

Company registration number: 08908420

Charity registration number: 1155954

# The OVO Charitable Foundation

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2020

# **The OVO Charitable Foundation**

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## **The OVO Charitable Foundation**

### **Reference and Administrative Details**

**Trustees / Directors**

Stephen Fitzpatrick (resigned 26 May 2020)  
Matthew Owen (resigned 28 January 2020)  
Samuel Kasumu (resigned 2 May 2021)  
Gina Cicerone  
Phillip Kerry (appointed 24 April 2020)  
Raman Bhatia (appointed 29 May 2020)  
Katherine Goldsmith

**Principal and Registered Office**

1 Rivergate  
Temple Quay  
Bristol  
United Kingdom  
BS1 6ED

**Company Registration Number in  
England**

08908420

**Charity Registration Number in  
England**

1155954

**Independent Auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
2 Glass Wharf  
Bristol  
BS2 0FR

## The OVO Charitable Foundation

### Trustees' Report

The trustees (who are also the charitable company's directors for the purposes of company law) present their Trustees' report together with the audited financial statements of the charitable company for the year ended 31 December 2020. These financial statements have been prepared under FRS 102 and the Charity SORP (FRS102).

The trustees' report also contains information required in a directors' report as required by company law.

#### A note from our Chair

Our annual report gives us the chance to reflect on a truly remarkable year. When we began 2020, we had no idea what lay ahead of us. The impact of Covid has affected OVO Foundation's work - from England to Kenya - across all areas of our work, from early-years to homelessness to energy access.

I am incredibly proud of the impact that our partners have made despite the challenging circumstances. I am grateful to each of them for their resilience and sheer determination, adapting delivery to continue, and in many cases scale the projects, to benefit those most in need. Over the course of 2020, we electrified 300 schools and health clinics in rural Kenya, we supported 88 young people and brought a further five properties back into use through Future Builders, and we reached 2,790 children through our educational inequality programme. We also responded directly to the Coronavirus crisis through OVO Gives Back and invested £120,000 in local charities that were helping those most impacted by the pandemic.

2020 was also a year of governance transition. I want to pass on my huge gratitude to Stephen Fitzpatrick, Founder and CEO of OVO Energy, for establishing the Foundation in 2014. Although he stepped down from the board in 2020, his vision and values remain integral to the work of the Foundation and we look forward to continuing his legacy. At the same time, we were pleased to welcome two new trustees. Phil Kerry brings a wealth of experience not just in youth homelessness but also from various roles within the charitable sector. Raman Bhatia is OVO Energy's Chief Operating Office and his experience in financial and business management will also help to further the work of the Foundation. We are delighted to have them on board alongside Kate Goldsmith and Samuel Kasumu.

With the new governance came a new vision - to ensure that all children and young people have equitable access to a sustainable future. The new environment created by the pandemic, alongside our ever growing awareness of the climate crisis and the need to take urgent action, has driven us to prioritise how we create a fairer future for children and young people around the world. Our new vision is designed to complement OVO Energy's new sustainability strategy, Plan Zero, which aims to drive progress to net-zero carbon living. We are delighted to have launched a new £1m programme to children and young people in the UK with the knowledge, skills, and confidence to take action on the climate crisis - and have created three new partnerships to help achieve this goal.

We believe that our strategy is part of an emerging and much broader societal movement. We hope that talking and learning about climate issues become part of our daily lives, so that everyone knows what they can do to take action, and to make the world a greener, fairer place to grow up in.



Gina Cicerone

Chair of Trustees

# **The OVO Charitable Foundation**

## **Trustees' Report**

### **Introducing OVO Foundation**

#### Our vision and programme areas

OVO Foundation is OVO's charitable arm and is funded by OVO customers as well as OVO Energy. It was created in 2014 with a mission to support inspiring organisations with smart ideas that give young people a better future. In 2019, we undertook a strategic review and in 2020 we agreed on a revised vision: for all children and young people to have equitable access to a sustainable future. This vision has sustainability at its heart and aligns with Plan Zero, OVO's 10-year vision to drive progress towards zero-carbon living.

When we talk about creating a sustainable future, we mean that we're committed to supporting projects that bring together social, environmental and economic components - and we want all children and young people to be able to access those things on an equitable basis. Whilst we maintain our commitment to making the future better for young people, the new strategy means OVO Foundation will focus more on funding projects that address issues relating to energy and climate change as they affect children and young people.

In particular, our goals are to ensure that:

- All children and young people have the skills, knowledge, and confidence to take action on sustainability issues, and to help make their own communities more sustainable.
- All children and young people live in a sustainable community.

To achieve these goals, OVO Foundation focuses on:

- Reducing youth poverty
- Increasing energy access
- Empowering young people to take climate action

#### Our values and approach to funding

We invest in projects that address a real and genuine need, can demonstrate measurable and meaningful impact, and provide a high return on investment. We are committed to funding projects that have potential to bring about long-term systemic change and can be scaled wherever possible. We are also committed to sharing our learnings with other charities and organisations, helping them to also be more effective in their grantmaking and delivery.

## The OVO Charitable Foundation

### Trustees' Report

#### Our 2020 achievements

Against the backdrop of a pandemic that caused widespread disruption around the world, we are proud to have made progress against some of our original 2020 objectives whilst also adapting and providing flexibility to our partners to support them in an unprecedented situation. In 2020 we invested £1,014,962 in both new and existing projects and reached over 50,000 beneficiaries. In addition to the progress our partners have made through our programmes, our key achievements for 2020 include:

- The launch of our new £1m programme area, Climate Changers, empowering UK young people to take climate action over the next 3 years. We also signed the Funder Commitment on Climate Change to demonstrate our commitment to playing a part in addressing the causes of climate change
- Supporting more young people through Future Builders, our youth homelessness project, in Bristol, Norwich, Perth and Sheffield
- The expansion of Project Jua, our solar electrification project in Kenya, electrifying 300 more schools and health clinics
- Rollout of our educational inequality programme to tackle the early years gap
- Investing £120,000 in charities local to key OVO sites to support their response to the coronavirus pandemic
- Two new trustees, Phil Kerry and Raman Bhatia, joining the OVO Foundation board
- Completing a review of OVO Foundation's impact management
- Strengthening our governance framework

2020 was an extremely challenging year for many of our charity partners due to the impact of the coronavirus pandemic. The unprecedented scale of the crisis meant that all organisations were adapting to new ways of working whilst continuing to support vulnerable groups most negatively impacted by the pandemic. We signed the Covid Funders Statement to demonstrate to our partners that we were committed to being flexible and understanding of the fact that their time and resources were being stretched. We worked closely with our partners to support the adaptations and changes needed to continue our work, for example flexing timescales where lockdowns made delivery impossible, and adaptations of format from physical to online delivery where possible.

# **The OVO Charitable Foundation**

## **Trustees' Report**

### **Programmes, activities and performance**

The Foundation has thematic areas of focus which all contribute to giving children and young people equitable access to a more sustainable future. The Foundation's board of trustees is responsible for approving the funding of new programmes and projects, and all have regard to the Charity Commission's guidance on public benefit.

Our programmes and projects centre around:

#### **(1) Reducing youth poverty in the UK through Future Builders**

##### Overview and objectives

Since 2016, we have been committed to reducing young poverty in the UK and specifically tackling youth homelessness. Our flagship programme, Future Builders, was developed by OVO Foundation in collaboration with a local youth homelessness charity with the aim to break the cycle of homelessness for young people (aged 16-25), allowing them to pursue independent and sustainable lives.

