THE EY FOUNDATION

England & Wales · Charity number 1157154

Details

Status	Registered
Legal form	Charitable company
Company number	08935629
Registered	2014-05-21
Register	View on the Charity Commission register

Contact

Address	ERNST & YOUNG LLP 1 More London Place London SE1 2AF
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Website	www.ey.com/eyfoundation

Activities

Objects: THE OBJECTS OF THE CHARITY ARE FOR THE BENEFIT OF THE PUBLIC TO ADVANCE SUCH EXCLUSIVELY CHARITABLE PURPOSES AS THE TRUSTEES MAY DECIDE FROM TIME TO TIME.IN THE ARTICLES, CHARITABLE MEANS CHARITABLE IN ACCORDANCE WITH THE LAW OF ENGLAND AND WALES PROVIDED THAT IT WILL NOT INCLUDE ANY PURPOSE WHICH IS NOT CHARITABLE IN ACCORDANCE WITH SECTION 7 OF THE CHARITIES AND TRUSTEE INVESTMENT (SCOTLAND) ACT 2005 AND/OR SECTION 2 OF THE CHARITIES ACT (NORTHERN IRELAND) 2008. FOR THE AVOIDANCE OF DOUBT, THE SYSTEM OF LAW GOVERNING THE CONSTITUTION OF THE CHARITY IS THE LAW OF ENGLAND AND WALES.

Activities: Our mission is to create and support pathways for young people and entrepreneurs into education, employment and enterprise to help build stronger communities and a more sustainable economy.The programmes we deliver, the independence of our fundraising and the support we provide to other charities sharing our mission, makes us a pioneering force in the UK's charitable foundation sector.

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Classification

- **How:** Makes Grants To Organisations, Provides Services
- **What:** General Charitable Purposes
- **Who:** Children/young People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Scotland
- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2025-06-30	£5,523,000	£4,616,000	£2,626,000	46
2024-06-30	£3,648,670	£3,755,868	£1,745,570	51
2023-06-30	£4,005,796	£4,025,662	£1,677,421	51
2022-06-29	£4,134,045	£3,638,536	£1,801,467	45
2021-06-29	£3,495,760	£3,277,805	£1,305,958	40

Trustees

Name	Role	Appointed
Edel Harris	Chair	2023-12-06
Ashley Hodges Gibson		2025-03-12
Chelsea Hargreaves		2024-12-04
Erol Mustafa		2024-03-13
Julianna Oladipo		2021-01-25
Julie Cavin		2022-12-07
Lucia Wilde		2024-12-05
Mark Hutchinson		2020-07-17
Rachel Mary Sandy Thomas		2022-03-16
Sarah Baugh		2023-12-06
Sayeh Ghanbari		2020-06-17

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THE EY FOUNDATION

England & Wales - Charity number 1157154

Accounts

EY Foundation

The EY Foundation
Annual Report and Financial Statements

For the year ended 30 June 2025

Registered charity number 1157154 (England & Wales) and SCO45076 (Scotland)
Registered company number 08935629

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Achieving our Ambition

Our Ambition

We will enable all young people on Free School Meals to have an employment and earnings potential that is equitable to other young people in the UK. We will do so in collaboration with employers and key partners, through employability skills programmes, scalable digital interventions and by leveraging our convening power to influence systemic change.

Our ten-year ambition is informed by our vision and mission. We believe that every young person in the UK eligible for free school meals can succeed in the workplace, and we believe every employer in the UK regardless of size or sector has an important role to play in giving young people a better start to their working lives.

Our mission is to reduce the barriers to work young people from a low-income background face, supporting them to successfully transition into higher education, employment, or self-employment.

Our Approach

From the financial year 1 July 2024 to financial year 30 June 2025, the EY Foundation has operated under our ambition framework.

We will...	
1. Direct Delivery	Continue to work directly with young people on Free School Meals, testing and iterating the most impactful interventions to move young people into or closer to work.
2. Focus on Systemic change	Increase our focus on creating systemic change at both ends of the labour market.
3. Place and communities	Increase our focus on developing place based solutions and tailoring approaches to different communities.

Powered by...	
Increased collaboration and convening	Better leveraging our EY connections and our network.
Increased Influence	Utilising our growing evidence base of 'what works', youth voice expertise and employer networks to drive change.
Deploying emerging technology to grow impact	Enable development of new training solutions and identify systemic risks and opportunities of new technology.
Partnership Innovation fund	Backbone to building partnerships that enable greater agility through testing of new solutions and responding to rapid changes in the sector.
More volunteers	Harness the expertise, passion and commitment of thousands of supporters both from within, and outside of EY.

Our Strategic Priorities

The EY Foundation ambition places specific focus on achieving systemic change at a national level. This is complementary to the core work that centres on delivering programmes to young people from a low-income background - who, in the context of our work, we define as those eligible for free school meals (FSM). The insights from core programme delivery, combined with additional research and pilot activity, provides the basis for identifying the change needed at a system-wide level to ensure FSM eligible young people have an employment and earnings potential that is equitable to other young people in the UK.

To achieve our ambition, the EY Foundation has increased its focus on system change focused work. In addition to the quantitative data collected through programmes - which continues to be a central part of evaluation - the system change work involves qualitative tracking of impact with key decision makers. Achieving this additional impact requires an increase in direct delivery resource.

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Achieving our Ambition cont.

The additional direct delivery resource has been used to 1) manage new projects designed to generate insights to drive systems change, and 2) build decision maker relationships through an increased focus on public affairs, and wider stakeholder engagement.

In the financial year ending 30 June 2025 - to accelerate our pivot towards our ambition - EY Foundation refreshed its overall organisational approach by creating an 'ambition framework' (set out above) that increased the amount of people and financial resource focused on achieving system change. In addition, impact was focused on four strategic priorities, supported by a fifth internal priority that ensures the structures are in place needed to deliver the ambition.

