

**THE BERKELEY CHARITABLE  
FOUNDATION**

Report and Financial Statements

For the period ended 30 April 2021

Company Number: 8548400  
Registered charity in England and  
Wales: 1152596

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## **Reference and Administrative Information**

### **Directors and Trustees**

The Directors of the charitable company (the Charity) are its Trustees for the purposes of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees serving during the year and since the year end were as follows:

Anthony W Pidgley, CBE (until 26 June 2020)  
Robert C G Perrins  
Wendy J Pritchard  
Elaine A Driver  
Alison J Dowsett (Appointed 26 June 2020)

### **Senior Management**

Sally R Dickinson (Head of Foundation)

### **Registered office**

Berkeley House  
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Cobham  
KT11 1JG

### **Banker**

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E14 5HP

### **Solicitor**

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Hanover House  
14 Hanover Square  
London W1S 1HP

### **Auditor**

KPMG LLP  
15 Canada Square  
London  
E14 5GL

**Charity registration number:** 1152596

**Company registration number:** 8548400

## **Trustees' Report**

The Trustees present their report and accounts for the year ended 30 April 2021 ("the year").

The accounts have been prepared in accordance with the policies set out in note 1 to the financial statements and comply with applicable law and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

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

#### **Governance**

The Berkeley Charitable Foundation ("the Foundation"), a company limited by guarantee, was originally incorporated under the Companies Act 2006 on 29 May 2013 as The Berkeley Foundation 2013 and subsequently renamed The Berkeley Charitable Foundation on 22 July 2013.

The Charity's governing document is its Memorandum and Articles of Association and this sets out the Foundation's charitable objectives.

#### **Organisation and Appointment of Trustees**

The statutory power of appointing a new Trustee is vested in the Trustees of the charity. The number of Trustees shall not be permitted to fall below three.

The Trustees who have served during the year are set out on page 2.

As previously reported, Tony Pidgley CBE, one of our founding Trustees and Berkeley Group Founder and Chairman, sadly died in June 2020. Alison Dowsett, Managing Director of St William Homes LLP, was appointed as a new Trustee in June 2020.

#### **Trustee Induction and Training**

On appointment all Trustees go through an induction process, explaining how the Foundation operates, what its purpose is and where the focus for charitable giving lies. Trustees have appropriate knowledge and training for their role, and the Foundation has experienced personnel in investment matters.

Regular reporting allows the Trustees to maintain close control of the Foundation's activities.

#### **Organisational Structure and Decision Making**

The Trustees meet quarterly and set the strategic goals of the Foundation. This includes the choice of charities supported, specific projects funded, the level of financial support and any external promotion. Trustees seek clear outputs from beneficiary charities.

The Trustees retain responsibility for all policy and decision making.

The Finance, Audit and Risk Committee also meets quarterly, between Trustee meetings, and is responsible for reviewing the system of internal control and risk management of the Foundation, reviewing applications to the Foundation for funding, reviewing the Foundation's communication plans and overseeing the annual audit.

Officers, who are employees of The Berkeley Group, undertake the administration of the Foundation.

Performance of fundraising and beneficiary projects is reported to each Trustee and Finance, Audit and Risk Committee meeting.

## **Related Parties**

The Berkeley Group provided goods and services to the value of £339,438 without charge (2020: £468,758), which is shown in the financial statements as both income and expenditure.

During the year ended 30 April 2021, Anthony Pidgley CBE was a Trustee of The Sir Simon Milton Foundation (until 26 June 2020), Rob Perrins was a Trustee of Crisis and Wendy Pritchard was a Trustee of Richard House, charities that are supported by the Foundation through grants. Whilst these charities are not deemed related parties, disclosure is provided for transparency.

The relevant Trustee does not take part in the decisions concerning the approval of funding commitments to the respective charity.

## **Risk Management**

A risk register for the Foundation, incorporating the key risks facing the organisation, is regularly reviewed by the Finance, Audit and Risk Committee and updated where necessary. This is presented at the quarterly Trustees' meeting and approved annually by the Trustees.

The principal risks of the Foundation include public perception, adverse publicity and fraud.

The Foundation has policies, systems and procedures in place to mitigate these risks where practical, with support from Berkeley Group functions where necessary, including finance and communications. In respect of the principal risks identified, this includes ensuring good quality and regular external reporting of the charity's activities and financial position, and appropriate segregation of duties and authority limits.

In addition, a report is provided annually to the Trustees on the internal financial controls within the charity. The report presented to the Trustees in both August 2020 and 2021 concluded that the internal financial controls were fit for purpose and proportionate to the scale and complexity of the Foundation's business.

