. The investment committee alongside the investment managers reviewed the state of the portfolio ensuring the investment strategy remains prudent and protects the charity's investment.

Structure, governance and management



Governance and management

Impetus is a charitable company registered with the Charities Commission (Charity number 1152262) registered in 2013 under its Memorandum and Articles (governing document). The governing body of the charity is the Board of Trustees which, as of 31 December 2021, comprised 12 members who are listed on page 2.

There was one Trustee appointment and one resignation in 2021. The governing body also meets as the sole corporate Trustee of The Youth Endowment Fund, a registered charitable trust.

The appointment of a new Trustee takes place after due consideration from both parties. This is vital to ensuring a good strategic fit for the Board and the prospective Trustee. Over time, new Trustees meet our charities to gain a good understanding of our work. New Trustees are also briefed on their obligations under charity and company law, the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and the financial performance of the charity. During their induction, they meet members of staff and other Trustees whom they had not previously met. Trustees attend training events where these facilitate the undertaking of their role.

Trustees are typically elected for three-year periods and may be re-elected for a further three-year period. The Chair conducts an annual appraisal of the Board's performance and composition and the functioning of its committees, and a designated Trustee conducts a review of the Chair's role and performance.

The Board sets strategy and reviews policy. Day-to-day responsibility is delegated to the Chief Executive Officer, who works closely with the Chair. During 2021, the Board met five times. There were five committees reporting to the Impetus Board in 2021: Investment, Governance, Resources and Audit, Public Affairs, and the Youth Endowment Fund Committee. The Youth Endowment Fund Committee has two further sub committees, the Grants and Evaluation Committee and the Endowment Investment Committee.

The committees ensure in-depth review and oversight of our activities. They ensure that the specific areas of focus are led, where possible, by Trustees. Trustees are aware of and comply with the duty to act in the public benefit in accordance with section 17 of the Charities Act 2011.

Investment Committee

The Committee is responsible for ensuring that Impetus manages well a balanced portfolio that helps us deliver our mission. The committee scrutinises individual investment proposals and recommends for Board ratification the charities that should enter, progress through and exit the portfolio. The committee also reviews how each charity is progressing through our Outcomes Framework in the semi-annual Charity Review as well as its progress against funding milestones.

Governance Committee

The Committee has a strategic role in defining the role of the Board as well as how the Board interacts with its committees. It also directs the Trustee recruitment process and Trustee responsibilities. The committee is responsible for conducting the Chair evaluation as well as advising on Trustee and Board development.

Resources and Audit Committee

The Committee is responsible for reviewing and monitoring all financial and operational aspects of Impetus and reports to the Board on such matters, including financial risk management and people. Due to the size and nature of the organisation, the committee considers that an internal audit function is not required. The committee also helps ensure that Impetus maintains and develops relationships with its donors, co-investors and supporters in order for Impetus and its charities to receive the funding, pro-bono and other relevant support to achieve its overall mission and strategy.

Public Affairs Committee

The Committee supports Impetus in defining and achieving our public affairs goals. The committee reviews our public affairs strategy to ensure it is aligned with our organisational mission, and achievable in terms of the external landscape. Committee members also review research and publications in draft to help ensure our public work is high-quality, and relevant to those we are seeking to reach and influence. Annually, the committee review progress against the public affairs KPIs, to assess performance and impact.

The Youth Endowment Fund

Impetus acts as the sole corporate Trustee through its board of Trustees. Impetus established The Youth Endowment Fund Charitable Trust Committee as a committee of its board. The Committee has delegated responsibility for the management of the Youth Endowment Fund and compliance with, and implementation of the Home Office Grant Agreement. Impetus has the following matters reserved to it, receiving recommendations from the Committee on each matter:

- The overall strategy for the charity and the grants strategy or any material changes thereto.
- A budget and business plan for the charity within the framework set by the Home Office Grant Agreement and Partnership Agreement.
- The appointment or termination of appointment of Committee members and the YEF Executive Director; individual grants or material changes to existing grants with a value in excess of £10 million, including those made from Supplementary Funding.
- The terms of any partnerships with other funders, where their funding is in excess of £10 million.
- The Investment Policy and the appointment of investment managers.

The Committee has two sub-committees, The Grants and Evaluation Committee and The Endowment Investment Committee.

The Youth Endowment Fund - The Grants and Evaluation Committee

The Grants and Evaluation Committee provides oversight and scrutiny of grants to Project Implementation Partners and agreements with independent evaluators. It makes recommendations in respect of individual grants, monitors grants awarded and produces reports for the YEF Committee.

The Youth Endowment Fund - The Endowment Investment Committee

The Endowment Investment Committee has delegated responsibility for the investment management of the Youth Endowment Fund. The Trustees consider that the portfolio performed well, taking advantage of the equities markets during the pandemic with a well-defined glide path to reduce equity risk post year-end.

Remuneration arrangements for key management personnel

The Trustees consider the Impetus board and the senior management team to be the key management personnel for reporting purposes. In 2020, the senior management team at Impetus (excluding the YEF Charitable Trust) comprised the Chief Executive Officer, Director of Public Affairs, Portfolio Director, Director of Philanthropy and Partnerships, Director of Strategy and Impact and the Chief Operating Officer.

Trustees receive no remuneration. Employee pay is set by reference to an upper quartile salary benchmark which is established using a salary survey for the sector which Impetus subscribes to. The remuneration is agreed by the Resources and Audit Committee with a recommendation from the Chair in respect of the Chief Executive Officer.

Fundraising

We do not use external professional fundraisers and did not receive any complaints about our fundraising activities. We fundraise by soliciting donations from organisations and individuals. We also organise fundraising events including those where individuals fundraise directly for us. We are registered with the Fundraising Regulator and pay its annual levy and comply with its Code of Fundraising Practice.

Safeguarding

Impetus is committed to protecting our staff, volunteers, partner organisations and the people we work with alongside the interests of the young people we support and who benefit from the grants we make. Our safeguarding policies and procedures set out clear expectations of our staff and charity partners ensuring we effectively manage our risk, whilst setting out clear accountability mechanisms.

We have a dedicated senior safeguarding lead and our Board receive any necessary safeguarding updates. All staff are made aware of our safeguarding policies and procedures during their induction, combined with training sessions during the year. We continue to support and work with our Charity partners to ensure the risks surrounding safeguarding are monitored and managed effectively.

Risk and internal control

The Trustees are responsible for ensuring that the charity has an appropriate system of controls, financial and otherwise. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention of fraud and other irregularities.

Assisted by the executive and the Resources and Audit Committee, the Board regularly reviews and assesses the major risks to which Impetus is exposed. Movements against risks are reviewed at Board meetings with mitigating actions and controls discussed.

The five most significant risks identified by the Board post our current mitigation strategies are:

Risk	Mitigation
The post COVID-19 environment continues to have a significant impact on our work and our charity partners.	We have been working with our charity partners throughout the pandemic and to date, the majority of our charities are on track to achieve growth targets with no significant financial risks, with many charities performing strongly. This continues to be monitored closely.
We cannot get to a sustainable, break-even budget and our new strategy is unsuccessful.	We have agreed a new strategy involving new funds and have made progress with potential partners. Continued success with our co-investment donors has increased our financial sustainability. We have reviewed our planning assumptions on revenue but recognise these are subject to a high degree of uncertainty, especially given the nature of our income streams. We made savings in 2021 and had a record level of donations in the final quarter, however this does not solve for our longer-term sustainability. We will continue to refine our model and target a break-even budget in the next three years.
Insufficient influence with decision makers.	We are building stronger networks. We've made improvements to how we communicate our strengths and the benefits of working with Impetus. Our influence on the policy side has been very strong during the pandemic including our work on the National Tutoring Programme and our leadership role in the Youth Employment Group.
Investment model not as effective as planned.	We use a comprehensive outcomes framework and portfolio dashboard to monitor our charities' progress. Our improved portfolio data (KPIs, Outcomes Framework and Dashboard) have improved our monitoring. We continue to work on how we interpret and use the data in partnership with our charity partners.
Remote working undermines our ability to deliver our work	Staff have appropriate equipment and software to work from home and feel fully supported. In 2021, we secured a new central London premises allowing staff to return to the office. Throughout 2022 we have been trialling a new hybrid working approach, which to date has been positively received.

These risks are monitored by the Resources and Audit Committee which reviews risk movements and the various mitigation strategies in place to manage risks.

The Board believes these risks cannot be fully eliminated but they can by managed through looking to reduce their impact and the chance of their occurrence as part of the reviews.

Donors

Donating to Impetus comes with assurance that you are backing the best. We do all the hard work, so you don't have to. We find the best charities and help them become stronger organisations – changing the lives of the young people we all serve. We make your money go further by giving these charities dedicated Investment Team support and access to our world class pro-bono network; helping them to achieve better and more education and employment outcomes for more young people. We are extremely grateful for all the continued support and generosity we received from our donors, partners and our pro-bono support network.

We would like to thank the following donors for their generosity in helping us achieve our mission during 2021:

Advent International
Aon
Andrew Sillitoe & Joy Tadaki
Apax Foundation
Ares Management
Bain & Company
Bain Capital
Bank of America
BC Partners
Beechbrook Capital
Bjorn Saven IK Investment Partners Ltd
Blackstone
Blake & Sevda Kleinman
Bruno Schroder Trust
BVCA
Carlyle
CD&R
Centerbridge Foundation
Chatham Financial
Chris Field & Jodi Anderson-Field
Cinven
CVC
David Higgins
Dechert LLP
Deep & Trishna Shah
Dwight & Kirsten Poler
Eastdil Secured
Eden McCallum
Evercore
Evercore
Exponent
Financial Times
Francois Aguerre
Goldman Sachs
Goodwin
Growth Capital Partners
Guillaume Cassou
Hanneke Smits
Hellman & Friedman
Hg
Inflexion Private Equity
James McCaffrey
James Seppala
Janet Brooks
Johannes Huth
Joseph Schull & Anna Yang
JP Morgan
Karen & Liam Krehbiel
Kirkland & Ellis
Kohlberg Kravis Roberts & Co LLP
Latham & Watkins
Laurent S Haziza
Lionel & Florence Assant
Lisa Stone
Livingbridge
Lockhart Capital Management LLP
Louis G. Elson
Lulu and Ed Siskind

Minton Charitable Trust
Nadim El Gabbani & Vanessa Karlo
Nic & Jenny Humphries
Nikos Stathopoulos
Nomura International plc
OxfordSM
Patrick Healy
PJT Partners
PwC
Rede Partners
Robert Ramsauer
Rohan & Sunaina Haldea
Rothschild & Co
Royal Bank of Canada
Samir Amichi
Sidley Austin LLP
State Street
Stephen & Gitte Dawson
Stefan & Ellen Goetz
TA Associates
Terra Firma Capital Partners
The AIM Foundation
The Henry Smith Charity
The Stone Family Foundation
The Westminster Foundation
THM Partners LLP
Tilney, Smith & Williamson
Triple Point
TowerBrook
Tuixen Foundation
Warburg Pincus
Weil, Gotshal & Manges (London) LLP
Wol Kolade

Statement of Trustees' responsibilities

The Trustees (who are the directors of the charitable company) 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 charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgments and accounting estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Each of the Trustees confirms that to the best of his/her knowledge there is no information relevant to the audit of which the auditors are unaware. The Trustees also confirm that they have taken all necessary steps to ensure that they themselves are aware of all relevant audit information and that this information has been communicated to the auditors.

The Trustees' report, incorporating the directors' report was approved by the Trustees on 21 June 2021 and signed on their behalf by the Chair. In preparing this report, the directors have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

Hanneke Smits, Chair

Independent auditor's report to the members of Impetus

Opinion

We have audited the financial statements of Impetus – The Private Equity Foundation for the year ended 31 December 2021 which comprise the Consolidated Statement of Financial Activities, the Charity Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2021 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Chair's Report, the Chief Executive Officer's Report and the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 6

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

- The information given in the Trustees' Report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The directors' report included within 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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the directors' 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 by the parent charitable company; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of Trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a strategic report.

Responsibilities of Trustees for the financial statements

As explained more fully in the Trustees' responsibilities statement set out on page 25, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the groups and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent charitable company 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:

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to trust law requirements over the use of restricted funds, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011, and payroll tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to recognition of voluntary income. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual descriptions and entries posted at unusual times; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Tracey Young (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditor
Date: 12 August 2022

10 Queen Street Place
London
EC4R 1AG

Consolidated statement of financial activities for the year ended 31 December 2021

	Note	Restricted £	Unrestricted £	2021 Total £	Restricted £	Unrestricted £	2020 Total £
Income:							
Donations and grants	2a	8,614,933	5,346,255	**13,961,188**	2,242,185	5,018,029	**7,260,214**
Events and fundraising activities	2b	-	1,856,467	**1,856,467**	-	1,004,483	**1,004,483**
Investment	2c	4,940,903	373	**4,941,276**	4,821,860	29,531	**4,851,391**
Other	2d	-	30,637	**30,637**	-	30,492	**30,492**
Total income		13,555,836	7,233,732	**20,789,568**	7,064,045	6,082,535	**13,146,580**
Expenditure:							
Raising funds	3a	-	846,221	**846,221**	-	744,659	**744,659**
Charitable activities	3a	22,570,512	4,688,935	**27,259,447**	18,416,245	5,777,660	**24,193,905**
Total expenditure		22,570,512	5,535,156	**28,105,668**	18,416,245	6,522,319	**24,938,564**
Net expenditure		(9,014,676)	1,698,576	**(7,316,100)**	(11,352,200)	(439,784)	**(11,791,984)**
Transfers between funds		11,732	(11,732)	-	-	-	-
Net gains on investments	10	9,190,475	-	**9,190,475**	9,527,482	-	**9,527,482**
Net movement in funds		187,531	1,686,844	**1,874,375**	(1,824,718)	(439,784)	**(2,264,502)**
Reconciliation of funds:							
Funds at the start of the year	14	195,988,860	5,936,790	**201,925,650**	197,813,578	6,376,574	**204,190,152**
Funds at the end of the year	14	196,176,391	7,623,634	**203,800,025**	195,988,860	5,936,790	**201,925,650**

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 14 to the financial statements.

The notes that follow form an integral part of these financial statements.

Charity statement of financial activities for the year ended 31 December 2021

	Note	Restricted £	Unrestricted £	2021 Total £	Restricted £	Unrestricted £	2020 Total £
Income:							
Donations and grants	**2a**	2,736,433	5,346,255	**8,082,688**	1,242,185	5,018,029	6,260,214
Events and fundraising activities	**2b**	-	1,856,467	**1,856,467**	-	1,004,483	1,004,483
Investment	**2c**	-	373	**373**	-	29,531	29,531
Other	**2d**	-	79,373	**79,373**	-	30,636	30,636
Total income		2,736,433	7,282,468	**10,018,901**	1,242,185	6,082,679	7,324,864
Expenditure:							
Raising funds	**3e**	-	846,221	**846,221**	-	744,659	744,659
Charitable activities	**3e**	2,430,165	4,688,935	**7,119,100**	994,956	5,777,525	6,772,481
Total expenditure		2,430,165	5,535,156	**7,965,321**	994,956	6,522,184	7,517,140
Net expenditure		306,268	1,747,312	**2,053,580**	247,229	(439,505)	(192,276)
Transfers between funds		11,732	(11,732)	-	-	-	-
Net movement in funds		318,000	1,735,580	**2,053,580**	247,229	(439,505)	(192,276)
Reconciliation of funds:							
Funds at the start of the year		247,229	5,936,791	**6,184,020**	-	6,376,296	6,376,296
Funds at the end of the year		565,229	7,672,371	**8,237,600**	247,229	5,936,791	6,184,020

The notes that follow form an integral part of these financial statements.