1. Inspire young people through Careers Support	2. Create a Work Experience Revolution	3. Ensure Employers actively engage with and recruit FSM young people	4. Ensure the Future of Work is fully inclusive for all young people
All young people eligible for free schools meals receive consistent, relevant and high-quality careers support throughout their primary and secondary education. This will generate the knowledge and aspiration to ignite and inspire their career ambitions. Inspiring role models will fuel self-belief and raise awareness about what is possible and what they can achieve.	All young people eligible for free school meals participate in high quality mandatory work experience at key points in their education. This will follow a model of delivery tailored to their needs, the opportunities in different locations and sectors of the economy, creating systemic change which benefits all young people.	Employers drive social mobility within their organisations, committing to recruit young people from FSM backgrounds. This is done through early investment in building a diverse pipeline, inclusive recruitment, progression, and retention practices. In turn, it will help address skills gaps and ensure organisations benefit from untapped, diverse talent.	All young people eligible for free school meals understand the opportunities and have the skillsets needed to thrive in the future of work. Rapidly evolving technologies will unlock, rather than entrench barriers to social mobility.

5. A thriving organisation	We have an organisational structure that enables us to reach our ambition. Powered by collaboration, a vibrant and diverse team and Board that delivers evidenced based insights and sustainable impact.

Specific new strands of work that were implemented in the financial year ended 30 June 2025 to support the delivery of these strategic priorities included:

1. **Enhancing direct delivery programmes** to improve outcomes for young people. This increased the impact in support of individual young people and contributed to insights that can be shared more widely about how to most effectively support young people with the employability skills and work experience needed to thrive in the labour market. Specifically, the EY Foundation: expanded the Smart Futures programme into new locations (Luton and Reading), supported targeted apprenticeship application support, and assisted young people to start their own business.
2. **Redefining the model of work experience** to ensure all young people are better prepared for work, focused on the development of a place-based pilot in Bradford. A key action has been the development of a high impact intervention by bringing key organisations together to share insight and best practise. Co-design sessions were conducted in Bradford to understand what high-quality work experience should look like, and how young people could be supported in the region to raise their aspirations and develop key skills. This outcome will be piloted in Bradford in the financial year ended 30 June 2025.
3. **Driving changes in employer practices** to positively impact FSM young people. The EY Foundation commissioned a study with SMEs in Northwest England to understand what drives businesses to prioritise social mobility activity, and the business benefits it brings. This was supported by convening five employer roundtables to understand what actions employers can take to drive social mobility.
4. **Carrying out several projects to progress EY Foundation's work to ensure the future of work is fully inclusive** for all young people. This included:
    - releasing an AI and Social Mobility paper setting out the opportunities and challenges for social mobility in an increasingly AI-driven future.
    - completing the discovery phase of an AI and Social Mobility Grand Challenge to incentivise tech-focussed businesses to use AI to enhance social mobility in the UK.
    - Commissioning the Institute for the Future of Work (IFOW) to publish research on intrinsic motivation, focussing on how young people from low-income backgrounds can navigate the changes, especially technologically, occurring in our economy and society.

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Achieving our Ambition cont.

Our Year in Numbers

	2025 (Total)	2024 (Total)
Free School Meal (FSM) Young People Engaged	4,003	3,471
Volunteer Opportunities Created	3,076	3,268
Unique Volunteers Engaged	2,052	2,010
Fundraising Participants	1,509	1,602
Unique Employers Engaged	348	322
Corporate Partners	43	34

Our Impact

Direct programme delivery

FY24 business plan objective – we said we would

*(*numbering outlined in future plans in prior year financial statements)*

- **Business plan objective 4*: Enhance our programmes to improve outcomes for young people**
- **Business plan objective 5*: Evidence impact of new careers support interventions throughout a young person's school years**

From July 2024 to June 2025, the EY Foundation delivered a total of 46 (2024: 39) high impact programmes. These programmes included Smart Futures and Your Future. 127 (2024: 99) short term interventions through our employability workshops were completed, the EY Foundation also continued to deliver its newest programme, Step into Business, through 5 workshops (2024: 5) across 4 Hubs (London, Birmingham, Manchester and Glasgow).

Direct programme delivery resulted in a total of 5,280[1] young people (2024: 4,501), 4,003 (2024: 3,471) of whom came from a Free School Meals (FSM) background, engaging with our programmes. 971 of these young people were engaged in high impact programmes a 21% increase on the previous year (2024: 800). A total of 2,870 FSM participants were supported through short-term interventions, an 8% increase on the previous year (2024: 2,671). 162 young people took part in Step Into Business (2024: 142). Our aim is to consolidate the number of programmes we deliver whilst increasing the number of young people we support on them, thus maximising our efficiency and supporting more young people.

- ***Smart Futures:***

Smart Futures offers young people the opportunity to learn more about the choices available to them when making decisions about their future. The programme includes up to 2 weeks paid employability training, work experience and 1-to-1 mentoring support. In the year ended 30 June 2025, we delivered 10 (2024: 11) sector-focused Smart Futures programmes, to a total of 848 young people from an FSM background (2024: 635).

[1] We engage non-FSM young people as we deliver a number of school based sessions through our Employability Workshops and do not single out young people eligible for free school meals when working with a whole year group.

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Achieving our Ambition cont.

When giving feedback on Smart Future programmes, participants rated themselves 'Good' or 'Excellent' in the following ways:

Transferable Skills:

- Self-confidence jumped from 48% pre-programme to 94% post-programme, a 46% increase.
- Presentation skills improved from 41% to 90%, marking a 49% increase.
- Networking skills surged from 47% to 96%, reflecting a 49% improvement.