Future Builders is designed to address the lack of move-on options for young people, especially those who are ready to leave supported housing and want to access education, employment or training (EET). Through Future Builders, young people are provided with access to safe, high-quality and affordable housing as well as opportunities to access EET in order to help move them through the homelessness pathway into independent living.

The objectives of the programme are to:

- Give young homeless people the support and opportunities to achieve qualifications, gain professional experience and sustain employment
- Provide safe, high-quality and affordable housing to ensure young people are able to sustain independent living
- Bring derelict properties back into use and turn them into sustainable homes
- Bring together key stakeholders from local government, charities and companies, to share best practice and knowledge in the sector - and demonstrate a successful working model for reducing youth poverty and homelessness in the UK

In 2020, despite the challenges of coronavirus, we continued rollout of the programme across four locations, completing refurbishment and opening up residential opportunities of five properties, including three across our new locations of Norfolk and Perth.

##### Future Builders activity in 2020

#### **a. Expanding Future Builders in new locations despite Coronavirus challenges**

Future Builders is now in its fifth year and is needed now more than ever. The pandemic has affected all young people disproportionately: 1 in 6 have seen their income fall; they are more than twice as likely to have lost their job; and youth unemployment is set to reach its highest level since the 1980s, highlighting an ever increasing need to support young people in financially vulnerable situations.

Despite the challenges of Coronavirus, we rolled out the programme to two new locations - Perth and Norfolk - working with local charities the Rock Trust and The Benjamin Foundation respectively. While contractors were prevented from entering properties during lockdown, charity staff went in to complete painting and decorating to ensure any delays to the programme were minimal. Staff continued to support young people over the phone or via video calls, young people have been given food parcels where needed and have been provided with support to claim Universal Credit and to search for jobs when furloughed or made redundant.

## **The OVO Charitable Foundation**

### **Trustees' Report**

#### **b. Continuing partnerships with other funders**

We have continued to work with End Youth Homelessness (EYH) who oversee Future Builders and convene the four charities in Bristol, Sheffield, Norfolk and Perth delivering the programme. During 2020 they led the revision of our reporting template based on the new Theory of Change (see below for further detail), and ensured quarterly reporting to OVO Foundation on progress across all locations. EYH also brings together the charities for working groups to share best practice and support with any challenges with programme activities, particularly for newer partners.

In 2020 we also secured a total of £90,800 in funding from LandAid, an organisation who bring the property industry together to support charities delivering life-changing services for young people who are or have been homeless, or who are at risk of homelessness in the future. LandAid contributed £50,000 for the refurbishment costs (which total £65,876) of two Future Builders properties in Norfolk. As a result of LandAid's contribution, affordable accommodation will be provided for at least 18 young people in the area over a three-year period. They also contributed £40,800 for the refurbishment costs and fixtures and fittings (which total £40,800) of three Future Builders properties. As a result of LandAid's contribution, affordable accommodation will be provided for at least six local young people over a three-year period.

We have continued to network with other funders working in youth homelessness too, including the Andrew's Charitable Trust (ACT) who we have been working with on their plan to purchase a semi-derelict property in Bristol in 2021. We have agreed that staff who work on Future Builders at 1625IP, our charity partner in the city, may also work with the young people who will live in ACT's new property. In addition, we are keen to collaborate with ACT on making their new property more energy efficient and sustainable. Lessons learnt from this process will feed into plans to also improve the sustainability of Future Builders properties.

#### **c. Strengthening the reporting framework and process**

As one of our most established programmes, Future Builders was the first area of our work to be included in the review of our impact management. In 2020, prior to the outbreak of the pandemic, we held a workshop with the charity partners who deliver and oversee the programme. As well as an opportunity to welcome the newer partners, share experience and learn from one another, we developed a Future Builders Theory of Change (ToC) and revised the programme's reporting framework. This has led to a reporting template which is easier to use, produces more reliable data and receives positive feedback from partners, who have found it particularly helpful in their day to day monitoring of young people's progress.

#### **d. Increasing sustainability and aligning with our new strategy**

As part of the alignment to our new vision, we are working with partners to explore how we make the properties we renovate more energy efficient for years to come. As above, the work with ACT gives us an opportunity to learn about the process of working with a retrofit coordinator who can advise on the measures we need to put in place for each property. We hope to apply this learning to our Future Builders properties in 2021.



## The OVO Charitable Foundation

### Trustees' Report

#### 2020 performance

Together with our partners 1625ip in Bristol, Roundabout in Sheffield, The Rock Trust in Perth, and The Benjamin Foundation in Norfolk, we supported 88 young people in 2020 and brought a further five properties back into use.

- **Young people taking part in Future Builders:** 88 young people engaged with the programme during the year taking the total number of young people supported to 194. This total includes both the young people who go on to live in the Future Builders properties, and those who choose to only participate in the training and refurbishment elements.
- **Receive support and work towards individual goals:** Young people are supported to identify and work towards a personal goal ranging from improving confidence and building relationships to finding employment. 85% of young people identified and made progress towards an individual goal while engaging with the programme in 2020.
- **Access Education, Employment & Training:** 63 young people achieved a qualification which represents 72% of the young people participating in the programme. 77 young people gained professional experience, 88% of those participating. Young people have pursued many different EET opportunities this year; for example one secured a job working for Bristol City Council whilst another completed a metal work apprenticeship while another trained to be a barber.
- **Move into desirable, secure and affordable accommodation:** Five properties were brought back into use and 54 young people were housed across all Future Builders properties. Young people not housed in a Future Builders home continued to receive support from charity partners. 46 young people who have lived in the Future Builders properties have been able to save money, which could be used towards a rental deposit, representing 52% of Future Builders residents.
- **Long-term outcomes:** During the year, 17 young people moved on from Future Builders properties. 76% of young people moved on to a positive accommodation pathway with some moving on to the private rented sector and others moving in with family, friends or a partner. 10 of the young people who moved on (59%) had sustained employment after 3 months. Of the remaining seven young people who had moved on, four had not sustained employment after three months and three are 'unknown' as it can be hard to maintain contact with young people after they leave the programme.

## **The OVO Charitable Foundation**

### **Trustees' Report**

#### **(2) Increasing energy access through Project Jua**

##### Overview and objectives

In 2017, we collaborated with leading energy access charity, Energy4Impact, to develop a new rural solar electrification programme, called Project Jua. Project Jua brings power and light to hundreds of thousands of people in the hardest-to-reach parts of Kenya.

Many schools in rural areas do not have reliable electricity for computers, printers, and projectors and the number of hours available for reading or studying is reduced due to the lack of lighting. Similarly, many health centres do not have reliable power to operate basic laboratory equipment and run fridges to store vaccinations. Project Jua's intervention replaces existing polluting, expensive, and unsustainable diesel generators with renewable and clean solar energy or, in some cases, brings power to communities for the first time with positive outcomes including:

- Lighting classrooms to enable children to study longer
- Lighting in health clinics to ensure health professionals are able to work safely at night
- Powering educational equipment such as tablets and computers to help to bridge the digital divide and harness the benefits of ICT for rural education
- Powering lifesaving health equipment such as fridges (which help to store life-saving vaccines safely) and oxygen machines and incubators which can also save lives before and after childbirth

In particular, the objectives of the programme are to:

- Provide reliable power for lighting, technology and life-saving medical equipment to benefit 100,000s of people and improve their health and education outcomes
- Bypass the need for grid connection, helping avoid CO2 emissions for years to come
- Gather data and insight on energy production and consumption in schools and health clinics to help shape future off-grid solar projects

The project started as a small pilot with OVO Foundation funding the electrification of 20 schools and health clinics. This pilot was completed in 2018 and produced valuable information and insight to inform the second phase of the programme.