Consolidated and charity balance sheets as at 31 December 2022

	Note	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Fixed assets					
Intangible fixed assets	9(b)	**142,393**	-	**-**	-
Tangible fixed assets	9(a)	**4,959**	5,318	**4,959**	5,318
Investments	10	**192,170,308**	194,220,703	**1**	1
		192,317,660	194,226,021	**4,960**	5,319
Current assets					
Debtors	11	**1,119,587**	1,691,040	**1,318,283**	966,324
Cash at bank and in hand		**11,682,958**	6,703,378	**7,943,018**	5,452,260
		12,802,545	8,394,418	**9,261,301**	6,418,584
Creditors: amounts due within one year	12	**(1,320,180)**	(694,789)	**(1,028,661)**	(239,883)
Net current assets		**11,482,365**	7,699,629	**8,232,640**	6,178,701
Net assets	13	**203,800,025**	201,925,650	**8,237,600**	6,184,020
Funds					
Restricted funds	14	**196,176,391**	195,988,860	**565,229**	247,229
Unrestricted funds	14	**7,623,634**	5,936,790	**7,672,371**	5,936,791
Total funds		**203,800,025**	201,925,650	**8,237,600**	6,184,020

The financial statements for Impetus, (company registration number 08460519 and charity registration number 1152262), for the year ended 31 December 2021 were approved and authorised for issue by the Board on 21 June 2022.

Hanneke Smits	Lisa Stone
Trustee	Trustee

The notes that follow form an integral part of these financial statements.

Consolidated cash flow statement for the year ended 31 December 2021

	Note	2021 £	2020 £
Net cash from operating activities	(a)	**(11,046,845)**	**(16,768,049)**
Cash flows from investing activities:			
Dividends and interest from investments		**4,940,659**	4,851,391
Purchase of software and equipment		**(155,104)**	(5,925)
Proceeds from sale of investments		**16,181,529**	145,890,329
Purchase of investments		**(4,940,659)**	(135,297,978)
Net cash used in investing activities		**16,026,425**	**15,437,817**
Change in cash and cash equivalents in the year		**4,979,580**	**(1,330,232)**
Cash and cash equivalents at the beginning of the year **Cash and cash equivalents at the end of the year**		**6,703,378** **11,682,958**	8,033,610 **6,703,378**

(a) Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net movement in funds	**1,874,375**	(2,264,502)
(Gains) on investments	**(9,190,475)**	(9,527,482)
Dividends and interest from investments	**(4,940,659)**	(4,851,391)
Loss on disposal of fixed assets	**7**	-
Depreciation and amortisation	**13,063**	3,561
Decrease/(Increase) in debtors	**571,453**	(134,750)
Increase in creditors	**625,391**	6,515
Net cash used in operating activities	**(11,046,845)**	(16,768,049)

The charity has no debt, so no analysis of net debt is presented.

The notes that follow form an integral part of these financial statements.

Notes to the financial statements for the year ended 31 December 2021

1. Accounting policies

a) The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) Second Edition effective 1 January 2019 and the Companies Act 2006.

Impetus - The Private Equity Foundation is a company, number 08460519, limited by guarantee and incorporated in England and Wales. Its registered office is at Golden Cross House, 8 Duncannon Street, London, WC2N 4JF.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements of the wholly owned subsidiary, PEF Trading Limited, have been consolidated with those of the charity on a line by line basis. The financial statements of The Youth Endowment Fund Charitable Trust have also been consolidated in the accounts of the group.

The charity is the sole corporate trustee of The Youth Endowment Fund Charitable Trust (YEF), a registered charity number 1185413. The activities of the subsidiary charity, YEF, have been included as a restricted funds in the accounts of the group.

Going concern
The accounts are prepared on the going concern basis as the trustees expect that the activities will continue for the foreseeable future and Impetus has healthy reserves and a strong cash position at the balance sheet date. There are no material uncertainties that call into doubt the charity's ability to continue in operational existence.

b) Income is included in full in the statement of financial activities once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants to Impetus are recognised in full in the statement of financial activities in the year in which they are receivable, or in the case of grants with associated eligibility criteria, in the year in which those criteria are satisfied.

Where entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the income is recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the charity can meet such conditions, recognition of income is deferred.

c) Donated services and facilities are recognised as income and expenditure in the financial statements when companies or individuals offer their professional expertise on a pro bono basis. The value of these donated services and facilities is an estimated figure based upon the valuation the professional individual or organisation places upon the time, services and facilities they have provided to Impetus. Individuals offering their time to work in areas where they are not undertaking their profession are classified as volunteers and their time is not quantified in the accounts, but is disclosed in the trustees' report. All of these amounts are treated as unrestricted donations.

d) Expenditure is recognised on an accruals basis, inclusive of any VAT which cannot be recovered. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is allocated to the particular activity where the cost relates exclusively and directly to that activity. In addition, an allocation of salary and overhead costs of the central function is made and is apportioned based upon staff estimates of time spent on each activity (including the time of the executives who offer their services on a pro bono basis).

Expenditure on raising funds relate to the costs incurred by the charitable company in raising funds for the charitable work. This includes an allocation of salary and overhead costs of the central function and is apportioned based upon staff estimates of time spent on fundraising activity.

e) Grants payable to charities are charged in the year when the offer is conveyed to the investee charity except in those cases where the offer is conditional, which is typical of investee charities of Impetus. Funding is usually offered over a period of up to five years, which is reviewed on a regular basis throughout the funding relationship. Continued funding is conditional upon the charities meeting specified milestones. Conditional grants are recognised as expenditure when the conditions are fulfilled. If the conditions have not been met at the year end, the grants are disclosed as a future commitment but are not shown as expenditure.

Grants payable to interventions by the YEF are charged in the year in which they are disbursed to the intervention. Continued funding is conditional on the interventions meeting specified milestones. Conditional grants are recognised as expenditure when the conditions are fulfilled. If the conditions have not been met at the year end, the grants are disclosed as a future commitment but are not shown as expenditure.

Notes to the financial statements for the year ended 31 December 2021

1. Accounting policies (continued)

f) The group's financial instruments all qualify as basic financial instruments in accordance with section 11 of FRS102 and are recognised on the following bases:
i. Investments in subsidiaries are measured at cost less provision for impairment.
ii. Other investments are measured at market value at the balance sheet date.
iii. Cash and cash equivalents represent bank balances and deposits held in sterling.
iv. Debtors, including Gift Aid receivable, are measured at the transaction price less any provision for doubtful debts.
v. Trade creditors are measured at the transaction price.

g) Items of equipment and software are capitalised where the purchase price or the cost of the capital project exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

h) Depreciation and amortisation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Computer equipment	Three years
Computer software	Ten years
Office equipment	Four years
Fixtures and fittings	Five years

i) Short term deposits represent cash on deposit.

j) Unrestricted funds are donations and other income receivable or generated for the objects of the charity.

k) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is matched to the restricted funds, together with a fair allocation of overheads and support costs, if appropriate.

l) The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the group to the fund. The group has no liability under the scheme other than for the payment of those contributions.

Pension contributions are also made on behalf of eligible employees and are paid into personal pension schemes as nominated by the employee and contributions pass through the SOFA as incurred.

m) Transactions in foreign currencies are translated into sterling at the rates of exchange current at the date of the transaction. Foreign currency monetary assets and liabilities in the balance sheet are translated into sterling at the rates of exchange ruling at the end of the year. Resulting exchange gains and losses are taken to the statement of financial activities.

n) Leases are regarded as operating leases and the rentals are charged to operating expenses on a straight-line basis over the term of the lease. Operating lease incentives received are added to the lease rentals and charged to operating expenses over the life of the lease. The charity has no finance leases.

o) The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. The key judgment which has had the most significant effect on amounts recognised in the financial statements relates to the recognition and measurement of Donated Services (see note 1(c)).

2. Total income

a) Donations and grants

	Group 2021 Total £	Group 2020 Total £	Charity 2021 Total £	Charity 2020 Total £
Grant from the Home Office for the Youth Endowment Fund	**-**	1,000,000	**-**	-
Other grants	**7,383,049**	644,803	**1,960,549**	644,803
Donated services	**2,179,817**	1,746,812	**1,723,817**	1,746,812
Income for Engage and Connect Funds	**1,109,622**	-	**1,109,622**	-
Cash donations from individuals and companies	**3,288,700**	3,868,599	**3,288,700**	3,868,599
Donations and grants	**13,961,188**	7,260,214	**8,082,688**	6,260,214

Donations and events income received from Trustees for the charity totalled £371,176 (2020: £293,592).

b) Events and fundraising activities

Fundraising events	**1,856,467**	1,004,483	**1,856,467**	1,004,483

c) Investment

Interest receivable	617	46,154	373	29,531
Fixed income bonds	4,326,504	4,141,221	-	-
Global equities	614,155	664,016	-	-
Investment income	**4,941,276**	4,851,391	**373**	29,531

d) Other income

Contract income	**30,637**	30,492	**30,637**	30,636
Capacity building	**-**	-	**48,736**	-
	30,637	30,492	**79,373**	30,636
Total income	**20,789,568**	13,146,580	**10,018,901**	7,324,864

Donated services represent pro bono services and facilities received by Impetus and the Youth Endowment Fund (YEF). These services relate both to work performed for Impetus or the YEF, and for our portfolio charities and are included as expenditure under note 3.

e) Additional funds raised for portfolio charities

Additional funds raised for charities are donations made directly to the portfolio charities where Impetus was instrumental in obtaining those funds. These amounts are not included in Impetus's own financial statements nor those of the group.

	2021 Total £	2020 Total £
Total additional funds generated by Impetus for portfolio charities	**6,542,102**	5,802,992

Notes to the financial statements for the year ended 31 December 2021

3 (a). Total expenditure - Group

Note for the current year

	Grant funding £	Activities undertaken directly £	Support costs £	Group total 2021 £
	Note 4	Note 3(b)	Note 3(c)	
Raising funds				
Fundraising and events	-	-	846,221	**846,221**
Charitable activities				
Supporting charities	-	3,468,873	2,265,006	**5,733,879**
Evaluation and research	-	1,895,581	-	**1,895,581**
Grants payable (note 4)	17,450,170	-	-	**17,450,170**
Donated services	-	1,446,932	732,885	**2,179,817**
Total charitable activities	17,450,170	6,811,386	2,997,891	**27,259,447**
Total expenditure	**17,450,170**	**6,811,386**	**3,844,112**	**28,105,668**

Note for the prior year

	Grant funding £	Activities undertaken directly £	Support costs £	Group total 2020 £
Raising funds				
Fundraising and events	-	-	744,659	**744,659**
Charitable activities				
Supporting charities	-	2,859,068	1,840,353	**4,699,421**
Evaluation and research	-	1,249,464	-	**1,249,464**
Grants payable (note 4)	16,498,208	-	-	**16,498,208**
Donated services	-	1,483,392	263,420	**1,746,812**
Total charitable activities	16,498,208	5,591,924	2,103,773	**24,193,905**
Total expenditure	**16,498,208**	**5,591,924**	**2,848,432**	**24,938,564**

3 (b). Activities undertaken directly - Group

	Group 2021 £	Group 2020 £
Staff costs	**2,940,814**	1,503,059
Programme costs paid to Youth Endowment Fund delivery partners	**18,994**	1,119,223
Evaluation and research	**1,895,581**	1,249,464
Consultancy costs	**272,372**	-
Office costs	**167,748**	199,014
Depreciation	**1,473**	1,679
Donated services	**1,446,932**	1,483,392
Other costs	**67,472**	36,093
	6,811,386	5,591,924

3 (c). Support costs - Group

	Raising funds £	Charitable activities £	Total 2021 £	Raising funds £	Charitable activities £	Total 2020 £
Staff costs	497,646	843,191	**1,340,837**	548,388	566,210	1,114,598
Office costs	72,987	149,072	**222,059**	114,583	277,318	391,901
Depreciation	647	755	**1,402**	967	916	1,883
Donated services	**-**	732,885	**732,885**	-	263,420	263,420
Fundraising events costs	254,887	-	**254,887**	69,669	-	69,669
Investment management fee	-	594,134	**594,134**	-	562,517	562,517
Other costs	20,054	677,854	**697,908**	11,052	433,392	444,444
	846,221	2,997,891	**3,844,112**	744,659	2,103,773	2,848,432

Included within support costs above are governance costs totalling £105,801 (2020: £61,709).

Notes to the financial statements for the year ended 31 December 2021

3 (d). Pro bono income and expenditure - Group and Charity

Donated services are analysed as income and expenditure within the financial statements. The split of donated services across portfolio charities and other activities is as follows:

	2021 £	2020 £
Unrestricted		
Support to portfolio charities	**990,932**	1,483,392
Support to Impetus for portfolio work	**658,402**	124,833
Support to Impetus	**74,483**	138,587
Youth Endowment Fund	**456,000**	-
Total donated services	**2,179,817**	**1,746,812**

3 (e). Total expenditure - Charity

Note for the current year

	Grant funding £	Activities undertaken directly £ Note 3(f)	Support costs £ Note 3(g)	Total 2021 £
Raising funds				
Fundraising and events	-	-	846,221	**846,221**
Charitable activities				
Supporting charities	-	1,292,031	604,074	**1,896,105**
Grants payable (note 4)	3,499,178	-	-	**3,499,178**
Donated services	-	990,932	732,885	**1,723,817**
Total charitable activities	3,499,178	2,282,963	1,336,959	**7,119,100**
Total expenditure	**3,499,178**	**2,282,963**	**2,183,180**	**7,965,321**

Note for the prior year

	Grant funding £	Activities undertaken directly £	Support costs 0	Total 2020 £
Raising funds				
Fundraising and events	-	-	744,659	**744,659**
Charitable activities				
Supporting charities	-	1,170,546	657,367	**1,827,913**
Grants payable (note 4)	3,197,756	-	-	**3,197,756**
Donated services	-	1,483,392	263,420	**1,746,812**
Total charitable activities	3,197,756	2,653,938	920,787	**6,772,481**
Total expenditure	**3,197,756**	**2,653,938**	**1,665,446**	**7,517,140**

3 (f). Activities undertaken directly - Charity

	2021 £	2020 £
Staff costs	**1,055,338**	933,894
Office costs	**167,748**	199,014
Depreciation	**1,473**	1,679
Donated services	**990,932**	1,483,392
Other costs	**67,472**	35,959
	2,282,963	2,653,938

3 (g). Support costs - Charity

	Raising funds £	Charitable activities £	Total 2021 £	Raising funds £	Charitable activities £	Total 2020 £
Staff costs	497,646	465,377	**963,023**	548,388	470,723	1,019,111
Office costs	72,987	85,151	**158,138**	114,583	108,552	223,135
Depreciation	647	755	**1,402**	967	916	1,883
Donated services	-	732,885	**732,885**	-	263,420	263,420
Fundraising events costs	254,887	-	**254,887**	69,669	-	69,669
Other costs	20,054	52,791	**72,845**	11,052	77,176	88,228
	846,221	1,336,959	**2,183,180**	744,659	920,787	1,665,446

Included within support costs above are governance costs totalling £88,403 (2020: £47,309).

Notes to the financial statements for the year ended 31 December 2021

4. Grants payable

Grants payable fall in three categories:	2021 £	2020 £
- paid to Impetus portfolio charities	**3,496,548**	3,171,539
- paid to Impetus research organisations	**2,630**	26,217
- paid to YEF research organisations	**-**	92,721
- paid to Youth Endowment Fund interventions	**13,950,992**	13,207,731
	17,450,170	**16,498,208**

Grants paid to portfolio charities in the year were as follows:

	2021 £	2020 £
Access Project	**125,000**	275,000
Action Tutoring	**62,500**	253,000
Ada	**37,500**	-
Career Ready	**50,000**	-
City Gateway	**486,391**	400,000
Dallaglio Rugby Works	**196,391**	150,000
EY Foundation	**-**	100,000
Football Beyond Borders	**391,250**	90,000
IntoUniversity	**100,000**	200,000
Magic Breakfast	**-**	54,171
Mama Youth	**30,000**	-
MCR Pathways	**235,000**	-
Olive Academies	**75,000**	-
Online Tutoring Programme	**-**	290,000
Power 2	**-**	50,000
Resurgo	**283,267**	419,535
The Difference	**135,000**	-
ThinkForward	**154,000**	29,000
Think for the Future	**40,000**	-
Transforming Lives for Good	**75,000**	-
Tutor Trust	**245,000**	190,000
Twenty Twenty	**-**	31,250
Venture Trust	**206,250**	293,750
Voice 21	**180,000**	25,000
West London Zone	**388,999**	320,833
Charity total	**3,496,548**	3,171,539

Grants paid to research organisations in the year were as follows:

	2021 £	2020 £
Youth Jobs Gap	**2,400**	19,217
Other	**230**	7,000
Charity Total	**2,630**	**26,217**

Impetus adopts a three-stage approach to its portfolio investment in charities. The three stages are Focus, Build and Scale. The precise nature of the investment including term and amount invested is reviewed on a case by case basis by the Investment Committee. As a result, total annual payments to charities can vary significantly depending on the phase of the investment programme. At present, there are charities in the Focus, Build and Scale stages.