Careers Advice Received:

- Understanding of what employers look for when recruiting increased from 42% to 96%, a 54% improvement.
- Development of CV skills rose from 41% to 88%, reflecting a 47% increase.
- Interview skills improved from 46% to 96%, marking a 50% increase.

"This programme truly restored my faith in people. I've learnt a lot from the people around me and gained companions I will have for a long time. I developed a host of personal and technical skills like presentation writing/ presentation /developed confidence". **Smart Futures Banking & Finance Programme Participant**

➢ ***Your Future:***

Your Future reflects the EY Foundation's ambition of not only supporting young people to 'get ready for work' but also to help them 'get into work'. In addition to paid employability training and work experience, each participant has a dedicated volunteer employment coach with the aim of supporting them into their first job role. We delivered 9 Your Future programmes (2024: 2) across 4 Hubs (2024: 2) to a total of 123 young people from an FSM background (2024: 105).

When giving feedback on Your Future programmes, participants rated themselves 'Good' or 'Excellent' in the following ways:

Transferable Skills:

- Self-confidence improved from 32% to 96% - a 64% increase.
- Presentation skills rated as 'excellent' or 'good' improved from 18% to 88%, marking a 70% increase.
- Networking skills climbed from 28% to 91%, reflecting a 63% improvement.

Careers Advice Received:

- Understanding of what employers look for when recruiting grew from 24% to 97% post-programme, a 73% improvement.
- Development of CV skills rose from 19% to 98%, reflecting a 79% increase.
- Interview skills increased from 22% to 96%, marking a 74% increase.

"I enjoyed the program I loved the people I got to meet and the experience I got from it was unreal it has really opened my eyes a lot and thanks for the opportunity". **Your Future Glasgow Programme Participant**

➢ ***Employability Workshops:***

In the financial year ending 30 June 2025, the EY Foundation delivered employability workshops to 2,870 young people eligible for free school meals (FY24: 2,671) and a further 1,277 young people not eligible for free school meals (FY24: 1,069). Employability Workshops are half and/or full day sessions either at school or an employer site which provide young people with an insight into different careers and an opportunity to develop employability skills.

On feedback on our Employability Workshops, participants rated themselves in the following ways:

Transferable Skills rated 'Quite' or 'Very' Confident:

- Confidence and optimism about the future increased from 50% pre-programme to 74% post-programme, a 24% improvement.
- Motivation to achieve future career goals rose from 68% to 82%, reflecting a 14% increase.
- Confidence in working in a team improved from 63% to 80%, marking a 17% increase.

Careers Advice Received rated 'Good' or 'Excellent':

- Awareness of different career paths increased from 46% pre-programme to 74% post-programme, reflecting a 28% improvement.
- Awareness of what employers seek in potential employees rose from 41% to 79%, marking a 38% increase.
- Understanding of job application requirements improved from 36% to 72%, showing a 36% increase.

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Achieving our Ambition cont.

➢ ***Step Into Business:***
Step into Business provides guidance and support on how to set up a new business. In the financial year ending 30 June 2025, we engaged 162 young people (FY24: 142) through the initial 1-day workshop and 7 young people (2024: 6) received a startup grant of £750 to £2000 following a pitching workshop held in Manchester.

> *"This programme has opened me up to a community of young entrepreneurs as well as more experienced people who have been in my position before. My mentor has been there to support me on my entrepreneurial journey as well as helping me to withstand many challenges. I also won a grant that I used towards my website as well as marketing tools".* ***Step into Business Participant***

Influence and Digital

FY24 business plan objective - we said we would

- **Business plan objective 5: Redefine the model of work experience to ensure all young people are better prepared for work**
- **Business plan objective 6: Become a leading voice for ensuring the future of work is inclusive for all young people**

The EY Foundation committed to creating a 'Disruption Lab' during the year ended 30 June 2025. We have discontinued the 'Disruption Lab' title but have put a firm focus on creating new ideas and action through the convening of diversity of thought to provide radical approaches for disrupting the status quo. This included our work in Bradford, our focus on AI and social mobility and new research into employer behaviour and how it can be changed to unlock system change.

➢ ***Work experience***
Groundswell Innovation were commissioned to conduct research on the work experience landscape in the UK, looking at how effective work experience could reduce inequalities. This insight is being put into use in the partnerships being built in Bradford, where we are testing new approaches to work experience. Taking an evidence-based approach, the EY Foundation worked with place-based practitioners Renaisi-TSIP to facilitate a series of workshops with key stakeholders in the Bradford district to develop a Theory of Change that sets out how meaningful impact can be created.

This insight was used as a basis for co-design sessions with over 150 people from civil society, employers, local authority, schools, parents and carers and young people, to understand what high-quality work experience should include. We are working with schools, employers and local stakeholders to develop a pilot programme in the next academic year. Our aim is to address these challenges and align with statutory guidance on careers education and the government's commitment to a new work experience guarantee for all young people in secondary education.

➢ ***AI and social mobility***
Our accelerating shift towards an AI-driven economy is fundamentally transforming the labour market, altering the nature of work and reshaping the skills landscape. In October 2024, the EY Foundation hosted a panel to discuss the opportunities and risks of AI on the future of the young people we support as part of Digital Leaders Week. In January we published our AI and Social Mobility paper, which set out what we see as the key opportunities and challenges for social mobility in an increasingly AI-driven future. Endorsed by the Chair of the Social Mobility Commission, this paper moved beyond ideas to introduce two projects designed to generate practical insights into how AI can be harnessed to support young people.