## **Mission Statement, Vision and Values**

In 2018, we launched a new three-year strategy for the Berkeley Foundation. As part of this, the mission, vision and values of the Foundation were reviewed and refreshed.

Our mission is to work in partnership to help young people overcome barriers, improve their lives, and build a fairer society. Our vision is for a society in which every young person can thrive.

All partnerships deliver against at least one of the Foundation's four themes: 'A Safe Place to Call Home', 'Access to Employment', 'The Skills to Succeed' and 'Health & Wellbeing'.

The principal values that the Foundation will conduct its work through are:

- **HAVE INTEGRITY** – Build trust by being open, clear and credible
- **BE EFFECTIVE** – Manage our resources responsibly to generate long-term impact
- **BE BOLD** – Take a creative and innovative approach to all our activities
- **EMPOWER PEOPLE** – Work collaboratively, engage others in our work and empower people to create change
- **PROGRESS THROUGH LEARNING** – Take every opportunity to develop our knowledge and understanding

The strategy sets out three priority areas for the Foundation's work, each containing a number of specific and measurable three-year commitments. Our priority areas are:

- **FUNDING** – We believe in the power of long-term funding. Wherever possible we work with organisations for three years or more. This helps build trust, and provides our partners with stability and consistency.
- **ADDING VALUE** – As well as funding frontline services, we also use our skills, expertise, resources and networks to create development opportunities for our partners and their beneficiaries. Our partnership with the Berkeley Group provides us with access to a wide range of assets and opportunities.
- **LEARNING AND SHARING** – We use what we've learned to inform and improve our own strategy and funding decisions, share insights and influence wider policy and practice. We do this by publishing evaluations and reports, convening events and communicating about what didn't work as well as what did. We aim to be transparent about our grant-making in order to drive improvements for ourselves, other funders and the wider sector.

2020/21 was the final year of delivery against this strategy.

## **Activities, achievements and impact**

### **Activities**

The Foundation supports people in London, Birmingham and the South of England through four themes: 'A Safe Place to Call Home', 'Access to Employment', 'The Skills to Succeed' and 'Health & Wellbeing'.

We do this through three types of charitable partnership:

- **Strategic Partnerships:** Long term, in-depth partnerships, operating on a number of levels. There are currently six Strategic Partnerships.
- **Designated Charities:** Three-year partnerships between Berkeley Group businesses and local charities. There are currently 20 Designated Charities.
- **Community Investment Fund:** Targeted funding programmes addressing specific issues facing young people in each of our four focus areas.

Over the last 12 months, our partnerships have reached 5,487 people across London, the South of England and Birmingham. We have donated £2.8 million to the voluntary sector through Foundation grants (£2.5 million) and staff fundraising (£0.3 million), and seen 53% of Berkeley staff get involved through fundraising, volunteering and Give As You Earn.

This year, our grant making has included making significant further emergency Covid-19 response funding available to our charity partners, bringing our total grant making in response to the pandemic to £656,000.

We remain committed to building strong, enduring and trust-based relationships, and believe that investing for the long term is the best way to maximise the impact of our funding. It enables us to build truly impactful partnerships which can harness skills, expertise, brand and reach, as well as funding.

### *Strategic Partnerships*

Our Strategic Partnerships are central to our charitable giving. They provide a core of strong, well-resourced, long-term partnerships, addressing the needs of the most disadvantaged people in society by combining the expertise and high quality delivery of our charity partners with the skills, resources and networks of the Berkeley Foundation.

Our six Strategic Partnerships stretch across our four themes. A brief summary of each of these partnerships is provided below:



- **Crisis:** Our partnership with Crisis continues to support the charity's employment services work across London. It also includes a new place-based partnership with Crisis Skylight Brent, aimed at creating local systems change. This work has progressed well during the year.
- **The Change Foundation:** We have expanded our support for Street Elite, a programme which uses sport engage young people impacted by crime, violence and inequality. We renewed our support for the programme in Birmingham and expanded into a fourth London borough: Ealing.
- **The Lord's Taverners:** Our partnership with the Lord's Taverners continues to support the Super 1s disability cricket programme. While face-to-face delivery was paused for much of the year due to the pandemic, young people continued to engage online and good progress was made towards rolling the programme out nationally.
- **The Mayor's Fund for London:** We renewed and increased our support for the Kitchen Social programme during the year, providing food and activities for young people vulnerable to food poverty, during the school holidays and in national lockdowns.
- **MyBnk:** Our continued support for MyBnk's The Money House programme, which supports care experienced young people moving into independent accommodation, enabled it to expand into a fourth location: Haringey. The programme was successfully delivered online during the pandemic.
- **Imperial College London:** We renewed our partnership with Imperial College London for a further three years, committing an additional £600,000 to support the Makerspace Programmes, aimed at engaging young people in the White City area in design and making.