Continued funding of portfolio charities is conditional upon the charities meeting specified milestones. Conditional grants are recognised as expenditure when the conditions are fulfilled. If the conditions have not been met at the year end, the grants are noted as a future commitment but not shown as expenditure.

The total amount of grants authorised but not accrued as expenditure at 31 December 2021 was £1,846,250 (2020: £1,776,250). This amount relates to the charities listed above, but excludes any amounts in respect of new investees or next phase investments yet to be approved by the Investment Committee. If all current charity investees progress as envisaged, the phasing of future commitments is estimated as follows:

	£
2022	**1,345,500**
2023	**446,750**
2024	**54,000**
	1,846,250

Notes to the financial statements for the year ended 31 December 2021

4. Grants payable (cont'd)

Grants paid by the Youth Endowment Fund to interventions in the year were as follows:

	2021 £	2020 £
Achieving for Children	220,835	493,500
Artswork Ltd.	127,422	-
ASSIST Trauma Care	318,089	183,124
Blackburn with Darwen Borough Council	301,237	-
Brandon Centre for Counselling and Psychotherapy for Young People	150,000	224,000
Centre for Youth Impact	150,000	-
Cleveland Fire Brigade (Authority)	-	50,000
Comic Relief	-	4,000,000
Empire Fighting Chance	355,264	209,766
Essex Boys and Girls Clubs	186,800	87,973
Family Psychology Mutual	440,585	77,841
Family Psychology Mutual CIC	251,336	-
Family Support	158,487	120,000
Fight for Peace International	-	50,000
FL Community Ltd.	126,641	-
High Trees Community Development Trust	102,653	-
Imperial College London	287,772	212,314
Leicestershire County Council	-	116,972
Life Skills Education Charity	271,650	253,650
LifeLine Community Projects	294,160	100,000
Lime Social Marketing Media & Communications Ltd	-	50,000
Lives Not Knives	575,000	344,000
London Borough of Lambeth	318,962	238,462
Media Academy Cymru	159,749	50,549
Mental Health Foundation	539,809	116,317
No Limits (South)	84,327	-
Nottingham City Council	-	72,414
Office of the Police and Crime Commissioner for Northumbria	-	51,402
Preston North End Community and Education Trust	-	54,094
RISE Mutual CIC	163,376	228,121
Roots of Empathy	77,687	101,907
SkyWay Charity	-	55,464
Solihull Metropolitan Borough Council	-	54,000
South London and Maudsley NHS Foundation Trust (SLaM)	1,908,482	1,174,929
South Tyneside Council	161,490	57,638
St Christopher's Fellowship	230,000	-
St Giles Trust	107,245	-
StreetGames UK	179,151	64,123
The Rugby Football League Limited	294,395	136,854
The Tavistock and Portman NHS Foundation Trust	383,156	285,000
The Titan Partnership	268,635	240,818
Volunteering Matters	92,760	-
Wakefield Council Youth Work Team	418,158	132,462
Young Devon	131,934	-
Youth Focus North East	122,634	-
Young Persons Advisory Service	159,377	-
Other grants paid below £50,000	3,831,734	3,520,037
Total	**13,950,992**	13,207,731

Grants paid to research organisations in the year were as follows:

	2021 £	2020 £
Campbell Collaboration	-	92,721

Only grants of £50,000 and above have been individually disclosed in the note above. To obtain the detail of the grants inculded within 'other' please contact Impetus at it's registered address.

The Youth Endowment Fund aims to prevent children and young people from getting caught up in crime and violence by making sure that those at most risk get the best possible support, as early as possible, to get on a positive path and succeed.

The total amount of grants authorised but not accrued as expenditure at 31 December 2021 was £27,917,000 (2020: £18,834,519). This amount relates to the organisations listed above. If all current interventions progress as envisaged, the phasing of future commitments is estimated as follows:

	2021 £	2020 £
2021	-	**16,118,140**
2022	**12,376,000**	**2,256,379**
2023	**10,188,000**	**460,000**
2024	**5,353,000**	-
	27,917,000	**18,834,519**

The above conditional grant commitments to organisations are underwritten by existing reserves (see note 14).

Notes to the financial statements for the year ended 31 December 2021

5. Net income/(expenditure) for the year
This is stated after charging:

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Trustees' remuneration	**-**	-	**-**	-
Trustees' expenses	**-**	-	**-**	-
Depreciation and amortisation	**13,063**	3,561	**2,875**	3,561
Operating lease expenses	**77,920**	2,121	**77,920**	2,121
Auditors' remuneration for audit servic	**38,268**	26,350	**20,870**	14,350

Directors and Officers insurance which covers the Trustees against any personal liability was provided at a cost of £4,546 (2020: £4,546).

6. Subsidiaries

6a. Investment in PEF Trading Limited
The investment of £1 in PEF Trading Limited (PEFTL) represents the whole of the issued ordinary share capital of a company incorporated in England and Wales on 13 February 2012. PEFTL engaged in miscellaneous trading activities connected to Impetus but has not traded since 2015.

	Year ended 31 Dec 2021 £	Year ended 31 Dec 2020 £
Administrative expenses	**-**	(134)
Net movement in funds	**-**	**(134)**
Ordinary share capital	1	1
Profit and loss account	-	-
Shareholders' funds represented by net assets	**1**	1

6b.The Youth Endowment Fund Charitable Trust
On 10 April 2019, The Youth Endowment Fund Charitable Trust was established with Impetus as its sole corporate trustee. YEF is a registered charity, number 1185413.

Summary financial results of the Youth Endowment Fund:

	Year ended 31 Dec 2021 £	Period ended 31 Dec 2020 £
Total income	10,819,403	5,821,860
Total expenditure	(20,189,083)	(17,421,289)
Gain on investments	9,190,475	9,527,482
Net movement in funds	(179,205)	(2,071,947)
Summary balance sheet as at 31 December 2021		
Investments	192,170,308	194,220,703
Intangible assets	142,393	-
Current assets	3,791,102	2,212,470
Creditors: amounts due within one year	(541,377)	(691,542)
Net assets	195,562,426	195,741,631
Restricted funds	195,472,426	195,741,631
	195,472,426	195,741,631

Notes to the financial statements for the year ended 31 December 2021

7. Staff costs

		Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Staff costs were as follows:	Salaries and wages	**3,671,790**	2,242,578	**1,727,686**	1,670,590
	Social security costs	**421,460**	268,167	**202,249**	201,534
	Pension contributions	**188,401**	106,912	**88,425**	80,881
		4,281,651	2,617,657	**2,018,360**	1,953,005

The salary breakdown by employee is shown in the table below (where applicable).

	Number of employees	
Salary band	2021	2020
£60,000 - £70,000	8	3
£70,000 - £80,000	1	-
£80,000 - £90,000	6	-
£90,000 - £100,000	-	5
£100,000 - £110,000	1	1
£110,000 - £120,000	1	-

The employer's pension contributions for staff earning more than £60,000 per annum amounted to £65,346 (2020: £37,442).

Employee benefits, (salary, bonus, employer NI and employer pension contributions), paid for the senior management team totalled £1,130,968 (2020: £951,627).

Staff numbers

The average weekly number of Charity and Group employees is shown below on a full-time equivalent and headcount basis:

	Group 2021	Group 2020	Charity 2021	Charity 2020
Full-time equivalents	70.3	40.6	32.5	32.8
Headcount	73	43	35	35

8. Taxation

There are no taxable profits arising within the subsidiary for the year ending 31 December 2021. Consequently Impetus has no liability to tax and no deferred tax.

9(a). Intangible fixed assets

	Software £	Group £
Cost		
At the start of the year	-	**-**
Additions in period	152,581	**152,581**
At the end of the year	**152,581**	**152,581**
Amortisation		
At the start of the year	-	**-**
Charge for the period	10,188	**10,188**
At the end of the year	**10,188**	**10,188**
Net book value		
At the end of the year	**142,393**	**142,393**
At the start of the year	-	-

The charity has no intangible fixed assets

9(b). Tangible fixed assets

	Fixtures and fittings £	Office and computer equipment £	Group & Charity Total £
Cost			
At the start of the year	148,261	151,970	**300,231**
Additions in period	-	2,523	**2,523**
Disposals in period	(94,016)	(139,093)	**(233,109)**
At the end of the year	**54,245**	**15,400**	**69,645**
Depreciation			
At the start of the year	148,261	146,652	**294,913**
Charge for the period	275	2,600	**2,875**
Depreciation on disposals	(94,291)	(138,811)	**(233,102)**
At the end of the year	**54,245**	**10,441**	**64,686**
Net book value			
At the end of the year	**-**	**4,959**	**4,959**
At the start of the year	-	5,318	5,318

10. Investments

	Group 2021 £	Group 2020 £
Market value at at 1 January 2021	194,220,703	195,285,572
Additions	-	130,476,118
Disposals	(15,579,512)	(145,487,384)
Dividends and interest reinvested	4,940,659	4,820,594
Investment management fees deducted from portfolio	(602,017)	(402,945)
Realised losses	(1,858,965)	281,914
Unrealised gains	11,049,440	9,245,568
Market value as at 31 December 2021	**192,170,308**	**194,220,703**

Listed and unlisted investments at the year end consist of amounts invested with Goldman Sachs for the Youth Endowment Fund. Impetus holds a £1 investment in PEF Trading Limited.

	Group 2021 £	Group 2020 £
Cash and cash equivalents	6,325,207	9,303,087
Fixed income bonds	118,717,261	127,322,935
Global equities	67,127,840	57,594,681
	192,170,308	194,220,703

11. Debtors

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Accrued income	**890,990**	588,781	**904,160**	588,781
Gift Aid	**43,750**	63,000	**43,750**	63,000
Amount due from subsidiary charity	**-**	-	**236,687**	236,636
Other debtors	**36,182**	26,851	**36,182**	26,851
Prepayments	**148,665**	252,216	**97,504**	51,056
YEF delivery partners	**-**	760,192	**-**	-
	1,119,587	1,691,040	**1,318,283**	966,324

12. Creditors: amounts due within one year

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Trade and other creditors	**254,501**	180,232	**146,894**	50,436
Tax and social security	**122,655**	88,637	**122,655**	88,637
Accruals and deferred income	**943,024**	425,920	**759,112**	100,810
	1,320,180	694,789	**1,028,661**	239,883

Notes to the financial statements for the year ended 31 December 2021

13. Analysis of net assets between funds

Note for the current year

Group

	Restricted funds £	Unrestricted funds £	Total 2021 £
Tangible and intangible fixed assets	142,393	4,959	**147,352**
Investments	192,170,308	-	**192,170,308**
Net current assets	3,863,690	7,618,675	**11,482,365**
	196,176,391	**7,623,634**	**203,800,025**

Charity

	Restricted funds £	Unrestricted funds £	Total 2021 £
Tangible fixed assets	-	4,959	**4,959**
Investments	-	1	**1**
Net current assets	565,229	7,667,411	**8,232,640**
	565,229	**7,672,371**	**8,237,600**

Note for the prior year

Group

	Restricted funds £	Unrestricted funds £	Total 2020 £
Tangible fixed assets	-	5,318	**5,318**
Investments	194,220,703	-	**194,220,703**
Net current assets	1,768,157	5,931,472	**7,699,629**
	195,988,860	**5,936,790**	**201,925,650**

Charity

	Restricted funds £	Unrestricted funds £	Total 2020 £
Tangible fixed assets	-	5,318	**5,318**
Investments	-	1	**1**
Net current assets	247,229	5,931,472	**6,178,701**
	247,229	**5,936,791**	**6,184,020**

14. Movements in funds
Group

	At the start of the year £	Income £	Expenditure £	Net gains/ (losses) on investments £	Transfer between Funds £	At the end of the year £
Charity funds						
Restricted funds						
Portfolio charities	187,768	1,473,180	(1,672,680)	-	11,732	-
Engage Fund	-	350,000	(350,000)	-	-	-
Connect Fund	-	759,622	(253,854)	-	-	**505,768**
Online tuition pilot	-	153,631	(153,631)	-	-	-
Covid Response Fund	59,461	-	-	-	-	**59,461**
	247,229	2,736,433	(2,430,165)	-	11,732	**565,229**
Unrestricted funds						
Unrestricted general funds	5,936,790	7,233,732	(5,535,156)	-	(11,732)	**7,623,634**
Total Charity funds	**6,184,019**	**9,970,165**	**(7,965,321)**	**-**	**-**	**8,188,863**
Youth Endowment Fund restricted funds						
Home Office grant	194,942,330	5,396,903	(18,394,057)	9,190,475	-	**191,135,651**
Centre of Excellence grant	811,776	4,000,000	(770,678)	-	-	**4,041,098**
#iwill and Co-operative grants	-	1,422,500	(975,612)	-	-	**446,888**
General YEF funds	(12,475)	-	-	-	-	**(12,475)**
Total YEF restricted funds	**195,741,631**	**10,819,403**	**(20,140,347)**	**9,190,475**	**-**	**195,611,162**
Total group funds	**201,925,650**	**20,789,568**	**(28,105,668)**	**9,190,475**	**-**	**203,800,025**

Note for the prior year
Group

	At the start of the year £	Income £	Expenditure £	Net gains/ (losses) on investments £	Transfer between Funds £	At the end of the year £
Charity funds						
Restricted funds						
Portfolio charities	-	719,803	(532,035)	-	-	187,768
Online tuition pilot	-	290,000	(290,000)	-	-	-
Covid Response Fund	-	232,382	(532,035)	-	-	59,461
	-	1,242,185	(1,354,070)	-	-	247,229
Unrestricted funds						
Unrestricted general funds	6,376,296	6,082,535	(6,522,184)	144	-	5,936,791
Total Charity funds	**6,376,296**	**7,324,720**	**(7,876,254)**	**144**	**-**	**6,184,020**
Youth Endowment Fund restricted funds						
Home Office grant	197,822,453	4,821,860	(17,229,465)	9,527,482	-	194,942,330
Home Office grant	-	1,000,000	(188,225)	-	-	811,775
General YEF funds	(8,875)	-	(3,600)	-	-	(12,475)
Total YEF restricted funds	197,813,578	5,821,860	(17,421,290)	9,527,482	-	195,741,630
Unrestricted trading subsidiary	278	-	(134)	(144)	-	-
Total unrestricted funds	**197,813,856**	**5,821,860**	**(17,421,424)**	**9,527,338**	**-**	**195,741,630**
Total group funds	**204,190,152**	**13,146,580**	**(24,938,564)**	**9,527,482**	**-**	**201,925,650**

Note for the current year Charity	At the start of the year £	Income £	Expenditure £	Transfer between Funds £	At the end of the year £
Charity funds					
Restricted funds					
Portfolio charities	187,768	1,473,180	(1,672,680)	11,732	**-**
Engage Fund	-	350,000	(350,000)	-	**-**
Connect Fund	-	759,622	(253,854)	-	**505,768**
Online tuition pilot	-	153,631	(153,631)	-	**-**
Covid Response Fund	59,461	-	-	-	**59,461**
	247,229	2,736,433	(2,430,165)	11,732	**565,229**
Unrestricted funds					
Unrestricted general funds	5,936,791	7,282,468	(5,535,156)	(11,732)	**7,672,371**
Total Charity funds	**6,184,020**	**10,018,901**	**(7,965,321)**	**-**	**8,237,600**

Note for the prior year Charity	At the start of the year £	Income £	Expenditure £	Net gains/ (losses) on investments £	Transfer between Funds £	At the end of the year £
Charity funds						
Restricted funds						
Portfolio charities	-	719,803	(532,035)	-	-	187,768
Online tuition pilot	-	290,000	(290,000)	-	-	-
Covid Response Fund	-	232,382	(172,921)	-	-	59,461
	-	1,242,185	(994,956)	-	-	247,229
Unrestricted funds						
Unrestricted general funds	6,376,296	6,082,535	(6,522,184)	144	-	5,936,791
Unrestricted trading subsidiary	278	-	(134)	(144)	-	-
Total Charity funds	**6,376,574**	**7,324,720**	**(7,517,274)**	**-**	**-**	**6,184,020**

Purposes of restricted funds

Portfolio charities: Impetus receives donations for specific domain areas, charities and for specific expenditure. These are treated as restricted donations with appropriate expenditure allocated against them.