Building on our AI and Social Mobility paper, we explored how to direct innovation to ensure technology positively impacts society through an AI and Social Mobility Grand Challenge. This uses a competition format to incentivise tech entrepreneurs to use AI to improve social mobility. To develop the challenge concept and focus, the EY Foundation worked in collaboration with the Social Mobility Commission and Social Tech Trust to engage over 30 organisations in workshops and conversations. With the Discovery Phase complete, we are now moving to the delivery phase in the financial year ended 30 June 2026.

Achieving our Ambition cont.

➢ ***Intrinsic motivation and technological transformation***

The Institute for the Future of Work (IFOW) were commissioned to run a research project on intrinsic motivation, focussing on how young people, particularly those from low-income backgrounds, can navigate the changes occurring in our economy and society. This research highlights the vital role of intrinsic motivation in developing key skills such as creativity, problem-solving, and collaboration, which are increasingly important in today's job market. The research reveals that a lack of intrinsic motivation - defined as engaging in activities for their inherent enjoyment or satisfaction - can hinder young people from building fulfilling careers.

IFOW has developed 'The Good Work Motivation Cycle (GWMC)' to identify effective strategies for fostering intrinsic motivation among young people from low-income backgrounds, thereby enhancing their educational and career pathways. This research not only deepens our understanding but also provides practical insights for policymakers seeking to support young people in their transition from education to work, ultimately contributing to a fairer society. As part of the next stage of this project, we will be testing the framework through our employability skills programmes.

➢ ***'Access Their Skills' Campaign***

The EY Foundation led on a national campaign to broaden our reach and impact. We did this by working with young people from low-income backgrounds, to tell their story and to encourage employers to see their incredible potential. This resulted in an 'Access Your Skills' campaign, which appeared on Sky News, in Bloomberg Digital, in cinemas, and was submitted for a Cannes award.

➢ ***External & Public Affairs***

A key event was the EY Foundation's first parliamentary reception in the House of Commons. Minister Alison McGovern was the keynote speaker, with over 100 MPs and sector leaders attending the event, which celebrated the Foundation's impact over the past ten years.

We also worked closely with EY's public affairs team to build the EY Foundation's public affairs work by coordinating activities at both the Labour Party and Conservative Party conferences in 2024, we have also achieved growth in the number of bi-lateral meetings with government officials.

To build further the EY Foundation's profile and engage key stakeholders in our work, we hosted a roundtable and a panel event at Anthropy's March 2025 conference. We also took part in numerous panel events and roundtables, including a session run by the Department of Science Innovation and Technology on AI and the future of work.

<u>Youth Voice</u>

Youth Voice is an essential part of the EY Foundation's work and one we are committed to embedding at all levels of our organisation. The Youth Engagement Framework was refreshed during the financial year ended 30 June 2025 and Youth Voice helps to ensure our activities represent the young people we serve and supports them in the best way possible.

➢ ***Youth Engagement Framework Refresh***

The Youth Engagement Framework was reviewed to:

1. Better align with EYF's strategic ambition, ensuring Youth Voice is central to all our work
2. Streamline and make Youth Engagement at EYF more efficient
3. Embed learning from the framework implementation so far

There were two central updates to the framework: firstly, a Code of Practice is outlined for EYF colleagues to follow when engaging with young people to ensure that each engagement is meaningful; secondly, a refining of our Young People groups to better ensure the EY Foundation is able to support them and their differing needs.

➢ ***Youth Advisory Board (YAB)***

The YAB undertook two core projects:

- To design and present a workshop to the EY Foundation Board of Trustees about how the 'Future of Work' could affect young people from low-income backgrounds. The YAB asked the Board to make commitments to the YAB which will be reviewed in the financial year ended 30 June 2026
- A Communications Project, where the YAB researched and created their own content for EYF's social media channels. The theme of this project was 'Location Lottery', looking at how where you are from affects your access to resources for your professional development.

Achieving our Ambition cont.

A review of the YAB was undertaken and some key changes to how the group will operate in the future made. This was an important consultation with the current members of the group to best understand the impact of their role so far on their own development, but also how the role has impacted the EY Foundation. Common feedback points included that the name of the group (particularly the word 'Board') did not match their experience of the role, that an interest in Social Mobility was central to succeeding in the role, and ensuring that the group were more aware of the importance of communicating and engaging with the EY Foundation throughout their tenure.

As a result the YAB will be re-branded as the Youth Voice Forum (YVF) from 1July 2025 and we will no longer have a Chair. These amendments respond directly to feedback from our young people and will ensure greater alignment to the EY Foundation's Youth Voice ambitions and greater equity amongst the group.

> Before joining the YAB, I was struggling with my confidence, often feeling shy to speak up in meetings. However, since being on the YAB, my confidence has increased. The access to opportunities has been so transformative. For example, through the YAB I had the opportunity to have a speaking coach. This is when I was able to see a real shift in my confidence. I began to carry myself differently and put myself forward for opportunities.
>
> Youth Advisory Board Member, 2024-2025

➢ ***Wider Youth Voice Activity***

Alongside our core Youth Voice activities, the EY Foundation provided chances for young people to support the Foundation and build their advocacy, communication and public speaking skills through a variety of activities including:

- Decade of Impact Celebrations: Young people were invited to attend the EY Foundation's gala dinner and parliamentary reception to celebrate the Foundation's work over the last decade and to talk about their experience as an alumni of the EY Foundation.
- Co-hosting the EY Foundation's Impact Awards in October 2024,
- Supporting the production, of our 'Access Their Skills' campaign.
- Speaking directly to corporate partners on panels, or at roundtable events hosted by the EY Foundation.
- Designing and facilitating the EY Foundation's first Alumni Community Networking event bringing together over 50 employers and 200 Alumni to learn from each other and reconnect with the EY Foundation.