## **The OVO Charitable Foundation**

### **Trustees' Report**

#### Project Jua activity in 2020

##### **a. Completion of Phase II expansion, despite Coronavirus challenges**

In 2020 we focused on the expansion of the project to electrify a further 250 schools and 50 health clinics in some of the hardest to reach parts of the country. The goal of this programme is to improve health and education outcomes for 300,000 children and young people over five of the poorest counties in Kenya, with over 25,000 already benefiting from the pilot.

The outbreak of coronavirus led to significant delays in the programme rollout, due to the closure of schools for three months and restrictions on the movement of individuals. Other challenges faced by the implementation partner Energy 4 Impact included transportation difficulties caused by the poor quality of roads and torrential rains, tribal clashes, theft of equipment and poor internet connectivity. However despite these challenges, in October 2020 we were proud to achieve our target of installing solar and remote monitoring systems in all 300 public institutions. We have also provided internal wiring in up to four rooms of the institutions where needed to ensure safe and efficient use of the systems.

Now that the installation has been completed, OVO Foundation will work with Energy 4 Impact to begin medium term monitoring and evaluation to measure the social and environmental outcomes of the project, and work with the institutions and county governments to ensure long term sustainability of the project through mentoring and relationship building.

##### **b. Working with Imperial College London to analyse data and apply learnings elsewhere**

A key outcome of Project Jua is to gather data understanding electricity demand by utilising remote monitoring systems, and using this data to inform others in the sector. Designing off grid systems correctly is important as undersizing could result in power being unavailable and oversizing could create unnecessary costs.

In 2020 we worked with Imperial College London to turn the pilot phase of Project Jua into the subject of a MSc in Sustainable Energy Futures thesis. This research was an important first step. Despite limited data, the study concluded that there is great potential to apply the knowledge gained from Project Jua to new projects aiming to bring electricity access to schools and health facilities in remote and rural areas of developing countries. We will continue to analyse the programme's data over the next three years in order to help the development of future off-grid projects and system sizing.

## **The OVO Charitable Foundation**

### **Trustees' Report**

#### 2020 performance

Project Jua is being implemented in two phases: the Implementation Phase (from May 2019 to December 2020) and the Long-Term Sustainability or Operational Phase (from January 2021 to December 2023).

The Implementation Phase was split into three stages:

- Planning - This included site identification (May to August 2019) and needs assessments and baseline surveys (June to August 2019).
- Execution - This included procurement and delivery of solar and remote monitoring systems (June to November 2019) and installation (November 2019 to December 2020). We inspected and approved each system before they were handed over to the institutions.
- Monitoring - This included remote monitoring of the performance of the newly installed systems, troubleshooting and maintenance, and basic training for the institutions on operation and maintenance (O&M) (November 2019 to December 2020).

Despite disruption caused by coronavirus, as mentioned above, delays to the programme were minimal and the Implementation Phase was completed in 2020 with solar and remote monitoring systems now installed in all 300 schools and health clinics.

During the implementation phase:

- A total of 394 institutions, comprising 323 schools and 71 clinics were assessed and data submitted. This wide pool of potential institutions provided the opportunity to select the sites based on an assessment of their needs. After rigorous data analysis, the target 300 institutions - 250 schools and 50 clinics - were selected.
- All of the 300 PV systems installed have been inspected, certified to be fully functional and handed over to beneficiaries. Through the inspections, a total of 22 faulty systems were discovered and fixed.
- A total of 747 staff members were trained against a target of 600. The target was to train at least two staff per institution. In all institutions, a minimum of three staff per institution were trained. However, in most institutions, all the staff present took part in the training. For 27 institutions in Kwale and Turkana counties, Energy4Impact postponed training to January/February 2021 due to school closures over holidays and during COVID19 disruption.
- Three electricians were hired per county and each of them worked with one assistant. A total of 30 local jobs were therefore created in the 5 counties.
- In total, 667 rooms were wired in schools and 108 rooms in clinics, including classrooms, laboratories, pharmacies and maternity wards.

## The OVO Charitable Foundation

### Trustees' Report

#### (3) Early intervention in education through When I Grow Up

##### Overview and objectives

In 2019, we designed a new programme called When I Grow Up to tackle UK educational inequality. Our research led us to focus on a child's early years (0-5) where the attainment gap starts when there is no intervention - but also where the biggest gains can be made when there is.

The objectives of the programme are to:

- Close the disadvantage gap in early years for children from less advantaged families in deprived areas of the UK
- Develop children's communication, language and early literacy behaviours to reduce the word gap
- Engage and involve parents in positive behaviours to create a strong and effective home learning environment

We selected three organisations to work with to deliver the programme:

##### • **Parental Engagement Network (PEN)**

PEN trains early years staff to build effective working relationships with parents in order to support and provide opportunities for early literacy and children's school readiness.

##### • **Tales Toolkit**

Tales Toolkit works with staff in early years settings to deliver play-based storytelling to develop language, literacy and socioemotional skills.

##### • **Doorstep Library**

Doorstep Library works with the hardest to reach families and uses volunteers to provide a weekly reading and library service directly to family homes in targeted and deprived areas.

We also provided additional capacity building support via allocating funding to The Sutton Trust and the Institute for Employment Studies (IES) to support with monitoring and evaluation.

The funding for this programme area will run until July 2021 and, in line with the Foundation's revised strategy, we do not plan to allocate further funding to this programme at this time.

##### When I Grow Up activity in 2020

##### a. Coronavirus pandemic significantly affected project delivery for all partners

In 2020, the When I Grow Up projects were all significantly affected by the onset of the coronavirus pandemic in the UK, and the subsequent closure of educational settings such as schools and nurseries to the majority of children meant practitioners could no longer operate in the usual way. Faced with these unprecedented circumstances, the delivery teams needed to adapt their approaches and, if they were not doing so already, provide resources directly to homes. The responsiveness and flexibility of the teams meant they were able to adapt their offer to families and schools and crucially, the resources and support the projects offered provided some consistency and continuity at a very challenging time.

We had intended to work with the Institute for Employment Studies (IES) and the Sutton Trust to support the three partners in improving their monitoring and evaluation during the grant period. As a consequence of the pandemic's effect on delivery, however, the plans for evaluation from the IES and the Sutton Trust were updated so that they could instead examine the changes the projects made to adapt to the crisis.

## The OVO Charitable Foundation

### Trustees' Report

#### 2020 performance

Whilst our partners were unfortunately unable to achieve some of the expected outcomes, they demonstrated great resilience and adaptability when faced with unprecedented and significant challenges. In that respect, we are grateful to them for continuing to further the objectives of When I Grow Up as much as possible to benefit young children when and where support is needed the most.