Online tuition pilot: Impetus receives donations for the National Tutoring Programme, which aims to provide tutoring to disadvanteged pupils who have fallen behind due to the Covid-19 pandemic.

Covid Response fund: Impetus carried out a campaign at the height of the Covid-19 pandemic to provide additional assistance to our portfolio charities adversley affected by the pandemic.

Youth Endowment Fund: the grant from the Home Office and investment returns from it are used to fund interventions to prevent children and young people from getting caught up in crime and violence by making sure that those at most risk get the best possible support.

Youth Endowment Fund: supplementary funding secured in support of the YEF is used to support and fund interventions to prevent children and young people from getting caught up in crime and violence by making sure that those at most risk get the best possible support.

Centre of Excellence fund: The Youth Endowment Fund received an additional restricted grant from the Home Office in 2020 to create a 'Centre of Excellence'.

Supplementary income includes the #iwill and Co-op funds, formed in a joint partnership with YEF to create
The Peer Action Collective (PAC). Together, the partners are investing £5.2 million to build a network of peer researchers to study the experience of youth violence and turn the learning into opportunities for young people to make their community a safer, fairer place.

Purposes of unrestricted funds

Unrestricted general funds of £7,623,634 (2020 - £5,936,791) will be used to support a significant proportion of conditional grant commitments made to charities of £1,846,250 (2020 - £1,776,250) per note 4.

Notes to the financial statements for the year ended 31 December 2021

15. Members' liability

Impetus 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. The charity has no parent or ultimate holding company.

16. Operating lease commitments

At 31 December 2021, the charity had commitments under operating leases of:

	Buildings £	Equipment £	2021 Total £	Equipment £	2020 Total £
Impetus					
Due within one year	151,597	1,766	153,363	1,768	1,768
Two to five years	-	1,766	1,766	3,535	3,535
	151,597	3,532	155,129	5,303	5,303
Youth Endowment Fund					
Due within one year	228,000	-	228,000	-	-
Two to five years	228,000	-	228,000	-	-
	456,000	-	456,000	-	-
Total group	**607,597**	**3,532**	**611,129**	**5,303**	**5,303**

17. Related party transactions

Amounts donated to Impetus by its Trustees are disclosed in note 2a.

Impetus has consolidated a subsidiary, PEF Trading Limited, in the Group financial statements. Note 6 discloses Impetus' investment in this subsidiary and the subsidiary's results to 31 December 2021.

Impetus pays salary and other costs on behalf of the Youth Endowment Fund which it recharges to the restricted fund at cost. It also charges the Youth Endowment Fund for time spent by Impetus staff on YEF matters, including capacity building. Amounts totalling £2,339,948 (2020: £708,603) were charged by Impetus to the Youth Endowment Fund during 2021. As at the 31 December 2021 the Youth Endowment Fund owed amounts totalling £236,687 (2020: £236,636) to Impetus.

There are no other related party transactions which require disclosure in the financial statements.

Thank you

All young people can succeed at school and work with the right support

Impetus.org.uk

@ImpetusUK

info@impetus.org.uk

1st Floor, Golden Cross House,
8 Duncannon St, London
WC2N 4JF

Impetus

IMPETUS - THE PRIVATE EQUITY FOUNDATION

England & Wales - Charity number 1152262

Accounts



Impetus

Impetus 2020 Annual Accounts

Annual report and consolidated financial statements
for the year ended 31 December 2020

Impetus – The Private Equity Foundation trading as Impetus

Company no. 08460519
Charity no. 1152262

Reference and administrative details

Impetus – The Private Equity Foundation (Impetus) is a company limited by guarantee (number 08460519) and a registered charity (number 1152262).

Trustees

Hanneke Smits, Chair
Louis Elson
Bill Benjamin
Filippo Cardini
Charles Edwards
Lisa Stone
Simon Turner
Shani Zindel
Robert Ramseur
Rohan Haldea
Vanessa Maydon
Natasha Porter

Chief Executive Officer (to 30 June 2020):	Andrew Ratcliffe
Acting Chief Executive Officer (01 July -14 September 2020)	Dr Maria Neophytou
Chief Executive Officer (from 14 September 2020):	Eleanor Harrison OBE

Registered Office:	10 Queen Street Place London, EC4R 1AG
Auditors:	Haysmacintyre LLP 10 Queen Street Place London, EC4R 1AG
Primary Banker:	NatWest 127-128 High Holborn London, WC1V 6PQ
Investment Managers:	Goldman Sachs International Plumtree Court 25 Shoe Lane London, EC4A 4AU

"Being on the Spear Programme gave me a genuine reason to get out of bed. I was so alone, and didn't have anyone to communicate with, but meeting other young people and the lovely coaches made me realise I'm not in this by myself. It changed my outlook completely. I felt like I could truly learn something on Spear because I was so comfortable there – the coaches and other trainees made me feel like I could say anything, because it felt like the only place where people understood my situation."

Lexi, Resurgo

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Chair's report

My third year as Chair of this impressive charity has been amidst an unparalleled global challenge. Across the world, we have all felt the serious and unprecedented impact of COVID-19.

We saw that without the best support, the young people that our charities work with would be hit hard by the pandemic. With school closures and rapidly rising unemployment, they are a generation at risk of falling even further behind their better-off peers in school and spending longer periods out of work.

At Impetus, we acted with urgency, working alongside our charity partners helping them to put in place digital offers, plan scenarios, and supporting them through difficult staffing decisions to bring stability to their organisations as they navigated their way through this time of great uncertainty.

During this year we also had to rethink how we deliver our fundraising. We launched an appeal to fund our emergency COVID-19 relief and our donors responded with extraordinary generosity, helping us raise further funding for our charity partners. We took our iconic Transforming Lives Dinner and Impetus Triathlon online and were delighted that our dedicated supporters embraced these events with such vigour in their new format.

We have also been refining and embarking on our new strategy that places increased emphasis on the value of partnerships and collaborations, introducing more co-investments and exploring new funding streams. I am excited about the opportunities it poses for our supporters, charity partners and the young people they serve.

It has been wonderful to see so many of the charities we support achieve successes despite the challenging year: Resurgo has grown to 11 centres and three of our charities succeeded in their bids to become National Tutoring Programme (NTP) Tuition Partners (The Access Project, Action Tutoring and The Tutor Trust) to name just a few examples. The Youth Endowment Fund also continues to grow from strength to strength.

We have been delighted to welcome our new Chief Executive, Eleanor Harrison OBE, to Impetus. Her experience, dedication to our work and impressive track record of leading non-profits around the world is an asset for Impetus and our partners and I look forward to working with her in the years ahead.

Throughout this tumultuous year, our staff and Board have remained committed and passionate. I want to thank each one of them for their hard work during this extraordinary time.

Hanneke Smits, Chair

Chief Executive Officer's report

A year of lockdowns has been challenging for everyone. For how we work, live, learn, play, care and touch.

Existing inequalities have been exacerbated by the pandemic. For young people from disadvantaged backgrounds this has created additional challenges to achieving their goals in education and employment. For example, schools with high levels of disadvantage experienced higher levels of learning loss than other schools, particularly in secondary (2.2 months in schools with high rates of free school meal eligibility and 1.5 months in schools with low rates of free school meal eligibility) (Department for Education, January 2021). Similarly, the decline in working hours for young people was five times higher for those with no qualifications (34%) than for those with a degree-level qualification (7%) (Learning and Work Institute, 2021)

At Impetus we knew we had to work hard, quickly and imaginatively to mitigate the worst effects of this crisis for young people from disadvantaged backgrounds; helping them to achieve their full potential despite the numerous obstacles.

For our charity partners, and everyone working in the sector, the pandemic had a significant impact on delivering programmes, demand for services, generating income and maintaining operations. Many services were unable to run as usual, fundraising strategies had to be adapted and valuable staff roles were furloughed or made redundant.

Throughout the past year we've worked shoulder-to-shoulder with our charity partners to keep them stable in uncertain times and help them to deliver the best for young people. We did not make new charitable investments during the period, deciding instead to focus on helping our existing charities by making sure they had access to the expertise, skills and finances to survive this unpredictable period.

Although our ability to raise funds was significantly affected by the cancellation of in-person events and the wider economic uncertainties facing our donors, our supporters stuck with us when the need was greatest. Excluding the Youth Endowment Fund, we provided grants of £3.2 million and facilitated a further £1.75 million of pro bono support, and channelled £6.9 million directly to charity partners from our donors. I am pleased to say that, as a result, our charity partners are in relatively good financial health as I write this report and are delivering valued, evidence-based support for young people across the UK. I would like to take this opportunity to send a huge thank you to both our existing and new donors who joined us to help.

We also knew that collaboration would be key to developing and implementing effective responses to the pandemic. We have been proactive in working with others to champion a national response to the crisis for young people, acting as a key figure in high-level policy decisions. In education we worked alongside the Department for Education with our partners, The Education Endowment Foundation, Teach First, The Sutton Trust and Nesta to deliver the National Teaching Programme. At the time of writing, over 170,000 pupils have benefitted from over 780,000 tutoring sessions and three of our charities have been able to significantly scale up to meet the challenge. In employment we co-founded the Youth Employment Group (YEG) with the Institute for Employment Studies, the Youth Futures Foundation, the Prince's Trust and Youth Employment UK. Today over 230 organisations have joined this collaborative effort to campaign relentlessly for policymakers and politicians to do everything they can to ensure young people do not suffer the 'scarring' effects witnessed after previous recessions.

The Youth Endowment Fund (YEF) disbursed £13.2 million in grants during the period, invested heavily in the development of a toolkit that summarises the best available research evidence about different approaches to preventing serious youth violence and designed and supported numerous evaluations to establish what works in this important field.

Joining an organisation as the new CEO remotely and in the midst of a pandemic has had its challenges! But I am grateful for the openness, warmth and support from the Impetus team in helping me settle well, understand the priority issues and plan our next steps together.

A key priority has been to proactively address the issue of racism in our work following the tragic death of George Floyd last year and subsequent Black Lives Matter protests. In August 2020, we started a Race Equity Taskforce internally to look at every aspect of our organisation and our work from a race equity lens and identify recommendations for improvement. Those recommendations were unanimously approved by our Board in March 2021. We are now starting the challenging task of implementing the recommendations well; we're ready for an exciting but also challenging journey of learning, discovery, missteps and joy ahead in this critical area.

I'm proud of our team for coming into their own through such a turbulent year and want to thank them for always keeping the mission front of mind and doing everything we can to help young people. The work we have done to support our charities through this challenging time for them has never been more vital. Every single charity in our family is benchmark beating when it comes to delivering for young people from disadvantaged backgrounds and they have responded with an unerring commitment to delivering better outcomes, even in this time of uncertainty.

There is always hope, there is always possibility. We believe in aspiration. We believe in better outcomes for young people, fostering hope, prospects, and spreading optimism.

I'm immensely grateful to our supporters for backing us every step of the way.

Looking ahead, we'll maintain our focus on forming excellent collaborations with others as well as building on our commitment to improving impact to ensure the very best support is getting to the young people who need it most.

Eleanor Harrison
Chief Executive

“Having to balance looking for a job with more college work than I'm used to left me feeling really stressed. Finding a job is so hard at the moment - I don't know how anyone my age could find a job near me. Being in lockdown again, it’s like when is this ever going to end? The future definitely feels different. At the end, something good is going to come out of it. This year is bad but next year I’m hoping will bring us something way better to balance it out.”

Millie, EY Foundation

2020 Trustees' report

The Trustees, who are also the directors of the charitable company, are pleased to present their annual report on the work of Impetus and the group in 2020 and its plans for 2021, together with the financial statements for the year ended 31 December 2020.

Objectives and activities

Impetus is a registered charity and a company limited by guarantee. Our governing document is the Memorandum and Articles of Association incorporated on 23 March 2013. Impetus has a wholly owned trading subsidiary, PEF Trading Limited. It is also the sole corporate trustee of The Youth Endowment Fund Charitable Trust which is a registered charity, number 1185413

We support young people from disadvantaged backgrounds to help them succeed in education, employment and life by finding, funding and building the most promising charities, working in partnership with other funders to back effective interventions and influencing government and the wider sector to back effective support.

We want to see better outcomes in:

- Age-expected SATS at 11
- GCSE English and Maths by age 19
- University access for underrepresented groups
- Sustained employment
- Reduced youth offending (delivered through the Youth Endowment Fund)

The following report focuses on our work to improve education and employment outcomes. Our work to reduce youth offending is covered in detail in the Annual Report of the Youth Endowment Fund Charitable Trust.

Our objectives for 2020

We set ourselves the following priorities for 2020:

- Increasing our impact – having a bigger effect on the lives of more young people from disadvantaged backgrounds.
- Increasing our influence over resources and policy – including bringing more money to bear on the problems we're tackling.
- Increasing our sustainability – delivering the above priorities while generating income.

We achieved our objectives by:

Supporting our charity partners to deliver

Impact is at the heart of everything we do. The work of Impetus is grounded in a powerful principle: by working shoulder to shoulder with great charities, providing funding and support we can help them grow their impact and improve outcomes for the young people they support.

Our portfolio consists of the most promising charities supporting young people to succeed at school and work. We work together with the leaders of these charities to embed impact at the heart of their strategy and support them to make the tough choices, hold their teams accountable and commit resources to deliver the best possible outcomes for young people.

We provide these exceptional leaders with consistent core funding, give dedicated support from our experienced Investment Team, supplemented by world-class pro bono support, and create opportunities to share best-practice through our peer learning forums.

Together we ensured our charities could continue to work as effectively as possible to support those who needed it most. Our unique combination of unrestricted grants and intensive non-financial support was more vital than ever before, providing scenario planning to stabilise finances and continue programme delivery, invest in leadership development and foster CEO collaboration and support digital adaptation.

Over the past year, in the most challenging of circumstances, we've been proud to see the resilience and effectiveness of all our charity partners increase. All but two of our charities have either stabilised or increased their outcome success rates, reaching 166,000+ young people at a crucial moment in their lives. We are seeing good transition from benchmark beating impact to scale in the portfolio. This means that the depth and breadth of our ambition for young people is beginning to be realised.

Because of the many difficulties that our charities have faced over this year and ongoing future uncertainty because of the pandemic, we decided not to add any new charity partners to the portfolio in this period, focusing instead on supporting our existing portfolio. We made £3.2 million of grants directly during the Financial Year to our existing partners and facilitated a further £6.9 million directly to charity partners from our donors. We also contributed £297,000 to an online tuition pilot to improve the evidence base for now established National Tutoring Programme.

Case study: Impetus & Resurgo – a ten year relationship

Impetus has worked with Resurgo over the past 10 years, helping to develop them into a sector-leading employability charity through intensive ongoing support alongside funding and additional pro bono input from Impetus networks. When we started working with Resurgo they had a turnover of £446,000, worked from two centres and had an outcome rate of 37% for their young people. We worked closely with their talented team to determine how to find the right young people, effectively use data and dashboards, refine their programme and diversify their income. Seven years into the partnership with Impetus they had turnover of £2 million, eight centres around the country and 75% of those completing their course went on to sustained employment. Impetus helped devise new benchmarks which demonstrated Resurgo's impact and set them apart as one of the most effective charities in the sector. Resurgo will operate 11 centres in 2021 with a budget of £3 million.