Due to the ongoing pandemic Berkeley staff were unfortunately not able to engage in these partnerships through fundraising and volunteering as fully as in previous years. However, during the year 234 Berkeley colleagues took part in Crisis' Race to End Homelessness, raising £54,000. Staff and contractors from Berkeley Homes East Thames refurbished The Money House flat in Greenwich, Berkeley St Edward provided free of charge use of its storage facilities to the Kitchen Social programme, and Berkeley Divisions hosted a number of work experience placements for young people graduating from the Street Elite programme.

### *Designated Charities*

We have 20 local partnerships with organisations nominated and selected by our staff. These range from grassroots homelessness projects to children's hospices.

They are long-term relationships lasting at least three years and, in some cases, much longer. This gives the two organisations the chance to really get to know and understand each other. A partnership plan is developed which focuses not only on support through fundraising but also on staff volunteering and capacity building.

Designated Charities are the main focus of staff fundraising across the Berkeley business. This year, fundraising has been significantly restricted by the Covid-19 pandemic. Nevertheless, staff raised £255,000 for their local partners during the year (2020: £646,000), through fundraising events ranging from quiz nights to bike rides, and through Give as You Earn. This money can make a huge difference to the small-to-medium sized organisations we support.

### *Community Investment Fund*

Our Community Investment Fund is the third stream of funding available from the Berkeley Foundation. It allows us to fund flexibly, making smaller grants to innovative organisations within our four themes.

This year, we launched our second *Improving Youth Mental Health* programme, building on our previous work to improve young people's health and wellbeing. We are working with three charities: Khulisa, MAC-UK and the Anna Freud National Centre for Children and Families.

During the year, we also continued to work with the charities funded under the first *Improving Youth Mental Health*, *Combatting Youth Homelessness*, *Empowering Young Women into Work*, and *Skills for Positive Futures* programmes.

## Covid-19

The year was dominated by the ongoing Covid-19 pandemic. Like so many organisations, the Foundation had to adapt quickly and we adjusted to home working, remote decision-making, and holding board meetings via Zoom.

We were an early signatory of 'We Stand With The Sector', a joint funder pledge to the voluntary sector and a public statement of our commitment to supporting our charity partners during this difficult period. Our response to the pandemic this year is summarised below:

- **Providing additional flexibility on current grants:** Where requested, we have enabled charity partners to use funding from the Foundation flexibly to respond to community need, or unrestricted funding altogether.
- **Providing additional funding to charity partners:** During the year we committed a further £428,000 in emergency Covid-19 response grants to our charity partners. This included unrestricted donations to support core running costs, support for specific pandemic response projects and over £64,000 of match funding to our Designated Charities for fundraising by our staff. This took our total grant-making in response to the crisis to £656,000.

## Achievements

Our 2018-2021 strategy sets out three clear strategic priorities for our work, underpinned by a set of measurable objectives. Our progress against each priority area is set out below:

### FUNDING

By 2021 we will...	Progress against objectives
Find projects that would enable us to give at least £3.5 million a year by 2021 through grants, staff fundraising and GAYE.	Over three years we gave £9 million to communities through grants, staff fundraising and Give As You Earn, including £2.8 million last year. We gave more in direct grants from the Foundation in 2020/21 than in any previous year, including £656,000 in Covid-19 response grants.
Work in partnership with other funders, businesses and local authorities to develop a more collaborative approach to funding, which leverages our giving and increases its impact	We have worked collaboratively with a wider range of funders, businesses and local authorities over the last three years than ever before, with partners ranging from the GLA to JP Morgan Chase Foundation. We regularly shared information with other funders throughout the Covid-19 pandemic, and have also started publishing our grants data on 360 Giving.
Launch a core cost commitment, which will ensure that every grant we make takes a full cost recovery approach	We published our core cost commitment on our website in 2019. This makes public our commitment to funding a proportion of our partners' core costs and overhead as part of every grant we make. Since then, 95% of new grants (representing 99% of our total giving) have been either unrestricted or included core costs and we are working towards making this 100%.



## ADDING VALUE

By 2021 we will...	Progress against objectives
Develop a broader range of skilled volunteering opportunities for Berkeley staff, increasing the number of volunteer hours given across the Berkeley Group and measuring the impact of this for both charities and staff.	Through our charity partners we have been able to offer a range of volunteering opportunities, from mentoring young people to serving Christmas meals to those experiencing homelessness, clean up community gardens and even renovate a home for a family. Through the pandemic we worked with partners to deliver virtual sessions on subjects like interior design and CV workshops.
Create more opportunities for our partners to meet, network and collaborate with each other and our wider networks.	We created new opportunities for our charity partners to come together, share and collaborate, from hosting networking dinners to workshops and roundtable events. Partners have fed back through our ten year evaluation that they would like to see the Foundation do even more of this in future.
Develop stronger pathways for young people taking part in Berkeley Foundation programmes to access work experience and employment opportunities with the Berkeley Group and its supply chain.	New partnerships with Crisis in Brent, Key4Life in Hammersmith & Fulham, and Women into Construction in Birmingham have strengthened our ability to support people into work. Over three years Berkeley Group hosted 21 work experience placements for people referred by our charity partners, and 12 of these moved into jobs and apprenticeships.