Youth Voice will continue to play a central role in the EY Foundation's ambition ensuring that young people are part of the changes which will affect their future. The Youth Engagement Framework will be embedded within the organisation and the EY Foundation will continue to work collaborating with other youth employment organisations to share best practice within the sector.

Our Partnerships and Fundraising

FY24 business plan objective - we said we would

➢ Business plan objective 1: ***Consolidate the income model required to fund the ten-year ambition***

➢ Business plan objective 2: ***Drive changes in employer practices to positively impact FSM young people***

Partnerships

Although the EY Foundation receives most of its funding through the Master Services and Funding Agreements with Ernst & Young LLP (EY), as an independent charity we also seek to raise funds in several different ways:

- engaging with corporate partners to deliver more programmes to young people.
- organising challenge events and other traditional fundraising events and activities.
- working with high-net-worth individuals; and
- securing grant funding.

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Achieving our Ambition cont.

For the financial year 1 July 2024 to 30 June 2025, the EY Foundation worked with 43 Corporate Partners (2024: 34) and 348 unique employers (2024: 322). The EY Foundation expanded delivery and collaborated with various new employers, including Swiss Life, Mercer and Network Rail across our sector-based programmes and also launched a new programme, Real Estate Futures.

➢ ***Building on our sector-focussed approach***

The Real Estate sector is evolving rapidly and is often viewed as one of the most exciting and rewarding industries within which to develop a career. However, it is failing to attract and retain talent from diverse and low socioeconomic backgrounds.

The 2023 Real Estate Balance NextGen Survey highlighted that the sector is predominantly made up of individuals from higher or professional backgrounds, with 26% educated at independent schools, well above the national average. 70% of respondents found the industry through personal connections or by chance, highlighting the necessity for broader access and reduced barriers to entry. For these reasons, with the support of 6 leading employers and over 20 volunteers, the EY Foundation welcomed 15 young people on to its first Real Estate Futures programme in Summer 2024.

> *"Taking part in the programme is a really rewarding feeling, and you get to understand the tangible impact, which is so valuable. Would love to talk about any other ways we can get involved too."*
> ***VerseOne***

Prior to the programme, employers expressed concern that young people lacked awareness of careers in the Real Estate sector. After completing the programme, 93% of young people rated their awareness of careers within the Real Estate sector as Good or Excellent, with all showing an interest in working within Real Estate (100%).

The post programme survey showed that participants had significantly enhanced their professional skills with 93% of young people rating their skills development an 8 or above after completing sessions on teamwork, self-reflection, presenting, and more. Additionally, 87% of young people rated their business experience a 7 or above out of 10.

➢ ***Generating insights from employers through programme delivery***

As part of the EY Foundation's partnership with employers, both qualitative and quantitative data are collected before and after programs to gain insights into their objectives related to social mobility and their experiences with the EY Foundation. Reflections from the ten employers and 47 volunteers involved in our Smart Futures Banking and Finance 2025 programme highlights that:

- Employers discovered that participating in the program provided valuable insights into engaging with young people. They gained significant benefits in understanding what young people seek in employment and what they value, which inspired them to rethink how they promote their brand and recruit young people.
- The volunteering and business hosting opportunities offered by the program increased employer brand visibility with potential customers and supported efforts to attract diverse talent. Additionally, it enabled participants to make the business case for supporting social mobility within their organisations more effectively.
- Engagement with the EY Foundation has highlighted the importance of young people to organisations, emphasised the significance of meaningful work experience, and underscored the vital role employers play in shaping the future workforce.
- Employers strongly agreed that the program provided meaningful volunteering opportunities for their employees, including the development of their management skills, particularly in guiding others. Notably, 100% of volunteers would recommend the experience to their peers.
- An impressive 92% of business volunteers expressed their willingness to volunteer with the EY Foundation again.
- Furthermore 92% of employers indicated they were extremely likely to recommend EY Foundation programs to other organisations

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Achieving our Ambition cont.

➢ ***Leveraging our employer network to drive change***

In addition to growing our corporate partnership network and sector-specific programs, the EY Foundation has increased the number of employer roundtable events it hosts. These events provide our employer network with a platform to discuss the challenges they face regarding social mobility and to exchange ideas and best practice.

In the financial year ended 30 June 2025, five roundtables in London and Manchester were hosted across seven sectors, including hospitality, financial services, technology, non-profit/charity, recruitment, and transportation services. Key discussion topics included employers' organisational approaches to social mobility, strategies for better reaching young talent, and how best to become an employer of choice for young people.

Additionally, the EY Foundation explored what employers are looking for in terms of skills, abilities, and experience in young people, including how to better support retention and progression among young employees. Employers are encouraged to articulate the business case for investing in diverse talent and commit to implementing short- and long-term plans to drive systemic change.

The EY Foundation has also recently launched its latest research, produced in partnership with Groundswell Innovation, which explores the business case for social mobility for SME employers. This microstudy focused on the North West of England has highlighted useful findings and recommendations that we will be testing with our employer network over the coming year.

Traditional fundraising, grants and high net worth Individuals

Over 1,500 people took part in fundraising activities in support of the EY Foundation from across the UK. After the disappointment of last year's cancellations due to global events, we are pleased this number included 22 trekkers who undertook an 8-day trek in Cambodia on behalf of the EY Foundation. As part of the celebrations for the EY Foundation's 10th Anniversary we hosted our first ticketed dinner. The Decade of Impact Dinner was a celebration of ten years of transforming young lives, attended by nearly 200 guests, hosted by Amol Rajan and featured inspiring EY Foundation alumni speakers. The event raised over £143,000 through table sales, donations and a silent auction.