#### a. Tales Toolkit

Tales Toolkit had been focusing previously on training practitioners to use play-based storytelling resources with children. They used the grant from OVO Foundation to directly involve parents in the home learning environment and support their use of the Tales Toolkit resources as well. The focus of their storytelling activities is on language and communication skills, social emotional development and literacy. The training for practitioners also aims to develop knowledge and motivation to engage parents.

IES and Sutton Trust worked with Tales Toolkit to turn two existing draft Theory of Change models (one for practitioners and one for parents) into one model that they can use going forward. The evaluation initially was going to explore children's language and communication outcomes but instead included an interview with the delivery team, four parent interviews and five practitioner interviews. During lockdown and school closures, the Tales Toolkit team quickly created a website to share resources and information with parents who were already engaged in their work via schools. They also created new Covid-19 focused resources with illustrations reflecting what was happening in real life to help children express how they were feeling through storytelling and provide emotional support. Where families had difficulty accessing resources using printers or the internet, or did not have access to basic resources such as pencils or paper, the Tales Toolkit team suggested everyday objects from around the home or to collect in their local area when they go on walks. Practitioners and parents reported that Tales Toolkit has strong outcomes for children with EAL, speech and language issues and also reluctant writers in particular. Practitioners also shared feedback that they'd found the resources invaluable and by the end of the year, children were choosing their own stories and vocabulary. The plan is for Tales Toolkit to finalise the new training materials in 2021 and continue monthly webinars for parents and practitioners and for these to be recorded for future use.

#### b. Parental Engagement Network (PEN)

PEN uses a soft toy-mouse to help children's transition to Early Years Foundation Stage (EYFS) and train practitioners to support home learning through sessions with parents in educational settings. In these sessions, parents are provided with a wide range of resources for using at home. Funding from OVO Foundation meant that PEN were already working in Liverpool in 2019 so providing further funding to PEN as part of When I Grow Up helped them to extend their work to new regions.

IES and Sutton Trust first worked with PEN to refine their existing Theory of Change to fully capture the rationale and mechanisms of change in their project. The evaluation was initially going to analyse the data the delivery team collects on children's outcomes however, due to Covid-19, this was replaced with an interview with the delivery team, two parent interviews and seven interviews with school staff. Since the pandemic the PEN team has held online meetings with practitioners where possible but engagement has been varied. Access to technology was a barrier for many families so practitioners took mice and resources to families' homes where possible. Despite the challenges, many practitioners have still found ways to incorporate the mouse into remote learning and reported that they used it to connect with parents and children. Parents and practitioners also reported that the mouse had been helpful in preparing children for the transition to school and in developing 'softer skills' such as communication. PEN are looking to next deliver training to practitioners online, create videos about the project and improve the sharing of good practice between practitioners and parents.

## **The OVO Charitable Foundation**

### **Trustees' Report**

#### **c. Doorstep Library**

Doorstep Library seeks to instil a love of reading for pleasure in the home, help parents feel better equipped to create a positive home learning environment and signpost other services to them. Parents are encouraged to be involved in the reading sessions with volunteers and to also read with their children outside of these visits. The funding from OVO Foundation saw the project focus on under 5s and develop new training for volunteers.

The evaluation team helped Doorstep Library create a Theory of Change model that they can use in the future to monitor and evaluate their work. They were going to initially survey parents but due to Covid-19 this was replaced with an interview with the delivery team to explore what changes they had made to their activities during 2020. Doorstep Library were unable to continue their in-person delivery but instead offered a mix of services including online interactive story sessions, sending books out to children and creating weekly newsletters. Results from an Impact Report that Doorstep Library had been working on prior to the pandemic showed that 70% of parents thought that the project prepares children for school or pre-school, and also showed that there was increased enjoyment of exploring books and reading in children. Doorstep Library were also working on an updated website in 2020 and exploring ways of providing increased IT support to families to help them access services remotely.

#### **d. IES and The Sutton Trust**

In the report about the three projects to be published in early 2021, IES and Sutton Trust also make a number of recommendations around new ways of learning during disruptive periods:

Establishing partnerships with Local Authorities, teaching alliances or academy chains to enable the projects to extend their work to a larger number of families

Asking the government to help those without internet access, treating it as a basic need in these times

Working with local businesses to offer disadvantaged families simple resources like paper, pens, and pencils to support children's learning at home

## The OVO Charitable Foundation

### Trustees' Report

#### (4) Empowering young people to take climate action through Climate Changers

##### Overview and objectives

In 2020, in the first major round of funding aligned to our revised strategy, we launched our new programme Climate Changers. We know that not all children and young people are taught how important tackling the climate crisis is - or even given the skills to help. It's our mission to help children understand why they should care about the environment, and show them how they can protect it for years to come.

Climate Changers will provide £1m of funding over the next three years to support projects that give children and young people in the UK the knowledge and skills to take action on the climate crisis, so they can help build more sustainable communities.

The objectives of Climate Changers is to:

- Educate children and young people about the climate crisis
- Empower children and young people to take action, including providing them with the skills to help tackle environmental issues
- Increase access of green and sustainable spaces to ensure all children have access to nature

##### Climate Changers activity in 2020

###### a. Application process to find new partners

In March 2020, we launched our new £1m programme area and put out a call for ideas and proposals. We received 50 applications, which we reviewed and considered in line with our original brief. The second phase of the application process involved telephone interviews. We had shortlisted 14 organisations and arranged calls to understand more about project delivery, as well as the expected environmental and educational impacts. Following that stage, we invited seven organisations to present to us. This presentation allowed us to really understand more about the organisation, the project and the extent to which it aligned with our objectives and values.

In May 2020, we were delighted to approve funding for three organisations, and over a three-year period, we will:

- **Create 12 Tiny Forests in deprived areas of the UK.** We're working with [Earthwatch Europe](#) to plant tennis court-sized urban forests formed of 600 trees each which will absorb up to 7,200 tonnes of carbon each year. The Tiny Forests absorb carbon, improve local air quality, and provide an urban oasis for biodiversity. A key part of the programme is to work with local schools in disadvantaged areas and provide outdoor classrooms for children and young people who may not otherwise have access to nature.

- **Avoid 6,000 tonnes of CO2 emissions from schools.** With [Energy Sparks](#), OVO Foundation is working with schoolchildren from 350 schools across the country to help them become more energy efficient. Energy Sparks has developed an online, school-specific energy analysis tool and education programme which can reduce schools' carbon emissions and bills. Together, we'll not only help those schools reduce their environmental impact, but they'll also save £1.9m in energy costs.



## The OVO Charitable Foundation

### Trustees' Report

- **Engage 116,000 children and young people in climate change and sustainability issues.** We're also working with Action for Conservation to inspire the next generation of nature conservationists. Action for Conservation inspires and empowers young people to become the next generation of environmental leaders. The Foundation is supporting their WildED Programme, which consists of a series of tailored workshops and student-led activities for students in Key Stages 3, 4 and 5 that take place during one school term. This expedition into the world of conservation gives students the skills and knowledge to lead their own environmental action projects that will have a positive impact on their local area.

#### Performance in 2020

Our Climate Changers programme was considerably affected by the impact of coronavirus and lockdowns. With our three year programme launching in autumn 2020, our partners were faced with the challenges of moving in and out of lockdowns, restrictions on engaging with schools, and the different situations across UK nations. Despite this they were able to continually adapt and make good progress in the delivery of the first activities.