"It's fair to say we came in with a degree of suspicion. We thought, we'd love the money to fund our core costs, and we'll tolerate some intervention. But it soon became clear that the long-term capacity building support Impetus gave was vital. They're not like other funders. Their involvement has been transformative." - Jo Rice, Resurgo CEO.

Value added to our charity partners

Since Impetus and its predecessors were established, we've raised £167 million of value towards our mission (excluding the £200 million Home Office grant and associated investment returns for the Youth Endowment Fund). This includes the donation and investment income we've secured, the pro bono services donated to us and our charity partners, and the additional funds the charities have been able to raise with our support.

The table below shows the cumulative value that we generated for our charities by the end of 2020 and how much we generated in 2020. The difference between the £167 million of value raised

towards our mission and the £136 million in the full value column in the table below is the resources used to support our core costs or held in reserves.

In accordance with accounting standards, pro bono services donated which are recognised in the financial statements, ('statutory basis' in the table below), only include those services provided by an individual or entity as part of their trade or profession.

The 'full value' column in the table includes additional funds raised for charities. These are included in the accounts of those charities and not Impetus' financial statements.

	Cumulative Full value £m	Cumulative Statutory basis £m	2020 Full value £m	2020 Statutory basis £m
Pro bono services donated to charities	30.1	28.9	1.5	1.5
Value of Impetus Investment team	26.7	26.7	3.7	3.7
Additional funds raised for charities	31.6	3.9	6.9	1.4
	88.4	59.5	12.1	6.6
Grants made to charities	48.1	48.1	3.2	3.2
Total value to charities	136.5	107.6	15.3	9.8
Total value per £1 of grants made	£1.84	£1.24	£3.80	£2.06

Co-investment and partnerships

Core to the growth and adoption of our model in our new strategy is to bring our expertise next to bigger pools of capital to achieve bigger impact.

During 2020 we set up our first new fund, the Engage Fund, in partnership with The Henry Smith Charity. This fund aims to address the challenge facing young people from disadvantaged backgrounds who are disproportionately represented in the number of pupils excluded from school. We know that when young people are in alternative provision settings just 4.5% achieve English and maths 9-4 passes at GCSE, compared to 65% in mainstream schools. The long-term effect is that pupils in alternative provision are more likely to end up not in employment, education or training (NEET) and in contact with the criminal justice system. This new fund will support five ground-breaking charities over five years to invest in to engaging around 4,600 young people who are struggling to engage in mainstream education, by helping them develop essential life skills, reintegrate into school when appropriate and achieve the qualifications they need.

We hope, finances permitting, to set up another new fund, focused on race equity and youth employment in 2021.

Influencing the Government agenda

We have taken a leading role in responding to the crisis affecting young people on the national stage. We have been founding partners in two major projects: the National Tutoring Programme (NTP) and the Youth Employment Group (YEG). We have also continued to play a central role in the effort to widen participation in higher education for under-represented groups through the Fair Access Coalition (FAC).

National Tutoring Programme

When the pandemic hit and schools closed to most pupils, we knew young people from disadvantaged backgrounds would be worst hit and that tutoring could be part of the solution.

Working with partners at EEF, Sutton Trust, Teach First and Nesta, we developed a pilot for online tutoring, and fundraised £340,000 (£290,000 via Impetus and £50,000 directly to participating charities) to support our charities to adapt to and begin online delivery. Alongside this, we worked with the Government to think about the role tutoring could play in supporting young people's learning.

Following the success of the pilot, the government announced the creation of the National Tutoring Programme (NTP), which will spend £350 million of government money over two years to get well-evidenced, high quality tutoring to the young people who need it most.

Youth Employment Group

In the early stages of the COVID-19 crisis we got together with the Institute for Employment Studies, the Prince's Trust, Youth Employment UK and the Youth Futures Foundation to form the Youth Employment Group (YEG). Since then, over 230 organisations have joined this collaborative effort to campaign relentlessly for policymakers and politicians to do everything they can to ensure young people do not suffer the 'scarring' effects witnessed after previous recessions.

The YEG launched our recommendations paper on Channel 4 News in September, highlighting how the number of young people not in education, employment or training (NEET) could increase by 50%, reaching a total of 1.1 million. In June 2020, the Youth Employment Group wrote to the Prime Minister calling for an Opportunity Guarantee, something he then committed to in a speech on 30 June.

Through the YEG we have been able to set out the impact of the crisis for young people from disadvantaged backgrounds in the labour market and take a powerful call to arms, along with constructive recommendations to Government, which has contributed to new programmes such as the Kickstart scheme, a wage subsidy for new jobs for young people.

Our work did not stop there. With the generous support of the Westminster Foundation, we have established working groups focussing on disabled young people, young people who have had contact with the youth justice system, race equity, quality of work and others to unpick the barriers faced by those young people often furthest from the labour market and make evidence-based solutions to Government to tackle these deep-seated challenges.

Fair Access Coalition

The Augar Review of Post-18 Education and Funding and proposals to move to a post-qualifications admissions system may lead to some of the biggest changes to access to higher education for at least a decade. In response, we formed the Fair Access Coalition with eight leading practitioner organisations focussed on widening participation.

Together, we have pushed for young people from underrepresented backgrounds to be considered in these proposals by making recommendations to Government, cautioning them on the implications for young people from disadvantaged backgrounds.

Securing the resources to deliver

With the support of existing and new donors we secured £4.9 million in philanthropy income in 2020. This has helped our charity partners reach 166,000+ young people during this critical moment in their lives.

We adapted our main fundraising events, turning our Transforming Lives Dinner into a television show, with over 700 viewers from over 40 companies. Later in the year, we adapted our Triathlon to a virtual race, Go The Social Distance, which had more than 350 participants taking part from around the world. We raised over £1 million from our events in a year when many charities furloughed their events teams. The virtual events we held had excellent feedback and helped strengthen existing relationships with our donors.

We do not use external professional fundraisers and did not receive any complaints about our fundraising activities. We fundraise by soliciting donations from organisations and individuals. We also organise fundraising events including those where individuals fundraise directly for us. We are registered with the Fundraising Regulator and pay its annual levy and comply with its Code of Fundraising Practice.

Youth Endowment Fund

Impetus is the sole corporate Trustee of The Youth Endowment Fund (YEF) and therefore their accounts are consolidated with Impetus core in the Impetus group accounts. The Youth Endowment Fund (YEF) exists to prevent children from becoming involved in violence. The Fund's vision is 'a world where no child or young person becomes involved in violence' with a mission 'to find what works and build a movement to put this knowledge into practice.'

Our primary objectives in 2020 were to ensure YEF had the resources, governance, strategic clarity and personnel to deliver on this mission. The YEF had a successful year, with £13.2 million being disbursed in grants, the YEF toolkit developing well, and multiple evaluations designed and launched in the period.

To avoid duplication, details on the Youth Endowment Fund are included in the annual report and financial statements produced for The Youth Endowment Fund Charitable Trust which is a registered charity (number 1185413).

Our People and Operations

Our people remain our strongest asset and have remained resilient during a period of uncertainty. The onset of the pandemic required our people to adapt to a changing work environment, embracing remote working for the first time. We were fortunate not to furlough any members of staff during the period, as we continued to manage our finances and operations through a period of uncertainty. Our early investment in our IT systems and our decision not to renew our office lease during the year, meant that we found ourselves in a more favourable position technologically and financially than initially planned.

Race Equity Taskforce

This year, tragic global events brought much-needed focus on the issue of race equality. We were founded on a belief in social equality – that all young people should have the same chance to succeed whatever their background. As such we are committed to addressing systemic racism both as an organisation and through the work we support.

We believe that embedding racial diversity in every aspect of our work; recruitment, staff development, due diligence, funding decisions, our non-financial support and governance structures will make us a better, smarter organisation, truly able to implement our mission. This means pushing ourselves to help our charities to build more diverse Boards, senior teams and proactively consider diversity in CEO succession, collecting more and better data on race as part of our impact management, and attracting more talent from all ethnic minorities to our Board and staff.

In August 2020 we started a Race Equity Taskforce internally to look at every aspect of our organisation and our work from a race equity lens and identify recommendations for improvement. Those recommendations were unanimously approved by our Board in March 2020 and we are now starting the task of implementing the recommendations well; ready for an exciting but also challenging journey of learning and discovery ahead.

"With the application process for university there is support to get in but I don't think that without TAP I would have done as well as my TAP tutor and University Access Officer both have so much experience with the application process. Even from the start of the year, I know my tutor has always been there and the weekly session to go over history was really helpful - they helped me see information in a different way and had a wider knowledge of the information"

Rebecca, The Access Project

Financial review

Impetus group

Our income in 2020 was £13 million compared with £208 million in 2019, the substantial decrease reflecting the £200 million restricted grant from the Home Office for the Youth Endowment Fund received in the 2019. The total group funds at the end of 2020 were £202 million.

The main change to the balance sheet was a decrease in group cash balances by £1.3 million and a decrease in investments to £194 million, reflecting the spend-down nature of the Home Office grant.

Impetus (excluding the Youth Endowment Fund)

Our income in 2020 was £7.3 million (2019: £7.3 million). We received generous financial support from four main sources: individual donations, corporate sponsors, grant making trusts and foundations, and public funding. Grants and donations increased from £5.4 million to £6.3 million. We saw a decrease in our income from fundraising events, down from £1.73 million to £1.0 million, largely due to the impact of the ongoing COVID-19 pandemic and many fundraising activities either being cancelled or moved to a virtual platform.

Our income includes the value our pro bono experts contributed in the form of donated services. This was £1.75 million over the past year, compared to £1.90 million in 2019.

Our expenditure decreased from £8.6 million to £7.5 million. Within this total, we spent significantly less on raising funds – down from £1.07 million to £0.74 million and spent less on grants to charities, down from £3.7 million to £3.2 million.

Youth Endowment Fund

We received a £200 million grant from the Home Office in April 2019 which is to be spent over ten years to 2029. The grant was included in full in the income for 2019. The investment generated returns of £4.8 million in 2020. The grant is treated as a restricted fund and at the year-end amounted to £195.7 million, with a small deficit of £12,000 on the unrestricted fund, which will be met by supplementary funding in the future.

Expenditure in 2020 totalled £17.4 million, of which £13.2 million was on grants to interventions.

Reserves and reserves policy

Impetus (excluding the Youth Endowment Fund)

Impetus has healthy unrestricted reserves and a strong cash position at the balance sheet date. Our reserves policy, as initially approved by the Board in March 2014, entails:

- minimum unrestricted funds being set as;
  six months operating costs; and
  the cash cost of any office lease commitment up until the break; and
- unrestricted funds not being designated by the Trustees. Rather, a narrative is used to explain how unrestricted funds would be used against ongoing grant agreements and planned new investments.

Our unrestricted funds were £5.9 million as at 31 December 2020 (2019: £6.4 million). The minimum level of unrestricted reserves to comply with our reserves policy is £1.3 million (2019:

£1.4 million). However, given the longer-term nature of our investments, a proportion of our funds are targeted at fulfilling funding commitments to charities.

The total value of grants to portfolio charities that are authorised but not accrued as expenditure at 31 December 2020 was £1.8 million (2019: £3.3 million). These grants only become an obligation to Impetus if the charities achieve specific milestones. The authorised amount of £1.3 million relates to the current portfolio charities and excludes any amounts in respect of new investees or next phase investments yet to be approved by the Investment Committee. If all current grant agreements progress as planned, then the grants made in 2021 will be £1.3 million.

Our level of reserves is such that we can reduce them over the next few years (though remaining above the minimum level) as we continue to support more organisations, including through grants, for a significant period in their journey to scaling impact. In the longer-term, we will need to raise additional funds to fulfil our commitments and the strategy agreed by the Board in December 2019 is designed to increase our sustainability. We project that over 2021 to 2023 expenditure is likely to continue to exceed income, whilst we work towards breaking even in 2024.

Youth Endowment Fund

The Impetus board, as sole Trustee, agreed a policy of holding minimum restricted funds in respect of the Home Office funded work equal to six months operating expenditure. The receipt of the Home Office at the outset of our work means that this policy is comfortably met.

Going concern including the impact of COVID-19

We consider that we have adequate financial reserves to continue to deliver our plans and that we have a reasonable expectation that we will have adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties that call into doubt the charity's ability to continue.

The continued impact of the pandemic across the world represents a significant event during and after the financial year. We have carried out a detailed assessment of the potential impact of COVID-19 over the period 2020 to 2022 and revised our budget for 2021 and projections for 2022 and 2023. We have monitored actual income and expenditure against the revised budget. We have also monitored the impact of the virus on the work and financial position of our portfolio of charities. We have reviewed our cash flow forecasts.

We have concluded that the going concern basis remains an appropriate basis of preparation for these financial statements. The virus will have contributed to some market volatility in the value of investments which have overall performed well during the period.

Investment policy for funds other than the Youth Endowment Fund

Given the need to be able to honour long-term commitments to the charities it funds, the Board has adopted a cautious investment strategy with funds received by Impetus for activities other than the Youth Endowment Fund invested in deposit accounts.

Investment policy and objectives for the Youth Endowment Fund

The grant from the Home Office was invested and has been managed by Goldman Sachs who were appointed after a competitive selection process. The investment objective is to achieve an average nominal return of 2%, net of management fees, over the life of the fund. At 31 December 2020, of the total portfolio of £194.2 million, £127.3 million was invested in fixed income bonds and £57.6 million in equities. The performance of the managed fund against the target is most usefully measured over a longer period than was available in 2020. The Trustees consider that the portfolio

performed well, taking advantage of the equities markets during the pandemic with a well-defined glide path to reduce equity risk post year-end.

To ensure that there are sufficient funds to cover planned grant giving and the costs of the partners in managing the YEF, the equivalent of six months forecast spending is held in cash and cash equivalents.

The investment portfolio has been divided into three sub-portfolios, each invested in different types of asset:

- Liquidity sub-portfolio - cash and cash equivalent investments
- Mid-term sub-portfolio - investment grade government and corporate bonds
- Growth sub-portfolio - global equities

The balance between the three portfolios will vary over time in line with the fund's planned cash flows and the need to limit the level of capital risk within the portfolio.

To limit currency risk in the portfolio, cash and cash equivalent investments are only invested in sterling instruments. Bond investments are in sterling or hedged back into sterling. Hedging of non-sterling currency exposure arising from overseas equity investments is permitted but not required.

The fund managers are required to integrate consideration of environmental, social and governance (ESG) issues into their investment process in a thoughtful manner and actively engage with companies to improve their ESG practices and policies. Given the Fund's social objectives, the Trustee considers it inappropriate to invest in certain companies whose activities have a clearly negative social impact. No direct or indirect investment is therefore permitted in companies whose principal activity is in tobacco and alcohol manufacturing, armaments and controversial weapons, gambling, adult entertainment, and high interest rate lending.

The focus during this year has been on building out the investment portfolio as market opportunities presented themselves whilst being mindful of the impact of Brexit, the continued impact of COVID-19 and the revised expenditure forecasts for the fund.

Plans for future periods

After the Board's strategic review in December 2019, additional work on the strategy was completed in 2020 to further refine the five-year strategy and adjust accordingly due to the outbreak of COVID -19. The ambition for the next 5 years is to significantly increase our impact and influence in the sector whist delivering improved sustainability. Ultimately it is about helping more young people from disadvantaged backgrounds achieve better education and employment outcomes.

We aim to do this by:

1. Growing our charity portfolio to 22-27 charities whilst sharpening our core investment model and outcomes framework
2. Investing in partnerships with both public and private funders to drive more funding to effective interventions
3. Continuing to grow our policy influence; with a key commitment to engaging the expertise, insights and voices of our portfolio charities in our research and influencing work
4. Better integrating our investment and policy work to drive more and better education and employment outcomes both within our portfolio charities and beyond
5. Delivering a happy, inclusive, productive and sustainable organisation where people thrive.