The EY Foundation continued to work with a small number of grant funders. Timing and participant recruitment challenges impacted this year's total and we will take a revised approach to grant fundraising in future years. This year an invite only group of high-net-worth individuals (HNWI) raised an incredible £50,175 trekking for the EY Foundation in Cambodia. The EY Foundation will continue to develop our small community of 77 HNWI supporters.

The EY Foundation subscribes to the Fundraising Regulator and its code of fundraising practice. In financial year ended 30 June 2025 the regulator launched a new Code of Practice. The EY Foundation has planned its response to this update and will implement changes to policy and update internal guidance to meet the new requirements by the November 2026 implementation. We strive to create a positive donor experience for our supporters, and will continue to make improvements, adhere to new regulations and build engagement and value by ensuring our supporters are at the heart of our work.

The EY Foundation's income generation is managed by our trained in-house team. We do not engage in street fundraising or telephone fundraising campaigns and do not outsource any fundraising to third parties. Our aim is to raise funding to support young people and none of our fundraising activities are directed towards seeking funding from those we are here to help.

The EY Foundation takes the responsible use of personal data seriously and assesses our level of GDPR compliance as part of a developing framework of assurance. We will only ever contact donors who have explicitly 'opted in' to receive communications from us. Should we fall short of the standards expected by our donors we have a complaints policy where their concerns can be submitted. During the year ended 30 June 2025 there were no complaints received about fundraising for the Charity.

Registered charity number 1157154 (England & Wales) and SC045076 (Scotland)
Registered company number 08935629

Achieving our Ambition cont.

Our People

Volunteers

FY24 business plan objective - we said we would

- **Business plan objective 4: Enhance our programmes to improve outcomes for young people**

The EY Foundation would not be able to deliver its programmes or activity if not for our wonderful volunteers and fundraisers.

In the financial year ending 30 June 2025, we created 3,076 volunteering opportunities (2024: 3,268) facilitated by 2,052 unique volunteers (2024: 2,010). In addition to our volunteering opportunities, the EY Foundation offers dedicated roles for young people to develop both personal and professional skills. These positions are specifically reserved for members of our alumni and Youth Advisory Board, providing targeted opportunities to build key employability skills. Importantly, these roles are integral to our Youth Voice commitment, ensuring that young people's perspectives are embedded in our work and decision-making processes. Development opportunities include supporting programme delivery, contributing to Youth Voice initiatives, consulting on internal activities, and assisting with our influencing work. During the financial year ended 30 June 2025, we facilitated 381 distinct development opportunities for young people and alumni, reflecting our ongoing commitment to youth empowerment and meaningful engagement.

EYF Team Members

FY24 business plan objective - we said we would

- **Business plan objective 3: Agree and begin to implement an organisation structure that can impact 2 million FSM young people**

Due to some delays with finalising the EY Foundation's follow on Master Services (MSA) and funding agreements with EY (which have both now been finalised and signed) work on our organisational structure was paused. However, the EY Foundation continued to invest in the skills development of the team, running and funding training and development activities. In addition, the team met twice in the year to discuss strategic priorities, celebrate achievements and impact and mark our 10th anniversary birthday.

Achieving our Ambition cont.

Future Plans

For the financial year ended 30 June 2026, our main aims - as set out in our business plan - are to increase progress against our strategic priorities. In terms of the ambition framework structure, the EY Foundation will merge strategic priority two on work experience with strategic priority one on inspiring young people through careers support. This reflects the close interconnections between each strand of work and the increased impact that would be achieved by formally combining these two aspects of our work. As a result, we now have three priorities focused on external delivery underpinned by the internal priority ensuring the structures are in place to deliver the ambition:

Inspire young people through careers support	Ensure employers actively engage with and recruit FSM eligible young people	Ensure the future of work is fully inclusive for all young people eligible young people
• Evolve the current model of work experience delivered for young people with the delivery of pilots in Bradford schools • Increase and enhance our reach through direct delivery programmes • Test new actions through pilot programme delivery, such as intrinsic motivation, to help young people from low-income backgrounds to thrive in an evolving job market	• Position EY Foundation as a go-to organisation in driving the business case for social mobility, harnessing evidence from our employer experience network and new research with Demos • Amplify and simplify practical resources for increasing social mobility and systemically share with employers via roundtables, 121 discussions • Deepen understanding of the motivations, aims and starting points of wider EYF network to more effectively engage them across strategic pillars. low-income backgrounds to thrive in an evolving job market	• Implement the recommendations of our AI and Social Mobility report. Specifically, an AI and Social Mobility grand challenge and youth voice research with the University of Nottingham, who will work with a group of young people and an employer who is implementing AI across their organisation • Leverage the Impact Fund to accelerate progress towards our ambition • Build the evidence base, coalition of influential voices and increase knowledge of the sector to ensure young people from low-income backgrounds have equitable access to the green workforce

Thriving organisation	• Identify and implement the organisational structure needed to deliver the ambition • Ensure the long-term sustainability of the EY Foundation

To support our growth against each strategic priority, the EY Foundation will implement:

- A new impact framework to demonstrate how each individual activity takes the Foundation towards our long-term ambition.
- A Social Return on Investment (SROI) assessment project that will evaluate the social value generated by our core programmes so we can clearly see which initiatives deliver the greatest impact.
- Our new Youth Voice Forum (previously our YAB) to further embed the voice of young people in everything we do.

Registered charity number 1157154 (England & Wales) and SC045076 (Scotland)
Registered company number 08935629

Trustees' Report

The Trustees present the financial statements for the year ended 30 June 2025. The financial statements cover the year 1 July 2024 to 30 June 2025 (the comparative period being from 1 July 2023 to 30 June 2024).

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) (2nd Edition) and the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006, as amended.