## LEARNING AND SHARING

By 2021 we will...	Progress against objectives
Undertake a long-term evaluation of the Foundation's impact, to be published in 2021. As part of this, we will develop opportunities for partner charities and their beneficiaries to give feedback on our work.	We commissioned IVAR to carry out a 10 year evaluation of our work, looking at our impact on people, organisations and wider society, and making recommendations for the future. As part of this process, we collected anonymous feedback from our charity partners for the first time – something we will look to continue. We published IVAR's report in 2021, and you can read their findings on our website.
Create a learning programme which provides space for our partners to share, reflect and develop their work.	We piloted a series of learning events in 2019/20, delivering three events with partners and young people which helped us to develop new funding programmes. We built on this in 2020/21, bringing partners together for four workshop sessions and sharing learning from our Combatting Youth Homelessness programme at London Funders' Festival of Learning.
Raise the Foundation's profile and ability to influence key stakeholders by developing and implementing a new communications strategy.	Our new communications strategy was launched in 2019 and this has helped us to increase our profile across a number of channels.

## Impact

Over the last year, we have worked with 58 voluntary sector organisations. We have given £2.8 million through grants and staff fundraising to our partner charities, and this funding has supported over 5,400 at-risk individuals. This work has been supported by the efforts of 1,418 Berkeley Group staff (53%).

We want to make sure that we are using these resources effectively, and supporting work that is making a real and lasting difference. We work with our partners to evaluate the programmes we are funding: to understand what is working well, and where there is room for improvement. What we learn from this process can be used and shared, to showcase good practice, and to make sure things work better next year and the year after that. As part of this process of learning and reflection, this year we also commissioned a ten year evaluation of the Foundation's work, which was delivered by the Institute for Voluntary Action Research (IVAR).

We think about our impact in three ways:

- **Individual impact** – *Young people have a safe place to call home, improved health and wellbeing, access to employment and the skills to succeed.*

Funding high quality services that improve people's lives is at the core of what we do. Our partners might help somebody secure a tenancy or avoid homelessness, move into work, develop new skills or access new opportunities.

This year we have supported more than 5,400 people through our charity partnerships. This includes 898 people experiencing or at risk of homelessness, 911 people who have taken part in employability initiatives or moved into work, 262 young people who have gained new skills, and 3,416 young people who have taken part in health and wellbeing programmes.

We work with our partners to understand the impact of the programmes we fund. This year, we have analysed impact data for over 2,350 of the people our charity partners worked with against London Benchmarking Group's impact framework, which measures depth of impact, and asks whether we had contributed towards a connection, an improvement, or a transformation in the lives of the people supported by our work.

- 64% of people supported had made a connection – this includes people who received housing advice, gained new skills, or reported a change in attitude towards work or education.
- 54% of people had made an improvement – this includes people who experienced longer-term change, such as an improvement in their housing situation, or a change in attitude or behaviour that lasted beyond the end of the intervention.
- 25% of people experienced a transformation – this includes people who were permanently rehoused or who moved into work.

IVAR's ten year evaluation of our work found evidence that the Foundation had contributed towards a wide range of outcomes for young people and communities, and that in some cases we have been the only funder that has been willing to support certain services.

- **Organisational impact** – *Organisations supporting young people are stronger, more resilient and better able to overcome challenges and operate effectively.*

Our work also has an impact on the organisations we partner with. We work with organisations for the long term: most of our partnerships last for three years and some for much longer. This provides stability, and enables our partners to plan ahead.

IVAR's ten year evaluation highlighted four elements of our approach that contribute towards charity partner resilience and effectiveness:

- Provision of longer-term funding
- Funding based on an understanding of the complexity of the issues – enabling organisation to take a holistic approach and respond and adapt to new and emerging needs
- Creating opportunities for partners to collaborate and share learning and insight with peers
- Access to resources and support beyond funding

- **Systemic impact** – *Insight and learning about 'what works' in improving the lives of marginalised young people is shared across the voluntary, private and public sectors.*

As well as directly supporting people and organisations, we use our networks to share what we have learned through our partnerships. We believe that by being transparent about what has worked well and what hasn't, we can begin to influence other funders, businesses and decision-makers.