##### a. Action for Conservation

As schools were not allowing in person visitors during the autumn and winter terms, Action for Conservation designed a custom programme named 'WildEd climate series' which can be delivered live to students via video software, or via a pre-recorded session. The online version was designed to be similar to the WildEd in person programme, with schools able to join one, two or three workshops supporting children and young people to take action. Teachers were able to support students to carry out actions in small groups, pairs, or individually. Students were able to access the programme from their laptops at home as well as in classrooms, which supported those who were learning from home and at times schools were closed.

The revised programme received positive feedback particularly on the flexibility of delivery. 551 students took part in the programme across 9 schools and Action for Conservation began recruitment for the spring 2021 term, hoping to return to in person delivery where possible but maintain the flexibility around some digital delivery, particularly as it enables the organisation to work with schools in new areas.

## **The OVO Charitable Foundation**

### **Trustees' Report**

#### **b. Energy Sparks**

Regional and national restrictions resulted in limited pupil engagement with Energy Sparks during the period of school closures and also meant the team were able to make only a few in-person school visits. School staff have been very occupied with managing remote learning and when in-person, extracurricular clubs such as eco-teams were restricted to reduce mixing between classes and year groups. Energy Sparks responded to these challenges with online training webinars to school and local authority staff, and STEM Ambassador and university volunteers. They have obtained feedback using post-training surveys and adapted the training offering to take account of feedback received.

Though progress has been delayed due to Covid related issues taking priority, Energy Sparks have confirmed, or are in initial discussions with, several new local authorities regarding providing Energy Sparks to their schools. Individual schools have also continued to be recruited during 2020, though Covid distractions have limited progress. Energy Sparks hope to increase interaction with schools in 2021 via virtual energy audits which use Energy Sparks' analysis and information obtained through a video call with school management which will support them to save energy, with a particular focus on reducing out of hours energy use. They will also produce video tutorials on different aspects of their Energy Sparks online platform for different user types (eg. teachers, school management, head teachers, caretakers), which will be available on their website to encourage engagement with school users who don't attend the webinar training sessions or receive an in-person visit.

#### **c. Earthwatch Europe**

Earthwatch confirmed six locations with landowners for the 2020 tree planting season, which runs from November to March each year. These locations were Oxford, Bristol, Birmingham, Leicester, Glasgow and Wolverhampton. Earthwatch also began outreach to local schools to engage them with the project and create learning resources, including Key Stage 1, 2 & 3 Tiny Forest teachers guide packs, lesson summaries and student activity guides. Unfortunately the Tiny Forest planting which was planned for November and December 2020 had to be postponed to early 2021 due to coronavirus social distancing restrictions. In the meantime, local community volunteers, who will help to look after and maintain the forests as Tiny Forest keeper teams, also started to be recruited by Earthwatch.

## The OVO Charitable Foundation

### Trustees' Report

#### (5) Supporting local organisations through OVO Gives Back

##### Overview and objectives

OVO Gives Back is our way of helping create sustainable communities in the places we live and work. Each year, we create new partnerships to help support a number of charitable causes, providing volunteering hours and grants.

The objectives of the programme are to:

- Connect our people to local charities and causes that mean the most to them
- Empower OVO people to feel connected to each other and their local communities by coming together to create positive change
- Support local charities and causes that are helping to create sustainable communities in the areas we live and work

##### OVO Gives Back activity in 2020

In 2020, we adapted OVO Gives Back, increasing funding in response to the coronavirus pandemic and choosing organisations who were supporting those most impacted. In keeping with supporting charities close to our main offices, we expanded OVO Gives Back to Selkirk and Dunfermline in Scotland for the first time, as well as continuing to work in London and Bristol. We donated £120,000 to a selection of charities working across issues such as food poverty, homelessness and isolation.

- **Beam (London):** will retool its technology and operations to crowdfund critically needed support for vulnerable, isolated young people.
- **Caring in Bristol:** provide food and essential items to the homeless community in Bristol, whilst using remaining funding to redevelop their youth homelessness service.
- **Dunfermline Food Bank:** the grant will support local, vulnerable groups with food and vital supplies.
- **Greenspace Scotland:** pilot a new youth project that focuses on local actions to achieve net zero targets.
- **Rowlands (Selkirk):** the grant will help produce 'Radio Rowland' to keep young people connected.
- **Square Food Foundation (Bristol):** a weekend cooking club will be provided for local families at risk of going hungry.
- **The Matthew Tree Project (Bristol):** the grant will be used to install a kitchen on their premises to turn surplus, perishable food into nutritious meals for the community.

The restrictions of the pandemic put on hold our usual volunteering support through OVO Gives Back. We supported our people to volunteer for emergency services and the NHS during the pandemic. Our rapidly developed Coronavirus Volunteering Policy enabled non-furloughed OVO people to volunteer with support of matched leave from OVO. Both furloughed and non-furloughed employees were able to use our volunteering portal to identify opportunities to support essential community services local to them.

## The OVO Charitable Foundation

### Trustees' Report

#### Achievements from our 2019/2020 partnerships

Between April 2019 and March 2020, 90 OVO volunteers worked with our OVO Gives Back charity partners. Each of the organisations provided us with an end-of-year report and explained how OVO Foundation's support - including a £20,000 grant each - had made a positive impact. The impact of the coronavirus pandemic in spring 2020 did have an impact on the later phases on some of the planned activity and informed the selection of our partners for the 2020/2021 year as outlined earlier in this report.

#### • **British Lung Foundation**

British Lung Foundation used the OVO Foundation grant to distribute more than 150 air pollution monitoring tubes to members of the Clean Air Parent's Network (CAPN) in London, Greater Manchester, Liverpool and Birmingham throughout September and October 2019. They produced an air pollution monitoring pack to accompany the tubes to explain why this project is important and provide directions for using the tube. Participants returned the monitoring tubes to the BLF after 6 weeks of exposure, with the data being returned to the CAPN members with advice and support on how to use it to influence their local policymakers and the press to call for policy change.

*"Air pollution is a national health crisis, especially for children whose lungs are more vulnerable and the 12 million people nationwide living with a respiratory condition. However, awareness and action to reduce pollution levels remain worryingly low. But thanks to the OVO Foundation's generosity, we are working to change this so that one day, everyone will breathe clean air with healthy lungs. Our at-home pollution monitors capture toxic air around homes, schools, playgrounds, hospitals, and other places where children or people with vulnerable lungs may frequent. The data from these monitors will contribute to local and national lobbying efforts to urge decision-makers to take action against air pollution."*

*"We know that children are particularly at risk from pollution, with 1 in 11 living with asthma, and many more could develop lung problems in the future from breathing dirty air. We have an exceptional window of opportunity with this project. A new national government in 2020, and local governments in Birmingham, Liverpool, and Manchester facing a mayoral election in the next two years means that we can use this data from our Clean Air for Children project to make a lasting difference for generations to come."*

#### • **Clean Up Bristol Harbour**

Clean Up Bristol Harbour used their grant to run litter picking events in and around the waterways of Bristol whilst also working to create an education programme around fighting waste to deliver to local school children. The delivery of this programme, however, was delayed due to Covid-19 so the grant has been extended to 2022.