The Trustees confirm that they have complied with the duty in the Charities Act 2011 to have due regard to guidance on public benefit produced by the Charity Commission and believe the undertaking of these activities fully meets the requirements that all the Charity's aims are for the public benefit. The Trustees and Leadership Team carefully consider any new initiatives or changes to delivery models to ensure they meet The EY Foundation's primary charitable purpose.

Structure, governance and risk management

About The EY Foundation

The EY Foundation ("EY Foundation" or the "Charity") was incorporated on 12 March 2014 as a private company limited by guarantee, with no share capital. The EY Foundation is a registered charity with registered charity number 1157154 (England and Wales) since 21 May 2014, and SC045076 (Scotland) since 26 August 2014.

The objects of the Charity are for the benefit of the public to advance such exclusively charitable purposes as the Trustees may decide from time to time. The Charity is governed by a Board of Trustees, who are also the Directors of the EY Foundation. Trustees set the strategic and policy direction with day-to-day management functions being the responsibility of the Leadership Team.

Public benefit

The Trustees confirm that they have complied with the duty in the Charities Act 2011 to have due regard to guidance on public benefit produced by the Charity Commission and believe the undertaking of these activities fully meets the requirements that all the Charity's aims are for the public benefit.

The Trustees and Leadership Team carefully consider any new initiatives or changes to delivery models to ensure they meet the EY Foundation's primary charitable purpose.

Board and Committees

The Trustees who served during the year and those appointed before the date of this report are listed on page 21. The Board met four times during the year and attended two further Board Away Days to discuss and review the Charity's strategic direction (October 2024 and April 2025). Regular meetings with the Member (EY) were held with the CEO.

The Committees report to the Board and were comprised of the Audit and Risk Committee and the Nomination and Remuneration Committee. The charity also maintains a Youth Advisory Board (YAB) which has been renamed the Youth Voice Forum (YVF) in the financial year ended 30 June 2026 to reflect its focus on youth engagement rather than statutory responsibility.

The Audit and Risk Committee reviews and considers the Charity's framework of assurance, including internal controls, risk management and policies before they are presented to the Board for approval. The Committee meets at least three times each year.

The Nomination and Remuneration Committee: leads the Board, Committee, Patron, YAB/YVF, and Leadership Team appointment processes; monitors Board effectiveness, Trustee succession planning; and reviews the framework for setting the Charity's remuneration principles for setting senior executive pay. The Committee meets at least four times per year.

Trustees' Report cont.

All Committees are encouraged to have youth voice representation within them and agree an annual cycle of business, reviewing progress against that work plan at each meeting.

Youth Advisory Board (renamed the Youth Voice Forum)

The Youth Advisory Board (YAB) was established in November 2019 to advise The EY Foundation, its Trustees and Leadership Team on how best to serve the needs of young people making a transition into further/higher education, the workplace or self-employment. The YAB was renamed the Youth Voice Forum (YVF) in July 2025 and continues to provide opportunities for young people to develop leadership skills and be part of the decision-making process as well as providing opportunities for young people to gain experience and knowledge of business and charity practices. The YVF is an unremunerated voluntary position with no decision-making powers. The YAB members who served during the year and those appointed before the date of this report are listed on page 22.

Related Parties

The Charity's sole member ("the Member") is Ernst & Young LLP (EY). EY Foundation's relationship with EY consists of receiving funding through a five-year funding agreement, and EY Foundation's use of their facilities, information systems and professional support.

Recruitment and Appointment of Trustees

Trustees are appointed for a period of three years, which can then be extended by ordinary resolution for another period of three years. The Chair's position may be extended for a third term of up to three years under the Articles. There is no maximum number of Trustees who may be appointed. No person may be appointed as a Trustee, if, as a result of their appointment, the EY Trustees and the EY Colleague Trustee together exceed the number of Independent Trustees. The Chair of the Board must always be independent with no current connection to the Member as an employee or Partner.

The recruitment of new Trustees follows an evaluation of the desired skills and experience for the Board, aligned to the Charity's evolving strategy. New Trustees receive a welcome pack with key documents and an induction programme which covers the Charity's values and purpose, and separately, includes information on the financial, governance and operational arrangements for the Charity. All Trustees are invited to volunteer on EY Foundation's programmes to see them in action. All Trustees undertake training to ensure they are aware of the importance of safeguarding and child protection and must obtain an up-to-date Enhanced DBS (England) or PVG (Scotland). The Trustee role is unremunerated, but Trustees can claim expenses where relevant. Training requirements are considered regularly, and a budget exists for Trustee training.

Charity Governance Code

The Board recognises the importance of the Governance Code in promoting good governance in the Charity sector. Trustees continue to keep themselves appraised of developments in the sector and on regulatory and good practice requirements related to governance and charity management via updates from the Governance Officer and Chair of the Board.

Key Management Personnel

The Trustees have delegated authority to the Chief Executive for the day-to-day management of the Charity. The EY Foundation's Leadership Team who served during the year and those appointed before the date of this report are listed on page 22. Pay is benchmarked for all roles against a recognized benchmarking tool for the Charity sector, from which pay bands have been created. All roles are mapped against them, including the Chief Executive. The remuneration of all employees, including key management personnel, is based on the outcome of this independent, sector-specific, benchmark evaluation. The Nomination and Remuneration Committee approves and oversees the methodology adopted. In the financial year ended 30 June 2025 the Nomination and Remuneration Committee also commissioned an external HR firm - Roots HR CIC - to complete an additional independent review of the Leadership Team remuneration to ensure continued rigor of the approach.

Trustees' Report cont.