As well as investing in an external evaluation of the Foundation's work, which will be shared externally, this year we participated in a number of funder events and forums aimed at sharing intelligence around community need during the pandemic, ensuring that we, and other funders, were able to respond in a co-ordinated manner.

## **Investment**

Funding for the Foundation comes from a variety of sources. The Berkeley Group staff raise money through sponsorship, Give As You Earn and by donating their time and talents. The Berkeley Group matches any monies raised, as well as providing the Foundation's 'core' funding, paying its overheads and covering the cost of specific events. We also received a number of direct donations from individuals and companies who support our work.

A significant percentage of The Berkeley Group staff support the work of the Foundation through direct giving, fundraising and volunteering. 1,418 current Berkeley staff contributed to the Foundation in 2020/21 (53%), and 32% of all Berkeley staff were signed up to Give As You Earn at April 2021, resulting in Berkeley receiving the Diamond Payroll Giving Quality Mark Award in 2021 for the fourth consecutive year (for over 30% of staff contributing).

## **Financial review**

Income for the year was £2,592,800 (2020: £4,752,390). This includes funding received from The Berkeley Group in respect of commitments and grants to charities approved by the Trustees, donated services from The Berkeley Group, amounts raised directly for the Foundation through fundraising and Give As You Earn contributions, and direct donations from individuals and companies. Some of these commitments span a number of years and the committed funding is received up front from The Berkeley Group.

The decrease in income this year primarily reflects the lower level of funding from The Berkeley Group, with a lower level of new multi-year commitments compared to the prior year, reflecting the timing of renewal of our longer term partnerships. The Berkeley Group has again advance funded commitments forecast for the next financial year.

Expenditure in the year totalled £2,477,811 (2020: £3,412,693). This related to commitments and grants to Strategic Partnerships, Designated Charities and grants and donations to other charities within the Foundation's core focus areas and support costs paid for by The Berkeley Group, with the reduction reflecting the lower level of new multi-year commitments as discussed above.

Grants and donations totalling £2,476,863 were physically paid by the Foundation during the year (2020: £2,270,840).

In addition, a further £326,262 was raised by Berkeley Group staff via fundraising and Give As You Earn and donated directly to the Foundation's partner charities in the year (2020: £695,604). This amount is not reflected in these financial statements. The value of the time and talent donated by Berkeley Group staff is also not included in these financial statements.

The charity is in a net asset position at the year-end of £1,819,970 (2020: £1,705,000), with the position continuing to reflect the advance funding received from The Berkeley Group for commitments forecast for the coming year, as noted above. All funds were unrestricted.

The Trustees have continued to consider the impact of Covid-19 on the Foundation and have concluded it to be low risk to its continuing operations, given the support of The Berkeley Group, resulting in the Foundation being forward funded at each balance sheet date with all commitments approved by the Trustees, and all costs of the Foundation being borne by The Berkeley Group.



In addition, advance funding has again been received before the year end from The Berkeley Group for other commitments forecast for the coming year not yet approved. These matters have been assessed when considering the Basis of Preparation for the financial statements, as set out on page 20.

## Reserves policy

The Trustees' policy is to maintain sufficient reserves to meet existing and forecast commitments to charities. The reserves held at 30 April 2021, as set out in note 9 to the financial statements, complied with this policy as, given there are no running costs incurred by the Foundation, all reserves are available for distribution. The running costs of the Foundation are paid by The Berkeley Group, as set out in notes 3 and 4 to the financial statements.

## Future actions

Considerable work was undertaken in the year to support the development of a new 2030 Strategy for the Berkeley Foundation. This strategy has since been finalised and launched, and will guide our work over the remainder of this decade.

The strategy builds on the recommendations from IVAR's ten year evaluation of the Foundation's work, particularly feedback gathered from charity partners through four focus groups and an anonymous survey. We have worked closely with our board of trustees, charity partners and key stakeholders across the Berkeley Group to shape the way forward. The result is a long-term strategy which sees us evolve our previous goals, making them more relevant to a changing external environment and bringing more young people into each stage of the grant-making process.