To achieve these goals in 2021 we will prioritise:

- Launching two new funds on school exclusions and race equity and youth employment and adding new charities to our Core Fund to grow our reach, outcomes and influence in areas of identified need:
    - The first five investments of the Engage Fund with Henry Smith Charity, a great mission aligned funder, focused on delivering better attainment outcomes for young people either excluded or at risk of being excluded from school will be made. By pooling our financial, social and human capital we plan to support these organisations to deliver impact at scale more swiftly.
    - We will seek funding partners to launch a new fund focused on race equity and youth employment. Our Youth Jobs Gap research highlighted that young people from ethnic minority backgrounds are twice as likely to be unemployed as their white counterparts in the UK. Our Fund will look strategically at what works in reducing the employment gap and how to use that evidence to influence Government and other funders.
    - Making 2 new investments in our core Fund after our planned investment pause in 2020.
- Critically assessing our impact to date through our model; the priority areas of support and new emerging needs for charities as the external environment evolves for the third sector. This is needed to ensure we continue to grow our impact efficiently and effectively.
- Being a valued critical friend, hands on supporter and champion of quality at scale in our partnerships in the Youth Employment Group, National Tutoring Programme and Fair Access

Coalition; ensuring that young people from disadvantaged backgrounds remain the priority of government in terms of education catch up and employment support.

- Testing, iterating and cementing new ways of working internally to maximise the learning, insights and expertise between our policy and investment teams.
- Both diversifying and deepening our donor relationships. We will deliver a new fundraising strategy in 2021 and engage with our wonderful supporters in growing our income to support more young people with our proven model.

If we succeed in delivering these plans well, we should begin to see some returns on young people reach and outcomes in late 2021. Important steps forward in delivering our important mission.

Structure, governance and management

Governance and management

Impetus is a charitable company registered with the Charities Commission (Charity number 1152262) registered in 2013 under its Memorandum and Articles (governing document). The governing body of the charity is the Board of Trustees which, as of 31 December 2020, comprised 12 members who are listed on page 2. There were no new appointed Trustees in 2020. The governing body also meets as the sole corporate Trustee of The Youth Endowment Fund, a registered charitable trust.

The appointment of a new Trustee takes place after due consideration from both parties. This is vital to ensuring a good strategic fit for the Board and the prospective Trustee. Over time, new Trustees meet our charities to gain a good understanding of our work. New Trustees are also briefed on their obligations under charity and company law, the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and the financial performance of the charity. During their induction, they meet members of staff and other Trustees whom they had not previously met. Trustees attend training events where these facilitate the undertaking of their role.

Trustees are typically elected for three-year periods and may be re-elected for a further three- year period. The Chair conducts an annual appraisal of the Board's performance and composition and the functioning of its committees, and a designated Trustee conducts a review of the Chair's role and performance.

The Board sets strategy and reviews policy. Day-to-day responsibility is delegated to the Chief Executive Officer, who works closely with the Chair. During 2020, the Board met five times. There were five committees reporting to the Impetus Board in 2020: Investment, Governance, Resources and Audit, Public Affairs, and the Youth Endowment Fund Committee. This committee has two sub committees, the Grants and Evaluation Committee and the Endowment Investment Committee.

The committees ensure in-depth review and oversight of our activities. They ensure that the specific areas of focus are led, where possible, by Trustees.

Trustees are aware of and comply with the duty to act in the public benefit in accordance with section 17 of the Charities Act 2011

Investment Committee

The Committee is responsible for ensuring that Impetus manages well a balanced portfolio that helps us deliver our mission. The committee scrutinises individual investment proposals and recommends for Board ratification the charities that should enter, progress through and exit the portfolio. The committee also reviews how each charity is progressing through our Outcomes Framework in the semi-annual Charity Review as well as its progress against funding milestones.

Governance Committee

The Committee has a strategic role in defining the role of the Board as well as how the Board interacts with its committees. It also directs the Trustee recruitment process and Trustee responsibilities. The committee is responsible for conducting the Chair evaluation as well as advising on Trustee and Board development.

Resources and Audit Committee

The Committee is responsible for reviewing and monitoring all financial and operational aspects of Impetus and reports to the Board on such matters, including financial risk management and people. Due to the size and nature of the organisation, the committee considers that an internal audit function is not required. The committee also helps ensure that Impetus maintains and develops relationships with its donors, co-investors and supporters in order for Impetus and its charities to receive the funding, pro bono and other relevant support to achieve its overall mission and strategy.

Public Affairs Committee

The Committee supports Impetus in defining and achieving our public affairs goals. The committee reviews our public affairs strategy to ensure it is aligned with our organisational mission, and achievable in terms of the external landscape. Committee members also review research and publications in draft to help ensure our public work is high-quality, and relevant to those we are seeking to reach and influence. Annually, the committee review progress against the public affairs KPIs, to assess performance and impact.

The Youth Endowment Fund

Impetus acts as the sole corporate Trustee through its board of Trustees. Impetus established The Youth Endowment Fund Charitable Trust Committee as a committee of its board. The Committee has delegated responsibility for the management of the Youth Endowment Fund and compliance with, and implementation of the Home Office Grant Agreement. Impetus has the following matters reserved to it, receiving recommendations from the Committee on each matter:

- the overall strategy for the charity and the grants strategy or any material changes thereto;
- a budget and business plan for the charity within the framework set by the Home Office Grant Agreement and Partnership Agreement;
- the appointment or termination of appointment of Committee members and the YEF Executive Director; individual grants or material changes to existing grants with a value in excess of £10 million, including those made from Supplementary Funding;
- the terms of any partnerships with other funders, where their funding is in excess of £10 million;
- the Investment Policy and the appointment of investment managers.

The Committee has two sub-committees, The Grants and Evaluation Committee and The Endowment Investment Committee.

The Youth Endowment Fund - The Grants and Evaluation Committee

The Grants and Evaluation Committee provides oversight and scrutiny of grants to Project Implementation Partners and agreements with independent evaluators. It makes recommendations in respect of individual grants, monitors grants awarded and produces reports for the YEF Committee.

The Youth Endowment Fund - The Endowment Investment Committee

The Endowment Investment Committee has delegated responsibility for the investment management of the Youth Endowment Fund. The Trustee's consider that the portfolio performed well, taking advantage of the equities markets during the pandemic with a well-defined glide path to reduce equity risk post year-end.

Remuneration arrangements for key management personnel

The Trustees consider the Impetus board and the senior management team to be the key management personnel for reporting purposes. In 2020, the senior management team at Impetus (excluding the YEF Charitable Trust) comprised the Chief Executive Officer, Director of Public Affairs, Portfolio Director, Director of Philanthropy and Partnerships, Director of Strategy and Impact and the Chief Operating Officer.

Trustees receive no remuneration. Employee pay is set by reference to an upper quartile salary benchmark which is established using a salary survey for the sector which Impetus subscribes to. The remuneration is agreed by the Resources and Audit Committee with a recommendation from the Chair in respect of the Chief Executive Officer.

Safeguarding

Impetus is committed to protecting our staff, volunteers, partner organisations and the people we work with alongside the interests of the young people we support and who benefit from the grants we make. Our safeguarding policies and procedures set out clear expectations of our staff and charity partners ensuring we effectively manage our risk, whilst setting out clear accountability mechanisms.

We have a dedicated senior safeguarding lead and our Board receive regular safeguarding updates. All staff are made aware of our safeguarding policies and procedures during their induction combined with regular training sessions throughout the year. We continue to support and work with our Charity partners to ensure the risks surrounding safeguarding are monitored and managed effectively.

Risk and internal control

The Trustees are responsible for ensuring that the charity has an appropriate system of controls, financial and otherwise. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention of fraud and other irregularities.

Assisted by the executive and the Resources and Audit Committee, the Board regularly reviews and assesses the major risks to which Impetus is exposed. Movements against risks are reviewed at Board meetings with mitigating actions and controls discussed.

The five most significant risks identified by the Board post our current mitigation strategies are:

Risk	Mitigation
COVID-19 continues to have a significant impact on our work and our charity partners.	We have been working with our charity partners throughout the pandemic and to date, the majority of our charities are on track to achieve growth targets with no significant financial risks, with many charities performing strongly. This continues to be monitored closely.

We cannot get to a sustainable, break-even budget and our new strategy is unsuccessful	We have agreed a new strategy involving new funds and have made progress with potential partners. Continued success with our co-investment donors has increased our financial sustainability. We have reviewed our planning assumptions on revenue but recognise these are subject to a high degree of uncertainty. We have made savings in the budget in 2021 and continue to look for scope to reduce costs and target a break-even budget in the next three years. We are in the process of developing our new fundraising strategy.
Insufficient influence with decision makers.	We are building stronger networks. We've made improvements to how we communicate our strengths and the benefits of working with Impetus. Our influence on the policy side has been very strong during the pandemic including our work on the National Tutoring Programme and our leadership role in the Youth Employment Group.
Investment model not as effective as planned.	We use a comprehensive outcomes framework and portfolio dashboard to monitor our charities' progress. Our improved portfolio data (KPIs, Outcomes Framework and Dashboard) have improved our monitoring. We continue to work on how we interpret and use the data.
Remote working undermines our ability to deliver our work	Staff have appropriate equipment and software to work from home and feel fully supported. Staff surveys show a positive trend in morale and we continue to scope out new office plans with staff.

These risks are monitored by the Resources and Audit Committee which reviews risk movements and the various mitigation strategies in place to manage risks.

The Board believes these risks cannot be fully eliminated but they can by managed through looking to reduce their impact and the chance of their occurrence as part of the reviews.

Donors

Donating to Impetus comes with assurance that you're backing the best. We do all the hard work, so you don't have to. We find the best charities and help them become stronger organisations – changing the lives of the young people we all serve.

We make your money go further by giving these charities dedicated Investment Team support and access to our world class pro bono network; helping them to achieve better and more education and employment outcomes for more young people.

We are extremely grateful for all the continued support and generosity we received from our donors, partners and our pro-bono support network. We would like to thank the following donors for their generosity in helping us achieve our mission during 2020:

Advent International
AlbaCore Capital Group
Aon
Andrew Sillitoe & Joy Tadaki
Apax Foundation
Bain & Company
Bain Capital
Bank of America
BC Partners
Beechbrook Capital
Benjamin Ball Associates Ltd
Bjorn Saven IK Investment Partners Ltd
Blackstone
Blake & Sevda Kleinman
Bruno Schroder Trust
BVCA
Capital Dynamics
Carlyle
CD&R
Centerbridge Foundation
Chatham Financial
Chris Field & Jodi Anderson-Field
Cinven
Coller Capital
CVC
David Higgins
Dechert LLP
Deep & Trishna Shah
Dwight & Kirsten Poler
Eden McCallum
Egon Zehnder
Evercore
Exponent
Financial Times
Francois Aguerre
General Atlantic | Atlantic Park
Goldman Sachs
Goodwin
Growth Capital Partners
Hanneke Smits
Hellman & Friedman
Hg
Inflexion Private Equity
Janet Brooks
Johannes Huth
Joseph Schull & Anna Yang
JP Morgan
Karen & Liam Krehbiel
Kirkland & Ellis
Kohlberg Kravis Roberts & Co LLP
Latham & Watkins
Linklaters
Lionel & Florence Assant
Lisa Stone
Livingbridge
Lockhart Capital Management LLP
Louis G. Elson
Minton Charitable Trust
Moelis & Company
Nadim El Gabbani & Vanessa Karlo
Nic & Jenny Humphries
Nikos Stathopoulos
Nomura International plc
Patrick Healy
Permira
PJT Partners
Plural Strategy
PwC
Rede Partners
Robert Ramsauer

Rohan & Sunaina Haldea
Rothschild & Co
Sherwood PSF Consulting
Sidley Austin LLP
Sousou Partners
State Street
Stephen & Gitte Dawson
Sun European Partners, LLP
TA Associates
Terra Firma Capital Partners
The AIM Foundation
The Boughton Family
The Stone Family Foundation
Tom Attwood
TowerBrook
TSG Consumer
Tuixen Foundation
Warburg Pincus
Weil, Gotshal & Manges (London) LLP
Wol Kolade

Statement of Trustees' responsibilities

The Trustees (who are the directors of the charitable company) 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 charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

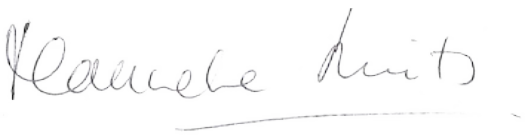
The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding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

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

Each of the Trustees confirms that to the best of his/her knowledge there is no information relevant to the audit of which the auditors are unaware. The Trustees also confirm that they have taken all necessary steps to ensure that they themselves are aware of all relevant audit information and that this information has been communicated to the auditors.

The Trustees' report, incorporating the directors' report was approved by the Trustees on 25 August 2021 and signed on their behalf by the Chair. In preparing this report, the directors have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

Hanneke Smits
Chair



Independent auditor's report to the members of Impetus

Opinion
We have audited the financial statements of Impetus – The Private Equity Foundation for the year ended 31 December 2020 which comprise the Consolidated Statement of Financial Activities, the Charity Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2020 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

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

Other information
The Trustees are responsible for the other information. The other information comprises the information included in the Chair's Report, the Chief Executive Officer's Report and the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within 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 group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the directors' 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 by the parent charitable company; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a strategic report.

Responsibilities of Trustees for the financial statements
As explained more fully in the Trustees' responsibilities statement set out on page 25, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the groups and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent charitable company 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:

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to trust law requirements over the use of restricted funds, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011, and payroll tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to recognition of voluntary income. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual descriptions and entries posted at unusual times; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Tracey Young (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditor

10 Queen Street Place
London
EC4R 1AG

Date: 17 September 2021

Consolidated statement of financial activities for the year ended 31 December 2020

	Note	Restricted £	Unrestricted £	2020 Total £	Restricted £	Unrestricted £	2019 Total £
Income:							
Donations and grants	2a	2,242,185	5,018,029	**7,260,214**	200,469,374	5,027,549	205,496,923
Events and fundraising activities	2b	-	1,004,483	**1,004,483**	-	1,728,979	1,728,979
Investment	2c	4,821,860	29,531	**4,851,391**	632,911	88,340	721,251
Other	2d	-	30,492	**30,492**	-	50,299	50,299
Total income		7,064,045	6,082,535	**13,146,580**	201,102,285	6,895,167	207,997,452
Expenditure:							
Raising funds	3a	-	744,659	**744,659**	-	1,069,036	1,069,036
Charitable activities	3a	18,416,245	5,777,660	**24,193,905**	3,687,573	6,890,137	10,577,710
Total expenditure		18,416,245	6,522,319	**24,938,564**	3,687,573	7,959,173	11,646,746
Net expenditure		(11,352,200)	(439,784)	**(11,791,984)**	197,414,712	(1,064,006)	196,350,706
Net gains on investments	10	9,527,482	-	**9,527,482**	148,866	-	148,866
Net movement in funds		(1,824,718)	(439,784)	**(2,264,502)**	197,563,578	(1,064,006)	196,499,572
Reconciliation of funds:							
Funds at the start of the year	14	197,813,578	6,376,574	**204,190,152**	250,000	7,440,580	7,690,580
Funds at the end of the year	14	195,988,860	5,936,790	**201,925,650**	197,813,578	6,376,574	204,190,152

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 14 to the financial statements.

The notes that follow form an integral part of these financial statements.