*"Volunteering with Clean Up Bristol Harbour was one of the real highlights of the year. We took boats out in the harbour, picking up rubbish and clearing the banks. Litter pickers and nets (and a picnic lunch) were all provided. All the volunteers were so enthusiastic, we had a great time and it was so rewarding and enjoyable to get out on the water and make a visible difference to improve the city in a few short hours."*

## The OVO Charitable Foundation

### Trustees' Report

#### • Off the Record

Off the Record established a Peer Navigator volunteer programme, giving young people a central role in providing mental health support to their peers. They recruited 44 Peer Navigators, and 10 Peer Mentors to help manage the waiting area at their main premises and run weekly 'Hubs', delivering three face to face sessions each week prior to lockdown. The volunteers completed an intensive induction and training programme featuring a two-day boot camp, three days of various training sessions (e.g. Cognitive Behavioural Therapy and Building Resilience) and two supervision sessions.

During their six-month placement Peer Navigators have acted as young people's first point of contact with OTR. They have been helping young people to discover what is on offer, learn about mental health and support them to make informed choices about the support they would like. They have also run 22 pop up hubs and 7 school assemblies locally, and since the impact of the pandemic have reacted quickly to deliver two online hubs per week.

*"A huge thank you to OVO Gives Back! Your support for our young volunteers has meant we can make their role central to what we do. Our Peer Navigators now act as most young people's first point of contact here at Off the Record - helping them see what we offer, learn about mental health, and make informed choices about the support they'd like. Your grant allowed our Peer Navigators to develop lots of critical skills, and allowed the young people to get quality mental health support. We couldn't have done this without you."*

#### • Square Food Foundation

Square Food Foundation delivered half day workshops for local children who rely on free school meals and their parents during half term holidays, as well as after school cookery sessions. They also purchased various items of kitchen equipment (including pans, scales and cake tins) that have allowed them to continue delivering high-quality cookery education to adults and children. OVO volunteers supported Square Food Foundation on several occasions by helping to prepare meals for local families. Given the rising household food insecurity due to Covid-19, we provided an additional OVO Gives Back grant to Square Food Foundation in April 2020.

#### • Action for Conservation

Over the grant period AfC engaged 670 young people through the WildED programme, inspiring, educating and supporting young people in taking action through practical tasks that give them confidence and a sense of success. 51 workshops were delivered in 20 secondary schools across London and Bristol with an average pupil premium rate of 41%. 46 student-led group campaigns were successfully delivered, with 42 showing evidence that students had gained knowledge of environmental issues and the solutions for tackling them, 41 demonstrating skills attainment, and 15 showing evidence of measurable change for people or wildlife. 87% of participants who have completed WildED identified increases in their environmental understanding, awareness and motivation to take action for the environment, and 93% would recommend the experience to a friend.

*"The support we received from the OVO Foundation has enabled us to reach young people living in disadvantaged urban communities and give them the skills to plan and deliver projects to improve their communities and support wildlife on their doorsteps. Through their grant, the Foundation has invested in the next generation of environmentalists and amplified the youth voice for nature."*

## The OVO Charitable Foundation

### Trustees' Report

#### (5) Other updates

##### Change of trustees

In 2020 we were delighted to welcome two new board members - Phil Kerry, CEO of New Horizon Youth Centre (appointed 24th April 2020), and Raman Bhatia, Chief Operating Officer at OVO (appointed 29th May 2020).

Phil Kerry is the Chief Executive of New Horizon Youth Centre, a day centre working with young people who are vulnerable, homeless or at risk. He has a wealth of experience supporting young people through education including five years as Director of Programmes and Partnerships at London Youth, the membership body for London's youth organisations.

Raman Bhatia is the Chief Operating Officer for OVO Energy. Raman previously worked for HSBC as the Head of Digital Banking and Wealth Management, VP at HouseTrip and Director of Strategy at Expedia. Raman brings a wealth of experience of financial and business management to the board.

In 2020, Stephen Fitzpatrick and Matthew Owen, both founding members, stepped down from the board. We thank them for their valuable contributions over the past five years.

##### Improving our impact management

In 2020, we worked with an external agency to review our revised impact frameworks and support us in strengthening our overall impact management processes. The goal of this project was to help the Foundation better monitor how projects are delivering against the expected outcomes and ensure our KPIs are relevant to the Foundation's new vision, as well as Plan Zero.

The outputs of this work were updated Theories of Change for the Foundation and each of its programmes, updated monitoring and evaluation frameworks and updated KPIs for reporting back to the trustees, as well as indicators to feed into the business's reporting on its Plan Zero goals. These outputs will help us to better track progress, capture learnings, and understand the impact of our programmes.

##### Strengthening our governance framework

The Foundation's goal in this area is to ensure that we are an effective and responsible grantmaker by having a strong governance framework and that we are undertaking proper due diligence on our partners. To achieve this, in 2020 we undertook an internal audit of the Foundation against the Charity Governance Code for smaller charities. This involved ranking our performance against each area of the Code framework and taking steps to address any gaps. As a result we enhanced our due diligence processes, and reviewed and developed new policies and procedures in the following areas:

- Safeguarding
- Health and Safety
- Risk Management
- Trustee Expenses
- Environmental and Social Responsibility
- Data Protection and GDPR
- Conflict of Interest
- Reserves
- Whistleblowing
- Trustee Terms of Reference
- Delegation of authority

## **The OVO Charitable Foundation**

### **Trustees' Report**

#### **OVO Foundation's plans for 2021**

In 2021, we will continue to implement and communicate our new strategy and will work to ensure our existing programmes align with the new vision and overarching goals. There is a great deal of opportunity to reposition some of our projects to ensure sustainability is a key component, and we know our existing partners will be up for the challenge.

In addition to embedding sustainability into our programmes and projects, we will focus on the following:

#### **(1) OVO Gives Back development**

To support the goals of Plan Zero and recognise the increased national footprint of OVO as a business, we intend to work with a national charity partner on nature based volunteering projects in 2021. As well as contributing funding, we will encourage teams to spend the day together volunteering to help the planet and improve their local communities, and give each team an annual allocation of paid leave to do this. Individuals will also be able to volunteer for charities of their choice with OVO matching their time to double the impact.

#### **(2) Going further to measure impact**

One of the goals of Project Jua is to help avoid carbon emissions by harnessing solar energy. We will work with The Carbon Trust, experts in this field, to select the best methodology for measuring reduced and/or avoided carbon emissions in Kenya. Using the best methodology will enable us to determine an accurate figure for our impact on carbon emissions, with the calculations also potentially helping to inform other projects run by the Foundation.

In 2021, building on our work to improve overall impact management, we will work with an external expert practitioner to assess the Social Return on Investment of each of OVO Foundation's programmes. The SROI metric gives a monetary value of social value generated for each pound invested. We will produce an SROI report which will be externally assured by Social Value UK, the leading organisation in the SROI space, and use this as part of a set of impact evidence to measure the effectiveness of our programmes, and help trustees plan for future cycles of funding.

#### **(3) External governance review**

In early 2021 we will work with an external governance expert to review the new procedures, processes and policies that we have put in place through our internal governance review to ensure we have a strong and complete governance framework.