Our 2030 vision is that **young people and their communities will have the tools and resources they need to thrive and be a force for change in the world.**

Our vision is supported by five impact goals, which define the difference we want to make through our work:

1. A safe place to call home  
*Everyone has somewhere to live that is safe, secure and sustainable*
2. Journey to employment  
*Every young person is prepared for work and has the opportunity to build a sustainable career*
3. Health and wellbeing  
*Everyone has the support they need to live happier, healthier lives.*
4. Youth leadership  
*Young people are empowered to positively impact their own lives and the communities in which they live*
5. A resilient voluntary sector  
*Our communities include a voluntary sector that is effective, inclusive and well resourced*

Our five impact goals are supported by five commitments about the way we'll work:

1. We'll work in partnership with expert charities, investing in their work to help young people thrive
2. We'll add value to our partnerships through our expertise, networks and relationship with Berkeley Group
3. We'll learn from our work and share our learning across the public, private and voluntary sectors
4. We'll ensure that diversity, equity and inclusion is at the heart of everything we do
5. We'll enable young people to play an active role in the Foundation's work

The new strategy also includes an update to our funding streams. This is to reflect the changing environment of grant-making; making our funding process more transparent, and allowing us to continue to grow our funding.

### **Public Benefit**

The Trustees confirm that they have complied with their duty to have regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties, including when reviewing the Foundation's aims and objectives and in planning future activities and setting grant making policy for the period.

The public benefit of the Charity's activities is outlined under Mission Statement, Vision and Values; Activities and Achievements; and Future Actions above.

## Statement of Trustees' responsibilities in respect of the Trustees' Report and the financial statements

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law they have are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the profit or loss of the charitable company. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

By order of the board



**R C G Perrins**  
Trustee

**28** January 2022



## **Independent auditor's report to the members of The Berkeley Charitable Foundation**

### **Opinion**

We have audited the financial statements of The Berkeley Charitable Foundation ("the charitable company") for the year ended 30 April 2021 which comprise the Statement of Financial Activities, Balance Sheet, Cash flow statement and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 April 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the charitable company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Going concern**

The Trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the charitable company or to cease its operations, and as they have concluded that the charitable company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Trustees' conclusions, we considered the inherent risks to the charitable company's business model and analysed how these risks might affect the charitable company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the Trustees' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the charitable company will continue in operation.

### **Fraud and breaches of laws and regulations – ability to detect**

#### *Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included

- enquiring of management as to the charitable company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud;
- reading the Trustees' board meeting minutes;
- using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that the charitable company's management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the revenue is made up of a small number of transactions all that can be vouched to cash with very limited opportunity or incentive to fraudulently report revenue.

We did not identify any additional fraud risks.

*Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with management (as required by auditing standards), and discussed the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related charities and companies legislation) and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the charitable company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

*Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

**Other information**

The Trustees are responsible for the other information, which comprises the Trustees' Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the Trustees' Report is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

**Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- the charitable company has not kept adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

### **Trustees' responsibilities**

As explained more fully in their statement set out on page 13, 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### **The purpose of our audit work and to whom we owe our responsibilities**

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 its members as a body, for our audit work, for this report, or for the opinions we have formed.



**Joanne Lees (Senior Statutory Auditor)**

**for and on behalf of KPMG LLP, Statutory Auditor**

**Chartered Accountants**

**15 Canada Square, London, E14 5GL**

**28 January 2022**

## Statement of Financial Activities (incorporating the Income & Expenditure account)

for the year ended 30 April 2021

	Note	2021 Unrestricted funds £	2020 Unrestricted funds £
<b>Income from:</b>			
Donations and legacies	3	2,580,990	4,732,891
Investments		11,810	19,499
<b>Total</b>		<u>2,592,800</u>	<u>4,752,390</u>
<b>Expenditure on:</b>			
Charitable activities	4	(2,477,811)	(3,412,388)
Other		(19)	(305)
<b>Total</b>		<u>(2,477,830)</u>	<u>(3,412,693)</u>
<b>Net income</b>		114,970	1,339,697
<b>Reconciliation of funds:</b>			
Total funds brought forward		1,705,000	365,303
<b>Total funds carried forward</b>		<u>1,819,970</u>	<u>1,705,000</u>

The notes on pages 20 to 24 form part of these financial statements.

The income and resulting net expenditure in the financial year arise from continuing operations.

There are no recognised gains and losses other than those disclosed above.

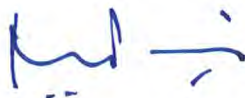
## Balance Sheet

at 30 April 2021

	Note	2021 £	2020 £
<b>Current assets</b>			
Debtors	6	5,210	5,256
Investments	7	-	2,000,000
Cash at bank		4,481,379	2,704,853
		<u>4,486,589</u>	<u>4,710,109</u>
Creditors: amounts falling due within one year	8	(1,447,291)	(1,358,934)
<b>Net current assets</b>		<u>3,039,298</u>	<u>3,351,175</u>
Creditors: amounts falling due after one year	8	(1,219,328)	(1,646,175)
<b>Net assets</b>		<u><u>1,819,970</u></u>	<u><u>1,705,000</u></u>
<b>Funds</b>			
Unrestricted:			
General	9	1,819,970	1,705,000
Designated	9	-	-
		<u><u>1,819,970</u></u>	<u><u>1,705,000</u></u>

The notes on pages 20 to 24 form part of these financial statements.