Charity statement of financial activities for the year ended 31 December 2020

	Note	Restricted £	Unrestricted £	2020 Total £	Restricted £	Unrestricted £	2019 Total £
Income:							
Donations and grants	2a	1,242,185	5,018,029	**6,260,214**	419,374	5,027,549	5,446,923
Events and fundraising activities	2b	-	1,004,483	**1,004,483**	-	1,728,979	1,728,979
Investment	2c	-	29,531	**29,531**	-	88,340	88,340
Other	2d	-	30,636	**30,636**	-	50,299	50,299
Total income		1,242,185	6,082,679	**7,324,864**	419,374	6,895,167	7,314,541
Expenditure:							
Raising funds	3e	-	744,659	**744,659**	-	1,069,036	1,069,036
Charitable activities	3e	994,956	5,777,525	**6,772,481**	669,374	6,889,837	7,559,211
Total expenditure		994,956	6,522,184	**7,517,140**	669,374	7,958,873	8,628,247
Net expenditure		247,229	(439,505)	**(192,276)**	(250,000)	(1,063,706)	(1,313,706)
Net movement in funds		247,229	(439,505)	**(192,276)**	(250,000)	(1,063,706)	(1,313,706)
Reconciliation of funds:							
Funds at the start of the year		-	6,376,296	**6,376,296**	250,000	7,440,002	7,690,002
Funds at the end of the year		247,229	5,936,791	**6,184,020**	-	6,376,296	6,376,296

The notes that follow form an integral part of these financial statements.

Balance sheets as at 31 December 2020

	Note	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Fixed assets					
Tangible fixed assets	9	**5,318**	2,954	**5,318**	2,954
Investments	10	**194,220,703**	195,285,572	**1**	1
		194,226,021	195,288,526	**5,319**	2,955
Current assets					
Debtors	11	**1,691,040**	1,556,290	**966,324**	1,563,483
Cash at bank and in hand		**6,703,378**	8,033,610	**5,452,260**	5,442,330
		8,394,418	9,589,900	**6,418,584**	7,005,813
Creditors: amounts due within one year	12	**(694,789)**	(688,274)	**(239,883)**	(632,472)
Net current assets		**7,699,629**	8,901,626	**6,178,701**	6,373,341
Net assets	13	**201,925,650**	204,190,152	**6,184,020**	6,376,296
Funds					
Restricted funds	14	**195,988,860**	197,813,578	**247,229**	-
Unrestricted funds	14	**5,936,790**	6,376,574	**5,936,790**	6,376,296
Total funds		**201,925,650**	204,190,152	**6,184,019**	6,376,296

The financial statements for Impetus, (company registration number 08460519 and charity registration number 1152262), for the year ended 31 December 2020 were approved and authorised for issue by the Board on 25 August 2021.



Hanneke Smits
Trustee

Lisa Stone
Trustee

The notes that follow form an integral part of these financial statements.

Consolidated cash flow statement for the year ended 31 December 2020

	Note	2020 £	2019 £
Net cash from operating activities	(a)	**(16,768,049)**	195,766,558
Cash flows from investing activities:			
Dividends and interest received		**4,851,391**	-
Purchase of property, plant and equipment		**(5,925)**	-
Disposal of property, plant and equipment			-
Proceeds from sale of investments		**145,890,329**	20,044,444
Purchase of investments		**(135,297,978)**	(215,000,020)
Net cash used in investing activities		**15,437,817**	(194,955,576)
Change in cash and cash equivalents in the year		**(1,330,232)**	810,982
Cash and cash equivalents at the beginning of the y		**8,033,610**	7,222,628
Cash and cash equivalents at the end of the year		**6,703,378**	8,033,610

(a) Reconciliation of net expenditure to net cash flow from operating activities	2020 £	2019 £
Net movement in funds	**(2,264,502)**	196,499,572
(Gains) on investments	**(9,527,482)**	(148,866)
Dividends and interest	**(4,851,391)**	(136,686)
Depreciation	**3,561**	15,242
(Increase) in debtors	**(134,750)**	(747,109)
Increase in creditors	**6,515**	284,405
Net cash (outflow)/inflow from operating activities	**(16,768,049)**	195,766,558

The charity has no debt, so no analysis of net debt is presented.

The notes that follow form an integral part of these financial statements.

Notes to the financial statements for the year ended 31 December 2020

Accounting policies

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (Second edition effective 01 January 2019), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006.

Impetus - The Private Equity Foundation is a company, number 08460519, limited by guarantee and incorporated in England and Wales. Its registered office is at 10 Queen Street Place, London, EC4R 1AG.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements of the wholly owned subsidiary, PEF Trading Limited, have been consolidated with those of the charity on a line-by-line basis. The financial statements of The Youth Endowment Fund Charitable Trust have also been consolidated in the accounts of the group.

The charity is the sole corporate Trustee of The Youth Endowment Fund Charitable Trust (YEF), a registered charity number 1185413. The activities of the subsidiary charity, YEF, have been included as a restricted funds in the accounts of the group.

Going concern

The accounts are prepared on the going concern basis as the Trustees expect that the activities will continue for the foreseeable future and Impetus and the group has healthy reserves and a strong cash position at the balance sheet date. There are no material uncertainties that call into doubt the charity's ability to continue in operational existence.

Definitions

Income is included in full in the statement of financial activities once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants to Impetus are recognised in full in the statement of financial activities in the year in which they are receivable, or in the case of grants with associated eligibility criteria, in the year in which those criteria are satisfied.

Where entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the income is recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the charity can meet such conditions, recognition of income is deferred.

Donated services and facilities are recognised as income and expenditure in the financial statements when companies or individuals offer their professional expertise on a pro bono basis. The value of these donated services and facilities is an estimated figure based upon the valuation the professional individual or organisation places upon the time, services and facilities they have

provided to Impetus. Individuals offering their time to work in areas where they are not undertaking their profession are classified as volunteers and their time is not quantified in the accounts but is disclosed in the Trustees' Report. All of these amounts are treated as unrestricted donations.

Expenditure is recognised on an accrual's basis, inclusive of any VAT which cannot be recovered. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Expenditure is allocated to the particular activity where the cost relates exclusively and directly to that activity. In addition, an allocation of salary and overhead costs of the central function is made and is apportioned based upon staff estimates of time spent on each activity (including the time of the executives who offer their services on a pro bono basis).

Expenditure on raising funds relate to the costs incurred by the charitable company in raising funds for the charitable work. This includes an allocation of salary and overhead costs of the central function and is apportioned based upon staff estimates of time spent on fundraising activity.

Grants payable to charities are charged in the year when the offer is conveyed to the investee charity except in those cases where the offer is conditional, which is typical of investee charities of Impetus. Funding is usually offered over a period of up to five years, which is reviewed on a regular basis throughout the funding relationship. Continued funding is conditional upon the charities meeting specified milestones. Conditional grants are recognised as expenditure when the conditions are fulfilled. If the conditions have not been met at the year end, the grants are disclosed as a future commitment but are not shown as expenditure.

Grants payable to interventions by the YEF are charged in the year in which they are disbursed to the intervention. Continued funding is conditional on the interventions meeting specified milestones. Conditional grants are recognised as expenditure when the conditions are fulfilled. If the conditions have not been met at the year end, the grants are disclosed as a future commitment but are not shown as expenditure.

Financial Instruments

The group's financial instruments all qualify as basic financial instruments in accordance with section 11 of FRS102 and are recognised on the following bases:

i. Programme related investments and investments in subsidiaries are measured at cost less provision for impairment.
ii. Other investments are measured at market value at the balance sheet date.
iii. Cash and cash equivalents represent bank balances and deposits held in sterling
iv. Debtors, including Gift Aid receivable, are measured at the transaction price less any provision for doubtful debts.
v. Trade creditors are measured at the transaction price.
vi. Items of equipment are capitalised where the purchase price or the cost of the capital project exceeds £1,000.
vii. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities.
viii. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life.

The depreciation rates in use are as follows:

Computer equipment	Three years
Office equipment	Four years
Fixtures and fittings	Five years

Short term deposits represent cash on deposit.

Unrestricted funds are donations and other income receivable or generated for the objects of the charity without limitations.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is matched to the restricted funds, together with a fair allocation of overheads and support costs, if appropriate.

The charity operates a defined contribution **pension scheme**. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charity the fund. The charity has no liability under the scheme other than for the payment of those contributions.

Pension contributions are also made on behalf of eligible employees and are paid into personal pension schemes as nominated by the employee and contributions pass through the SOFA as incurred.

Transactions in foreign currencies are translated into sterling at the rates of exchange current at the date of the transaction. Foreign currency monetary assets and liabilities in the balance sheet are translated into sterling at the rates of exchange ruling at the end of the year. Resulting exchange gains and losses are taken to the statement of financial activities.

Leases are regarded as operating leases and the rentals are charged to operating expenses on a straight-line basis over the term of the lease. Operating lease incentives received are added to the lease rentals and charged to operating expenses over the life of the lease. The charity has no finance leases.

The preparation of the **financial statements** requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. The key judgment which has had the most significant effect on amounts recognised in the financial statements relates to the recognition and measurement of Donated Services (see note 1(c)).

2. Total income

a) Donations and grants

	Group 2020 Total £	Group 2019 Total £	Charity 2020 Total £	Charity 2019 Total £
Grant from the Home Office for the Youth Endowment Fund	**1,000,000**	200,000,000	**-**	**-**
Other grants	**644,803**	444,375	**644,803**	444,375
Donated services	**1,746,812**	1,955,299	**1,746,812**	1,905,299
Cash donations from individuals and companies	**3,868,599**	3,097,249	**3,868,599**	3,097,249
Donations and grants	**7,260,214**	205,496,923	**6,260,214**	5,446,923

Donations and events income received from Trustees for the charity totalled £293,592 (2019: £369,942).

b) Events and fundraising activities

Fundraising events	**1,004,483**	1,728,979	**1,004,483**	1,728,979

c) Investment

Interest receivable	46,154	625,109	29,531	88,340
Fixed income bonds	4,141,221	61,326	-	-
Global equities	664,016	34,816	-	-
Investment income	**4,851,391**	721,251	**29,531**	88,340

d) Other income

Other income	**30,492**	50,299	**30,636**	50,299
Total income	**13,146,580**	207,997,452	**7,324,864**	7,314,541

Donated services represent pro bono services and facilities received by Impetus and the Youth Endowment Fund (YEF). These services relate both to work performed for Impetus or the YEF, and for our portfolio charities and are included as expenditure under note 3.

e) Additional funds raised for portfolio charities

Additional funds raised for charities are donations made directly to the portfolio charities where Impetus was instrumental in obtaining those funds. These amounts are not included in Impetus's own financial statements nor those of the group.

	2020 Total £	2019 Total £
Total additional funds generated by Impetus for portfolio charities	**5,802,992**	8,020,013

3 (a). Total expenditure - Group

Note for the current year	Grant funding £	Activities undertaken directly £	Support costs £	Group total 2020 £
Raising funds				
Fundraising and events	-	-	744,659	**744,659**
Charitable activities				
Supporting charities	-	4,108,532	1,840,352	**5,948,885**
Grants payable (note 4)	16,498,208	-	-	**16,498,208**
Donated services	-	1,483,392	263,420	**1,746,812**
Total charitable activities	16,498,208	5,591,924	2,103,772	**24,193,905**
Total expenditure	**16,498,208**	**5,591,924**	**2,848,431**	**24,938,564**

Note for the prior year	Grant funding £	Activities undertaken directly £	Support costs £	Group total 2019 £
Raising funds				
Fundraising and events	-	-	1,069,036	**1,069,036**
Charitable activities				
Supporting charities	-	2,311,910	1,244,210	**3,556,120**
Grants payable (note 4)	5,066,291	-	-	**5,066,291**
Donated services	-	1,366,293	589,006	**1,955,299**
Total charitable activities	5,066,291	3,678,203	1,833,216	**10,577,710**
Total expenditure	**5,066,291**	**3,678,203**	**2,902,252**	**11,646,746**

3 (b). Activities undertaken directly - Group

	Group 2020 £	Group 2019 £
Staff costs	**1,503,059**	922,203
Programme costs paid to Youth Endowment Fund partners	**1,119,223**	1,023,006
Evaluator payments	**1,249,464**	-
Office costs	**199,014**	279,166
Depreciation	**1,679**	7,397
Donated services	**1,483,392**	1,366,293
Other costs	**36,093**	80,138
	5,591,924	3,678,203

'Programme costs paid to Youth Endowment Fund partners' relate to grants made to delivery partners for the Youth Endowment Fund as follows:

Early Intervention Foundation	**652,028**	561,780
Social Investment Business Foundation	**467,195**	461,226
	1,119,223	1,023,006

3 (c). Support costs - Group

	Raising funds	Charitable activities	Total 2020	Raising funds	Charitable activities	Total 2019
	£	£	£	£	£	£
Staff costs	548,388	566,210	**1,114,598**	566,085	616,252	1,182,337
Office costs	114,583	277,318	**391,901**	152,272	193,176	345,448
Depreciation	967	916	**1,883**	4,035	3,810	7,845
Donated services	-	263,420	**263,420**	-	589,006	589,006
Fundraising events costs	69,669	-	**69,669**	307,848	-	307,848
Other costs	11,052	995,908	**1,006,960**	38,796	430,972	469,768
	744,659	2,103,772	**2,848,431**	1,069,036	1,833,216	2,902,252

Included within support costs above are governance costs totalling £61,709 (2019: £82,968).

3 (d). Pro bono income and expenditure - Group and Charity

Donated services are analysed as income and expenditure within the financial statements. The split of donated services across portfolio charities and other activities is as follows:

	2020	2019
	£	£
Unrestricted		
Portfolio charities	**1,483,392**	1,366,294
Impetus - portfolio	**124,833**	35,664
Impetus - other	**138,587**	503,341
Youth Endowment Fund	**-**	50,000
Total donated services	**1,746,812**	**1,955,299**

3 (e). Total expenditure - Charity

Note for the current year	Grant funding £	Activities undertaken directly £	Support costs £	Total 2020 £
Raising funds				
Fundraising and events	-	-	744,659	**744,659**
Charitable activities				
Supporting charities	-	1,170,546	657,367	**1,827,913**
Grants payable (note 4)	3,197,756	-	-	**3,197,756**
Donated services	-	1,483,392	263,420	**1,746,812**
Total charitable activities	3,197,756	2,653,938	920,787	**6,772,481**
Total expenditure	**3,197,756**	**2,653,938**	**1,665,446**	**7,517,140**

Note for the prior year	Grant funding £	Activities undertaken directly £	Support costs £	Total 2019 £
Raising funds				
Fundraising and events	-	-	1,069,036	**1,069,036**
Charitable activities				
Supporting charities	-	1,194,252	775,553	**1,969,805**
Grants payable (note 4)	3,684,107	-	-	**3,684,107**
Donated services	-	1,366,293	539,006	**1,905,299**
Total charitable activities	3,684,107	2,560,545	1,314,559	**7,559,211**
Total expenditure	**3,684,107**	**2,560,545**	**2,383,595**	**8,628,247**

3 (f). Activities undertaken directly - Charity

	2020 £	2019 £
Staff costs	**933,894**	827,851
Office costs	**199,014**	279,166
Depreciation	**1,679**	7,397
Donated services	**1,483,392**	1,366,293
Other costs	**35,959**	79,838
	2,653,938	2,560,545

3 (g). Support costs - Charity

	Raising funds £	Charitable activities £	Total 2020 £	Raising funds £	Charitable activities £	Total 2019 £
Staff costs	548,388	470,723	**1,019,111**	566,085	485,589	1,051,674
Office costs	114,583	108,552	**223,135**	152,272	143,813	296,085
Depreciation	967	916	**1,883**	4,035	3,810	7,845
Donated services	-	263,420	**263,420**	-	539,006	539,006
Fundraising events costs	69,669	-	**69,669**	307,848	-	307,848
Other costs	11,052	77,176	**88,228**	38,796	142,341	181,137
	744,659	920,787	**1,665,446**	1,069,036	1,314,559	2,383,595

Included within support costs above are governance costs totalling £47,309 (2019: £82,968).