# **The OVO Charitable Foundation**

## **Trustees' Report**

### **Financial review**

#### **(1) 2020 financial review**

The total income for OVO Foundation at the end of 2020 was £1,114,709 (2019: £1,010,540). Of this, £376,963 (2019: £432,320) came from OVO Energy customer donations. OVO Energy donated the same amount to OVO Foundation as part of its commitment to match all customer donations. OVO Energy donations account for the rest of OVO Foundation's 2020 income. OVO Energy has committed to ensuring that OVO Foundation has an income of at least £1 million. For the year ended 2020, OVO Energy donated a one-off payment of £25,000 in addition to the matching and 'top-up' payment amounts. The rest of the income in the year consists of £86,260 donation from LandAid Charitable Trust and £2,273 of bank interest.

The Foundation's expenditure for the year was £1,014,962 (2019: £2,049,172). Please see note 5 of the financial statements for a full breakdown.

#### **(2) Number and value of customer donations**

OVO Energy gives all customers on a pay monthly (PAYM) tariff the opportunity to donate to OVO Foundation. The amount that the customer chooses to donate is matched by OVO Energy - doubling customers' donation power - and is added to their monthly statement.

At the end of 2020, 49,776 customers donated to OVO Foundation, representing 9.8% of customers eligible to donate. This represents a substantial decrease from the previous year where 63,887 customers donated each month, representing 11.5% of PAYM customers. This decrease is likely to be attributed to a legacy issue of the donation option being removed from parts of the customer journey, and lack of prioritisation due to the impact of coronavirus and the business going through a significant acquisition process. The value of customer donations however continued to increase from an average annual donation of £5.85 at the end of 2019 to £7.03 at the end of 2020.

As all overheads are covered by OVO Energy, 100% of donations go to OVO Foundation's projects and partners. In addition, OVO Energy has committed to ensuring OVO Foundation has an income of £1m each year so will 'top-up' any variance resulting from a decrease in customer donations.

#### **(3) Policy on reserves**

OVO Foundation's policy on reserves, put in place in 2015, remained the same in 2020. This policy maintains that:

*"The reserves should provide the charity with adequate financial stability and the means for the charity to meet its charitable objectives for the foreseeable future.*

*The trustees will maintain the charity's reserves at a level that is equivalent to at least six month's operational and programmatic obligated expenditure. The level of reserves has been set at this amount in light of the charity's manner of operations and the known future income streams.*

*The trustees will regularly review the reserves policy to ensure such reserves sufficiently cover the charity's continuing obligations."*

This policy will be reviewed in early 2021 as part of the external governance review.



## The OVO Charitable Foundation

### Trustees' Report

#### Principal risks

OVO Foundation has a risk policy and risk register which is reviewed and updated by OVO staff each quarter, and reviewed and discussed by the board of trustees where relevant. Principal risks to the Foundation in 2020 include:

##### a. Future funding of OVO Foundation

OVO Foundation is currently part-funded by customer donations and part-funded by OVO Energy. OVO Energy matches all customer donations and provides a top-up to ensure OVO Foundation has an annual income of £1m/year. OVO Energy also covers OVO Foundation's non-project costs and payroll - equating to £200k/year. The agreement between OVO Energy and OVO Foundation is due to end in October 2021 and will be extended for another year from October 2021.

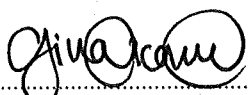
The recent acquisition of SSE by OVO Energy presents a new opportunity for OVO Foundation to engage SSE customers with the Foundation and welcome new customer donations.

We also have a reserves policy in place which states that we'll maintain the charity's reserves at a level that is equivalent to at least six month's programmatic obligated expenditure.

##### b. The continued impact of coronavirus

The coronavirus pandemic is likely to continue to have a significant impact on our partners and their ability to implement and deliver funded programmes, as well as some of the expected outcomes from the projects. We will increase the monitoring conversations that we have with all of our partners so that we are aware of the implications on the projects we support as the situation develops, and will provide additional support and flexibility to all our partners as they deal with the repercussions of the pandemic. We will also continue to review our funding areas with the flexibility to support our partners responding to increased need to support children and young people in the medium and longer term.

The annual report was approved by the trustees of the charity on 24 September 2021 and signed on its behalf by:



Gina Cicerone  
Trustee

## **The OVO Charitable Foundation**

### **Statement of Trustees' Responsibilities**

The trustees (who are also directors of The Ovo Charitable Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulation.

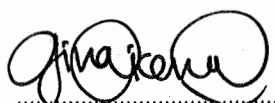
Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), comprising FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', and applicable law. 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 the 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 for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice: Accounting and Reporting by Charities (effective 1 January 2019);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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 also responsible for safeguarding the assets of the charitable company 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 charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees of the charity on 24 September 2021 and signed on its behalf by:



Gina Cicerone  
Trustee

## **The OVO Charitable Foundation**

### **Independent Auditors' Report to the Members of The OVO Charitable Foundation**

#### **Report on the audit of the financial statements**

##### **Opinion**

In our opinion, The OVO Charitable Foundation's financial statements ("the financial statements"):

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, and cash flows, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 31 December 2020; the statement of financial activities (incorporating an income and expenditure statement), and the cash flow statement for the year then ended; and the notes to the financial statements, which include a description of significant accounting policies.

##### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### *Independence*

We remained independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

##### **Conclusions relating to going concern**

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

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the charitable company's ability to continue as a going concern.

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

##### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

## **The OVO Charitable Foundation**

### **Independent Auditors' Report to the Members of The OVO Charitable Foundation**

#### **Reporting on other information (continued)**

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

#### *Trustees' Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Trustees' Report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and the Trustees' Report has been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Trustees' Report. We have nothing to report in this respect.

#### **Responsibilities for the financial statements and the audit**

##### *Responsibilities of the trustees for the financial statements*

As explained more fully in the Statement of Trustees' Responsibilities, 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 in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also 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.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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

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

Based on our understanding of the charitable company, we identified that the principal risks of non-compliance with laws and regulations related to UK tax legislation, 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 financial statements such as the Companies Act 2006 and the Charities Act 2011 and Regulation 8 of The Charities (Accounts and Reports) Regulations 2008. 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 fraudulent transactions designed to overstate the financial performance and position of the charity. Audit procedures performed included:

- Reviewing Board minutes and holding discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Using computer based audit techniques to identify and test higher risk manual journals, in particular those having unusual account combinations;
- Challenging the assumptions used by the charity when considering its ability to continue as a going concern; and
- Obtaining third party confirmations of the charity's banking and financing arrangements.

## **The OVO Charitable Foundation**

### **Independent Auditors' Report to the Members of The OVO Charitable Foundation**

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

#### *Use of this report*

This report, including the opinions, has been prepared for and only for the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### **Other required reporting**

#### **Companies Act 2006 exception reporting**

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

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

We have no exceptions to report arising from this responsibility.

#### **Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the Trustees were not entitled to: prepare financial statements in accordance with the small companies' regime; and take advantage of the small companies' exemption from preparing a Strategic Report. We have no exceptions to report arising from this responsibility.