These financial statements were approved by the Board of Trustees on 21 January 2022 and were signed on its behalf by:



**R C G Perrins**  
Trustee

## Cash flow statement

	Note	2021 £	2020 £
Cash flows from operating activities	a	(223,474)	2,018,174
Cash flows from investing activities		2,000,000	(250,000)
Change in cash and cash equivalents in the reporting period		1,776,526	1,768,174
Cash and cash equivalents at the beginning of the reporting period	b	2,704,853	936,679
Cash and cash equivalents at the end of the reporting period	b	<u>4,481,379</u>	<u>2,704,853</u>

### NOTES TO THE CASH FLOW STATEMENT

#### a. Reconciliation of net expenditure to net cash flow from operating activities

	2021 £	2020 £
Net income for the reporting period	114,970	1,339,697
Decrease/(increase) in debtors	46	5,687
(Decrease)/Increase in creditors	(338,490)	672,790
<b>Net cash (used in)/from operating activities</b>	<u>(223,474)</u>	<u>2,018,174</u>

#### b. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash at bank	<u>4,481,379</u>	<u>2,704,853</u>



## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

#### 1.1 Basis of preparation and Going Concern

The financial statements have been prepared under the historical cost convention and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Foundation meets the definition of a public benefit entity under FRS 102.

The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate for the following reasons.

The Trustees have continued to consider the impact of Covid-19 on the charitable company. It is forward funded by The Berkeley Group at each balance sheet date with all commitments approved by the Trustees and charged to the Statement of Financial Activities. In addition advance funding was again received before the year end from The Berkeley Group for other commitments forecast for the coming year not yet approved.

The Berkeley Group has indicated their commitment to continuing the activities of the charitable company for a period of at least the next 12 months from the date of signing of these financial statements.

Consequently, the Trustees are confident that the charitable company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

The Trustees are also of the view that there are no material uncertainties about the entity's ability to continue as a going concern.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

#### 1.2 Income

Income is recognised when:

- the Foundation has unconditional entitlement to the resources;
- the receipt of the income is considered probable; and
- the value can be reliably measured.

#### 1.3 Expenditure and liabilities

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

Grants payable are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to the grant which remain in the control of the charity.

The estimated value of the time of staff employed by The Berkeley Group is accounted for as donated services, as are the costs paid for by The Berkeley Group on behalf of the Foundation. An equal amount is accounted for as a cost within support or governance costs as appropriate.

Governance costs represent the costs of meeting legal, constitutional and statutory requirements of the Foundation.

## Notes

(forming part of the financial statements)

### 1.4 Fund accounting

The Foundation has various types of funds for which it is responsible and which require separate disclosure:

#### *Restricted Funds*

Donations that are subject to specific conditions specified by the donor are recorded as restricted funds. From these funds, the donations and any income derived there from may only be utilised in accordance with the specific conditions. There were no Restricted Funds at the period end.

#### *Unrestricted funds*

The Foundation has two categories of unrestricted funds:

General Funds – These funds are expendable at the discretion of the Trustees in furtherance of the objectives of the Foundation. These resources arise from the accumulated surpluses and deficits on the provision of general charitable activities.

Designated Funds – These funds have a designated purpose as determined by the Trustees. Designated funds remain at the discretion of the Trustees and may be transferred to general funds if deemed necessary.

### 1.5 Taxation

The Berkeley Charitable Foundation is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable trust for UK income tax purposes. Accordingly, the charity is exempt from taxation in respect of income or capital gains received within categories covered by Part 10 Income Tax Act 2007 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. No tax charge has arisen in the period.

### 1.6 Current asset investments

Current asset investments represent cash on deposit or cash equivalents with a maturity of less than one year held for investment purposes. Income from investments represents interest earned on cash deposits up to the balance sheet date.

## 2 Legal status of the charity

The charity is a company limited by guarantee, incorporated in the UK, and has no share capital. In the case of an insolvent winding up the members will be required to contribute the amount of £1 each to the assets of the charity.

## 3 Income

	2021	2020
	£	£
Funding from The Berkeley Group	2,119,037	4,079,721
Fundraising and Gift Aid	699	18,955
GAYE (including match funding)	121,546	164,907
Other donations	270	550
Donated services	339,438	468,758
	<u>2,580,990</u>	<u>4,732,891</u>

Funding from The Berkeley Group is primarily in respect of the forward funding of commitments and grants approved by the Trustees and charged to the Statement of Financial Activities in the year, as set out in the Foundation's Reserves Policy on page 11.