4. Grants payable

	2020 £	2019 £
Grants payable fall in three categories:		
- paid to portfolio charities	**3,171,539**	3,672,707
- paid to research organisations	**118,938**	11,400
- paid to Youth Endowment Fund interventions	**13,207,731**	1,382,184
	16,498,208	**5,066,291**

Grants paid to portfolio charities in the year were as follows:

	2020 £	2019 £
Access Project	**275,000**	325,000
Action Tutoring	**253,000**	440,500
City Gateway	**400,000**	632,187
Dallaglio Rugby Works	**150,000**	272,187
Dixons	**-**	100,000
EY Foundation	**100,000**	-
Football Beyond Borders	**90,000**	100,000
IntoUniversity	**200,000**	375,000
Magic Breakfast	**54,171**	156,250
Online Tutoring Programme	**290,000**	-
Power 2	**50,000**	100,000
Resurgo	**419,535**	350,000
ThinkForward	**29,000**	66,000
Tutor Trust	**190,000**	100,000
Twenty Twenty	**31,250**	168,750
Venture Trust	**293,750**	178,500
Voice 21	**25,000**	75,000
West London Zone	**320,833**	233,333
Group and Charity total	**3,171,539**	3,672,707

Impetus adopts a three-stage approach to its portfolio investment in charities. The three stages are Focus, Build and Scale. The precise nature of the investment including term and amount invested is reviewed on a case by case basis by the Investment Committee. As a result, total annual payments to charities can vary significantly depending on the phase of the investment programme. At present, there are charities in the Focus, Build and Scale stages.

Continued funding of portfolio charities is conditional upon the charities meeting specified milestones. Conditional grants are recognised as expenditure when the conditions are fulfilled. If the conditions have not been met at the year end, the grants are noted as a future commitment but not shown as expenditure.

The total amount of grants authorised but not accrued as expenditure at 31 December 2020 was £1,776,250 (2019: £3,336,333). This amount relates to the charities listed above, but excludes any amounts in respect of new investees or next phase investments yet to be approved by the Investment Committee. If all current charity investees progress as envisaged, the phasing of future commitments is estimated as follows:

	£
2021	**1,267,500**
2022	**415,000**
2023	**93,750**
	1,776,250

Grants paid to research organisations in the year were as follows:

	2020 £	2019 £
Youth Jobs Gap	**19,217**	11,400
Other	**7,000**	-
Charity Total	**26,217**	**11,400**
Campbell Collaboration	**92,721**	-
Group and Charity Total	**118,938**	11,400

4. Grants payable (cont'd)

Grants paid by the Youth Endowment Fund to interventions in the year were as follows:

	2020 £	2019 £
Achieving for Children	493,500	144,000
ASSIST Trauma Care	183,124	75,748
Brandon Centre for Counselling and Psychotherapy for Young P	224,000	56,000
Cleveland Fire Brigade (Authority)	50,000	-
Comic Relief	4,000,000	-
Empire Fighting Chance	209,766	88,722
Essex Boys and Girls Clubs	87,973	86,358
Family Psychology Mutual	77,841	57,000
Family Support	120,000	80,000
Fight for Peace International	50,000	-
Imperial College London	212,314	-
Leicestershire County Council	116,972	70,930
Life Skills Education Charity	253,650	128,144
LifeLine Community Projects	100,000	60,000
Lime Social Marketing Media & Communications Ltd	50,000	-
Lives Not Knives	344,000	-
London Borough of Lambeth	238,462	-
Media Academy Cymru	50,549	-
Mental Health Foundation	116,317	122,817
Nottingham City Council	72,414	-
Office of the Police and Crime Commissioner for Northumbria	51,402	-
Preston North End Community and Education Trust	54,094	-
RISE Mutual CIC	228,121	54,811
Roots of Empathy	101,907	-
SkyWay Charity	55,464	-
Solihull Metropolitan Borough Council	54,000	-
South London and Maudsley NHS Foundation Trust (SLaM)	1,174,929	-
South Tyneside Council	57,638	21,465
St Christopher's Fellowship	-	55,000
StreetGames UK	64,123	-
The Rugby Football League Limited	136,854	76,477
The Tavistock and Portman NHS Foundation Trust	285,000	60,000
The Titan Partnership	240,818	68,263
Wakefield Council Youth Work Team	132,462	37,699
Other grants paid below £50,000	3,520,037	38,750
Total	**13,207,731**	1,382,184

Only grants of £50,000 and above have been individually disclosed in the note above. To obtain the detail of the grants inculded within 'other' please contact Impetus at it's registered address.

The Youth Endowment Fund aims to prevent children and young people from getting caught up in crime and violence by making sure that those at most risk get the best possible support, as early as possible, to get on a positive path and succeed.

The total amount of grants authorised but not accrued as expenditure at 31 December 2020 was £18,834,519 (2019: £13,649,734). This amount relates to the organisations listed above. If all current interventions progress as envisaged, the phasing of future commitments is estimated as follows:

	£
2021	**16,118,140**
2022	**2,256,379**
2023	**460,000**
	18,834,519

The above conditional grant commitments to organisations are underwritten by existing reserves (see note 14).

5. Net income/(expenditure) for the year

This is stated after charging:

	2020 £	2019 £
Trustees' remuneration	-	-
Trustees' expenses	-	-
Depreciation	**3,561**	15,242
Operating lease expenses	**2,121**	47,331
Auditors' remuneration for audit services	**26,350**	26,040

Directors and Officers insurance which covers the Trustees against any personal liability was provided at a cost of £1,470 (2020: £1,470).

6. Subsidiaries

6a. Investment in PEF Trading Limited

The investment of £1 in PEF Trading Limited (PEFTL) represents the whole of the issued ordinary share capital of a company incorporated in England and Wales on 13 February 2012. PEFTL engaged in miscellaneous trading activities connected to Impetus but has not traded since 2015.

	Year ended 31 Dec 2020 £	Year ended 31 Dec 2019 £
Administrative expenses	**(134)**	(300)
Net movement in funds	**(134)**	**(300)**
Ordinary share capital	1	1
Profit and loss account	-	279
Shareholders' funds represented by net assets	**1**	280

6b.The Youth Endowment Fund Charitable Trust

On 10 April 2019, The Youth Endowment Fund Charitable Trust was established with Impetus as its sole corporate trustee. YEF is a registered charity, number 1185413.

Summary financial results of the Youth Endowment Fund:

	Year ended 31 Dec 2020 £	Period ended 31 Dec 2019 £
Total income	5,821,860	200,632,911
Total expenditure	(17,421,289)	(2,959,324)
Gain on investments	9,527,482	148,866
Net movement in funds	(2,071,947)	197,822,453
Summary balance sheet as at 31 December 2020		
Investments	194,220,703	195,285,572
Current assets	2,212,470	3,056,636
Creditors: amounts due within one year	(691,542)	(528,630)
Net assets	195,741,631	197,813,578
Restricted funds	195,754,106	197,822,453
Unrestricted funds	(12,475)	(8,875)
	195,741,631	197,813,578

7. Staff costs

Staff costs were as follows:	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Salaries and wages	**2,242,578**	1,809,681	**1,670,590**	1,612,681
Social security costs	**268,167**	210,243	**201,534**	189,829
Pension contributions	**106,912**	84,616	**80,881**	77,015
	2,617,657	2,104,540	**1,953,005**	1,879,525

The salary breakdown by employee is shown in the table below (where applicable).

	Number of employees	
Salary band	**2020**	**2019**
£60,000 - £70,000	3	4
£80,000 - £90,000	-	4
£90,000 - £100,000	5	-
£100,000 - £110,000	1	-
£110,000 - £120,000	-	1

The employer's pension contributions for staff earning more than £60,000 per annum amounted to £37,442 (2019: £33,943).

Employee benefits, (salary, bonus, employer NI and employer pension contributions), paid for the senior management team totalled £951,627 (2019: £548,964).

Staff numbers

The average weekly number of Charity and Group employees is shown below on a full-time equivalent and headcount basis:

	Group 2020	Group 2019	Charity 2020	Charity 2019
Full-time equivalents	40.6	33.4	32.8	30
Headcount	43	35	35	33

8. Taxation

There are no taxable profits arising within the subsidiary for the year ending 31 December 2020. Consequently Impetus has no liability to tax and no deferred tax.

9. Tangible fixed assets

	Fixtures and fittings £	Office and computer equipment £	**Group and Charity Total £**
Cost			
At the start of the year	148,261	146,045	**294,306**
Additions in period	-	5,925	**5,925**
At the end of the year	**148,261**	**151,970**	**300,231**
Depreciation			
At the start of the year	148,261	143,091	**291,352**
Charge for the period	-	3,561	**3,561**
At the end of the year	**148,261**	**146,652**	**294,913**
Net book value			
At the end of the year	**-**	**5,318**	**5,318**
At the start of the year	-	2,954	2,954

10. Investments

	YEF - Listed and unlisted investments £	**Charity - Investment in trading subsidiary £**	**Group total £**
Market value at at 1 January 2020	195,285,572	1	**195,285,572**
Additions	130,476,118	-	**130,476,118**
Disposals	(145,487,384)	-	**(145,487,384)**
Dividends and interest	4,821,860	-	**4,821,860**
Investment management fees	(402,945)		**(402,945)**
Realised gains	281,914	-	**281,914**
Unrealised gains	9,245,568	-	**9,245,568**
Market value as at 31 December 2020	**194,220,703**	1	**194,220,703**

Listed and unlisted investments at the year end consist of amounts invested with Goldman Sachs for the Youth Endowment Fund.

11. Debtors

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Accrued income	**588,781**	864,033	**588,781**	864,033
Gift Aid	**63,000**	60,864	**63,000**	60,864
Amount due from subsidiary charity	**-**	-	**236,636**	474,135
Other debtors	**26,851**	19,885	**26,851**	18,574
Prepayments	**252,216**	145,877	**51,056**	145,877
YEF del `	**760,192**	465,631	**-**	-
	1,691,040	1,556,290	**966,324**	1,563,483

12. Creditors: amounts due within one year

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Trade and other creditors	**180,232**	454,762	**50,436**	428,413
Tax and social security	**88,637**	61,193	**88,637**	61,193
Accruals and deferred income	**425,920**	172,319	**100,810**	142,866
	694,789	688,274	**239,883**	632,472

13. Analysis of net assets between funds

Note for the current year

Group	Restricted funds	Unrestricted funds	Total 2020
	£	£	£
Tangible fixed assets	-	5,318	**5,318**
Investments	194,220,703	-	**194,220,703**
Net current assets	1,768,157	5,931,472	**7,699,629**
	195,988,860	**5,936,790**	**201,925,650**

Charity	Restricted funds	Unrestricted funds	Total 2020
	£	£	£
Tangible fixed assets	-	5,318	**5,318**
Investments	-	1	**1**
Net current assets	247,229	5,931,472	**6,178,701**
	247,229	**5,936,791**	**6,184,020**

Note for the prior year

Group	Restricted funds	Unrestricted funds	Total 2019
	£	£	£
Tangible fixed assets	-	2,954	**2,954**
Investments	195,285,572	-	**195,285,572**
Net current assets	2,528,006	6,373,620	**8,901,626**
	197,813,578	**6,376,574**	**204,190,152**

Charity	Restricted funds	Unrestricted funds	Total 2019
	£	£	£
Tangible fixed assets	-	2,954	**2,954**
Investments	-	1	**1**
Net current assets	-	6,373,341	**6,373,341**
	-	**6,376,296**	**6,376,296**

14. Movements in funds
Note for the current year
Group

	At the start of the year £	Income £	Expenditure £	Net gains/ (losses) on investments £	At the end of the year £
Restricted funds					
Portfolio charities	-	719,803	(532,035)	-	**187,768**
Online tuition pilot	-	290,000	(290,000)		**-**
COVID Response Fund	-	232,382	(172,921)		**59,461**
Youth Endowment Fund - Home Office grant	197,822,453	4,821,860	(17,229,465)	9,527,482	**194,942,330**
Youth Endowment Fund - Centre of Excellence grant	-	1,000,000	(188,224)	-	**811,776**
Youth Endowment Fund - supplementary funding	(8,875)	-	(3,600)	-	**(12,475)**
Total restricted funds	197,813,578	7,064,045	(18,416,245)	9,527,482	**195,988,860**
Unrestricted funds					
Unrestricted general funds	6,376,296	6,082,535	(6,522,185)	144	**5,936,790**
Unrestricted trading subsidiary	278	-	(134)	(144)	**-**
Total unrestricted funds	6,376,574	6,082,535	(6,522,319)	-	**5,936,790**
Total group funds	**204,190,152**	**13,146,580**	**(24,938,564)**	**9,527,482**	**201,925,650**

Note for the prior year
Group

	At the start of the year £	Income as restated £	Expenditure as restated £	Net gains/ (losses) on investments £	At the end of the year £
Restricted funds					
Portfolio charities	250,000	419,374	(669,374)	-	-
Youth Endowment Fund - Home Office grant	-	200,632,911	(2,959,324)	148,866	197,822,453
Youth Endowment Fund - supplementary funding	-	50,000	(58,875)	-	(8,875)
Total restricted funds	250,000	201,102,285	(3,687,573)	148,866	**197,813,578**
Unrestricted funds					
Unrestricted general funds	7,440,002	6,895,167	(7,958,873)	-	**6,376,296**
Unrestricted trading	578	-	(300)	-	**278**
Total unrestricted funds	7,440,580	6,895,167	(7,959,173)	-	6,376,574
Total group funds	**7,690,580**	**207,997,452**	**(11,646,746)**	**148,866**	**204,190,152**

Purposes of restricted funds

Charity partners: Impetus receives donations for specific domain areas, charities and for specific expenditure. These are treated as restricted donations with appropriate expenditure allocated against them.

Online Tuition Pilot: Impetus raised funding to run an online tuition pilot. This was to test the efficacy and viability of online tutoring for disadvantaged pupils who had fallen behind due to the COVID-19 pandemic, which later lead to the National Tutoring Programme with £350 million unlocked from the Department of Education for catch up tuition.

COVID Response fund: Impetus ran a funding a campaign at the height of the COVID-19 pandemic to facilitate additional funding for our portfolio charities adversely affected by the pandemic.

Youth Endowment Fund: the grant from the Home Office and investment returns from it are used to fund interventions to prevent children and young people from getting caught up in crime and violence by making sure that those at most risk get the best possible support. The grant includes restrictions on the level of expenditure outside the areas of research, project delivery and evaluation costs.

Youth Endowment Fund: supplementary funding secured in support of the YEF is used to support and fund interventions to prevent children and young people from getting caught up in crime and violence by making sure that those at most risk get the best possible support.

Centre of Excellence fund: The Youth Endowment Fund received an additional restricted grant of £1 million from the Home Office in 2020 to create a 'Centre of Excellence' with the purpose of enabling YEF to act as a centre of expertise, generating, disseminating and promoting new knowledge, practice and academic research that will transform local and national responses to tackling serious violence affecting children and young people.

Purposes of unrestricted funds

Unrestricted general funds of £5,936,791 (2019 - £6,376,296) will be used to support a significant proportion of conditional grant commitments made to charities of £1,776,250 (2019 - £3,336,333) per note 4.

15. Members' liability

Impetus 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. The charity has no parent or ultimate holding company.

16. Operating lease commitments

At 31 December 2020, the charity had commitments under operating leases of:

	Equipment	**2020 Total**	Equipment	2019 Total
	£	**£**	£	£
Due within one year	1,768	1,768	1,768	1,768
Two to five years	3,535	3,535	5,303	5,303
	5,303	5,303	7,071	7,071

17. Related party transactions

Amounts donated to Impetus by its Trustees are disclosed in note 2a.

Impetus has consolidated a subsidiary, PEF Trading Limited, in the Group financial statements. Note 6 discloses Impetus' investment in this subsidiary and the subsidiary's results to 31 December 2020.

Impetus pays salary and other costs on behalf of the Youth Endowment Fund which it recharges to the restricted fund. Amounts totalling £708,603 (2019: £523,391) were recharged by Impetus to the Youth Endowment Fund during 2020. As at the 31 December 2020 the Youth Endowment Fund owed amounts totalling £236,636 (2019: £474,135) to Impetus.

There are no other related party transactions which require disclosure in the financial statements.

Impetus

Thank you

All young people can succeed at school and work with the right support

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