Katharine Finn (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Bristol

24 September 2021

# The OVO Charitable Foundation

## Statement of Financial Activities for the Year Ended 31 December 2020 (Including Income and Expenditure Account)

	Note	Total 2020 £
<b>Incoming resources</b>		
<i>Incoming resources from generated funds</i>		
Donations and legacies	2	1,112,436
Investment income	3	2,273
		<u>1,114,709</u>
<b>Resources expended</b>		
<i>Costs of generating funds</i>		
Investment management costs	4	(34)
<i>Charitable activities</i>	5	(1,014,928)
<b>Total expenditure</b>		<u>(1,014,962)</u>
Net income / Net movement in funds		99,747
<b>Reconciliation of funds</b>		
Total funds brought forward		<u>1,465,705</u>
Total funds carried forward		<u>1,565,452</u>

	Note	Total 2019 £
<b>Incoming resources</b>		
<i>Incoming resources from generated funds</i>		
Donations and legacies	2	1,004,295
Investment income	3	6,245
		<u>1,010,540</u>
<b>Resources expended</b>		
<i>Costs of generating funds</i>		
Investment Management Costs	4	(78)
<i>Charitable activities</i>	5	(2,049,094)
<b>Total expenditure</b>		<u>(2,049,172)</u>
Net expense / Net movement in funds		(1,038,632)
<b>Reconciliation of funds</b>		
Total funds brought forward		<u>2,504,337</u>
Total funds carried forward		<u>1,465,705</u>

All of the charity's activities derive from continuing operations during the year and all funds are unrestricted.  
There are no recognised gains or losses other than those included in the Statement of Financial Activities above.

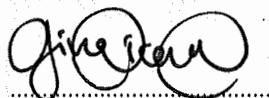
**The OVO Charitable Foundation**  
**(Registration number: 08908420)**  
**Balance Sheet as at 31 December 2020**

	Note	2020 £	2019 £
<b>Current assets</b>			
Debtors	10	170,213	253,547
Cash at bank and in hand		<u>1,395,239</u>	<u>1,212,157</u>
		<u>1,565,452</u>	<u>1,465,704</u>
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>(1,565,452)</u>	<u>(1,465,704)</u>
<b>Total funds</b>		<u>(1,565,452)</u>	<u>(1,465,704)</u>

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements on pages 28 to 35 were approved by the trustees, and authorised for issue on 24 September 2021 and signed on their behalf by:



.....  
Gina Cicerone  
Trustee

## The OVO Charitable Foundation

### Cash Flow Statement for the Year Ended 31 December 2020

	Note	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Net movement in funds		99,747	(1,038,633)
<b>Adjustments to cash flows from non-cash items</b>			
Interest income	3	(2,273)	(6,245)
Interest payable	4	<u>34</u>	<u>78</u>
		97,508	(1,044,800)
<b>Working capital adjustments</b>			
Decrease/(increase) in debtors	10	<u>83,335</u>	<u>(169,378)</u>
Net cash flows from operating activities		180,843	(1,214,178)
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	3	2,273	6,245
<b>Cash flows from financing activities</b>			
Interest payable and similar expenses		<u>(34)</u>	<u>(78)</u>
Net increase/(decrease) in cash at bank and in hand		183,082	(1,208,011)
Cash at bank and in hand at 1 January		<u>1,212,157</u>	<u>2,420,168</u>
Cash at bank and in hand at 31 December		<u><u>1,395,239</u></u>	<u><u>1,212,157</u></u>

All of the cash flows are derived from continuing operations during the year.



# **The OVO Charitable Foundation**

## **Notes to the Financial Statements for the Year Ended 31 December 2020**

### **1 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

#### **Basis of preparation**

The OVO Charitable Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

#### **Going concern**

These financial statements have been prepared on the going concern basis. The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

#### **Income and endowments**

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

#### **Donations and legacies**

Donations and legacies are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured. For customer donations, this is when the cash is received.

#### **Investment income**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

#### **Trade debtors**

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### **Cash at bank and in hand**

Cash at bank and in hand comprises cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

## The OVO Charitable Foundation

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### 2 Income from donations and legacies

	2020 General £	Total 2020 £	Total 2019 £
Donations and legacies;			
Donations from companies, trusts and similar proceeds	<u>1,112,436</u>	<u>1,112,436</u>	<u>1,004,295</u>

Donations from Ovo Energy Ltd in the current year were £648,039 (2019: £572,000).

#### 3 Investment income

	Unrestricted funds 2020 General £	Total 2020 £	Total 2019 £
Interest receivable and similar income;			
Interest receivable on bank deposits	<u>2,273</u>	<u>2,273</u>	<u>6,245</u>

#### 4 Investment Management Costs

	2020 £	2019 £
Investment management costs	<u>34</u>	<u>78</u>
	<u>34</u>	<u>78</u>

#### 5 Charitable activities

	Unrestricted funds 2020 General £	Total 2020 £	Total 2019 £
Grant funding of activities	<u>1,014,928</u>	<u>1,014,928</u>	<u>2,049,094</u>

#### Analysis of charitable expenditures

The charity undertakes its charitable activities through donations to a number of institutions in furtherance of its charitable activities. £1,014,928 (2019 - £2,049,094) of the below expenditure was attributable to unrestricted funds and £Nil (2019 - £Nil) to restricted funds.

## The OVO Charitable Foundation

### Notes to the Financial Statements for the Year Ended 31 December 2020

	Unrestricted funds 2020 General £	Total 2020 £	Total 2019 £
1625 Independent People	190,082	190,082	50,955
Action for Conservation	27,500	27,500	20,000
Beam	20,463	20,463	-
British City Council	-	-	6,440
British Lung Foundation	-	-	20,000
Caring in Bristol	20,463	20,463	-
Centrepont	8,333	8,333	-
Cleaning Up Bristol Harbour	-	-	20,000
Doorstep Library	40,000	40,000	40,000
Dunfermline Foodbank	10,463	10,463	-
Earthwatch	121,349	121,349	-
End Youth Homelessness	19,408	19,408	13,066
Energy 4 Impact	47,035	47,035	1,564,064
Energy Sparks	107,013	107,013	-
Greenspace Scotland	20,463	20,463	-
Off the Record	-	-	20,000
Other grants	8,694	8,694	4,672
Parental Engagement Network	40,000	40,000	52,100
Roundabout Limited	33,857	33,857	34,805
Rowlands	10,463	10,463	-
Square Food Foundation	20,463	20,463	20,000
St Basils	-	-	62,041
Tales Toolkit	80,000	80,000	-
The Benjamin Foundation	60,439	60,439	94,561
The Institute for Employment Studies	21,193	21,193	21,194
The Matthew Tree Project	20,463	20,463	-
Rock Trust	78,451	78,451	5,196
YoungMinds	8,333	8,333	-
	<u>1,014,928</u>	<u>1,014,928</u>	<u>2,049,094</u>

#### 6 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration and any other benefits from the charity during the year (2019: same). No trustees have received any reimbursed expenses from the charity during the year (2019: same).

## **The OVO Charitable Foundation**

### **Notes to the Financial Statements for the Year Ended 31 December 2020**

#### **7 Charity status**

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £Nil (2019: £Nil) towards the assets of the charity in the event of liquidation.

#### **8 Auditors' remuneration**

The auditors' remuneration constituted an audit fee of £5,900 (2019: £5,600). The audit fee is borne by OVO Energy Ltd.

#### **9 Taxation**

The charity is a registered charity and is therefore exempt from taxation.

## **The OVO Charitable Foundation**

### **Notes to the Financial Statements for the Year Ended 31 December 2020**

#### **10 Debtors**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Debtor from Ovo Energy Ltd	<u>170,213</u>	<u>253,547</u>
	<u>170,213</u>	<u>253,547</u>

Debtors include £Nil (2019: £Nil) receivable after more than one year.

#### **11 Related party transactions**

There were no related party transactions that were required to be disclosed in the year (2019: none).