## Notes (continued)

(forming part of the financial statements)

Donated services reflect the approximate cost of services provided free of charge to the charity by The Berkeley Group, and the costs paid for by The Berkeley Group on behalf of the Foundation. These costs, totalling £330,161 (2020: £460,313), are included in charitable activities, as set out in note 4 below.

In addition, KPMG LLP audit fees and Trustee indemnity insurance are paid for by The Berkeley Group. These costs, totalling £9,277 (2020: £8,445), are also set out in note 4 below.

### 4 Charitable activities

	2021 £	2020 £
Commitments charged in the year (Note 5)	2,138,373	2,943,630
Support costs allocated	330,161	460,313
Governance costs	9,277	8,445
	<u>2,477,811</u>	<u>3,412,388</u>

#### *Support costs allocated*

The average number of staff working for the Foundation during the year (full time equivalent) was four (2020: five). They are employed, and have their costs paid for, by The Berkeley Group. Additional support is also provided to the Foundation by other employees of The Berkeley Group.

Emoluments and reimbursed expenses were not paid to any Trustees during the period, who are all employees of The Berkeley Group.

The aggregate payroll costs of the staff working for the Foundation, and of employee services provided by The Berkeley Group are:

	2021 £	2020 £
Wages and salaries	241,205	303,704
Employer's National Insurance	26,477	35,077
Pension costs	10,737	13,034
	<u>278,419</u>	<u>351,815</u>

In addition, other costs of £51,742 were paid by The Berkeley Group on behalf of the Foundation (2020: £108,498).

#### *Governance costs*

Governance costs comprise KPMG LLP audit fees and Trustee indemnity insurance, as set out below:

	2021 £	2020 £
Trustee indemnity insurance	4,277	3,445
Fees payable to auditor – external audit	5,000	5,000
	<u>9,277</u>	<u>8,445</u>

## Notes (continued)

(forming part of the financial statements)

### 5 Grants and Commitments

During the year £2,138,373 of grants and commitments made were charged to the Statement of Financial Activities.

Beneficiary	2021 £	2020 £
Strategic Partnerships		
- The Change Foundation	230,128	875,000
- Crisis	-	1,258,520
- Imperial College	600,000	-
- Mayor's Fund for London	107,760	20,000
- The Lord's Taverners	15,000	-
- MyBnk	15,000	15,000
Richard House	180,000	50,000
Multiple Sclerosis Trials Collaboration	150,000	-
New Horizon Youth Centre	150,000	10,000
Khulisa	120,000	7,500
MAC-UK	102,335	14,842
Anna Freud National Centre for Children and Families	149,129	-
Chance UK	-	88,614
No.5 Young People	10,000	85,217
Oarsome Chance	15,000	78,000
Skyway Charity	-	59,902
Other charities (£50,000 or less)	294,021	388,506
Release of commitments previously made	-	(7,471)
	<u>2,138,373</u>	<u>2,943,630</u>

The commitments to the Foundation's Strategic Partnerships are multi-year agreements with payments due on specific dates.

Payments made during the year are set out below:

	2021 £	2020 £
Grants payable brought forward (note 8)	3,005,109	2,332,319
Amounts charged to the Statement of Financial Activities	<u>2,138,373</u>	<u>2,943,630</u>
	5,143,482	5,275,949
Payments in the year:		
Grants and donations	(2,476,863)	(2,270,840)
Grants payable carried forward (note 8)	<u>2,666,619</u>	<u>3,005,109</u>



**Notes (continued)**  
(forming part of the financial statements)

**6 Debtors**

	2021 £	2020 £
Fundraising and Give As You Earn	5,115	4,581
Interest	95	675
	<u>5,210</u>	<u>5,256</u>

**7 Investments**

	2021 £	2020 £
Cash on deposit	<u>-</u>	<u>2,000,000</u>

Current asset investments represent amounts on deposit with a maturity of less than one year held for investment purposes.

**8 Creditors**

	2021 £	2020 £
Amounts falling due within one year - grants payable	<u>1,447,291</u>	<u>1,358,934</u>
Amounts falling due after one year - grants payable	<u>1,219,328</u>	<u>1,646,175</u>

**9 Movement of funds**

	General £	Unrestricted Designated £	Total £
Opening balance	1,705,000	-	1,705,000
Income	2,592,800	-	2,592,800
Transfers	-	-	-
Expenditure	(2,477,830)	-	(2,477,830)
<b>Funds at 30 April 2021</b>	<u>1,819,970</u>	<u>-</u>	<u>1,819,970</u>

Designated funds have a designated purpose as determined by the Trustees.

**10 Related Party Transactions**

The Berkeley Group has provided funding to the Foundation and has also provided donated services, as set out in notes 3 and 4 above.