Going concern

The period of the Trustee's going concern assessment is the period to 30 June 2027. A budget for the financial year to 30 June 2026 was approved by Trustees, based on contracted or otherwise-secured income sources and new potential grants and contracts. To enable the Charity to be responsive to any further financial impacts, positive or negative, performance against the budget is subject to continuous review to facilitate further reductions or new investments where needed, whilst remaining in the agreed reserves policy. The Charity budgeted for a £752k deficit for the financial year to 30 June 2026 and the going concern review assumes a similar level of activity for the financial year to 30 June 2027. With this level of deficit, the Charity's reserves are still projected to be within the agreed policy level, and the cash flow position shows a clear ability to remain a going concern for the period to 30 June 2027.

The Trustees continue to consider that the Charity is a going concern and able to meet its debts as they fall due, based on the following analysis:

- EY Foundation has signed a five-year funding agreement and Master Services agreement with EY covering the period from 1 July 2025 to 30 June 2030, which provides unrestricted funding. EY is proud of its investment in the EY Foundation and refers to its donation and the impact made with the Foundation in its annual impact report. This provides security around the Charity's principal source of funding and, with funding provided quarterly in advance, also reduces cash flow risk.
- Budgets and forecasts for FY26 are based on known and secured sources or with further additional income targets that are achievable. Activity in FY27 is envisaged to be in line with FY26.
- The Charity has no fixed costs, and all costs are under the control of the Charity's Trustees and management, enabling responsiveness to any further downturn.
- Cash flow forecasts have been stress-tested, principally to reflect any potential withdrawal or deferral of unsigned contracted income by corporate partners.
- The cash flow forecast for the period to 30 June 2027, prepared on the above assumptions, shows the minimum cash balance falling to £1.0m over that period assuming income crystallises as planned, and under the stress-test scenarios remains within agreed policy levels.

As at the date of signing of these financial statements, the forecasts approved by the Trustees indicate that the EY Foundation will be able to maintain liquidity for the period to 30 June 2027, following the date of signing these financial statements and will therefore be able to continue to operate as a going concern. The Trustees consider that no material uncertainty exists in relation to going concern for the EY Foundation for the period to 30 June 2027.

Reserves policy

EY Foundation's reserves policy identifies the risk factors for which reserves are retained, the process for estimating the level of reserves required against each risk area, and the circumstances under which reserves may be built above the minimum reserves level for future investment. In addition to restricted and unrestricted reserves, the policy also includes the establishment and use of designated reserves, at the discretion of Trustees.

Total funds at the year-end 30 June 2025 are £2,626k (2024: £1,746k); unrestricted reserves stood at £2,593k (2024: £1,662k) and restricted reserves at £33k (2024: £84k). Trustees have not designated any funds (2024: £nil) of unrestricted reserves during the financial year ended 30 June 2025. In preparing the budget for the financial year ended 30 June 2026 the assessment of the minimum unrestricted reserves level required was taken into consideration. The level of unrestricted reserves at the year ended 30 June 2025 based on the assessment of risks was £571k to £1,495k. The level of unrestricted reserves at 1 July 2025 was therefore above the minimum requirement of £571k. The EY Foundation has an ambition to enable all young people who are eligible for Free School Meals (of which there are currently over 2 million) to have an employment and earnings potential that is equitable to other young people in the UK. Plans to: increase our programme delivery, work with Employers to lead with purpose and build strategic partnerships to influence the removal of barriers and unlocking of opportunities will support our new ten-year plan. The budgeted deficit of £752k for the year ended 30 June 2026 will utilise unrestricted funds and bring them back to within the acceptable policy level.

The Charity receives funding from EY, the main funder, on a quarterly basis. The EY Foundation has a low tolerance to capital volatility and adopts a cautious attitude to risk. The Board has therefore decided that the

Trustees' Report cont.

Charity's reserves should be maintained should be maintained in cash and treasury deposits of no more than six months with low risk financial institutions. The policy and guidance are reviewed and updated annually or as necessary.

Grant making policy

In order to accelerate progress towards our ambition of enabling *'All young people on Free School Meals to have an employment and earnings potential that is equitable to other young people in the UK'* the EY Foundation has made grants to organisations that will help us extend our breadth and impact through strategic funding partnerships. These are targeted grants which support The EY Foundation's charitable objectives and have been agreed in line with Charity Commission guidance on decision making.

In the financial year ended 30 June 2025, two grants were made to The Institute for the Future of Work totalling £85,000 supporting research into actions that will enable young people from low-income backgrounds to thrive in an evolving job market and one grant to New Philanthropy Capital for £30,000 to make sure that marginalised young people, with a focus on those from low-income backgrounds, have equitable access to the green workforce (2024: £nil).

The EY Foundation also makes some small grants to young people taking part in the Step Into Business programme as seed funding for their start up business ideas. These range from £0.3k to £2k per grant. In 2025 there were seven grants totalling £6,763 (2024: six grants, £8,000).

Risk management

The Board and Leadership Team acknowledge that sound risk management is fundamental to both good governance and good management practice. Risk management forms an essential part of the Charity's decision-making process and is integrated into strategic and operational planning.

Risk management is part of the Charity's internal control system and is assessed and presented via our Board Assurance Framework. This framework ensures all key risks are maintained and updated and reviewed by the designated Risk Leads and Leadership Team and is reviewed by the Board at least twice annually. Staff are provided with adequate training on risk management to help them efficiently fulfil their roles and responsibilities.

Principal risks

The key strategic risks for the financial year ended 30 June 2025 and their mitigations were as follows:

Risk Identified	Mitigation(s)
➢ Achieving a broad diversification of income in the current economic, social and political climate	- Building relationship with EY Partners and Bid teams to diversify channels - Planned annual budget and targets include alternative income streams to reduce impact on traditional fundraising - Increased resource for corporate partnerships through FTE and secondments from EY
➢ The ability to work with employers, funders, and other stakeholders, in the complex and highly regulated environment in which we operate	- Compliance measures and processes identified and mapped - Training and resources provided for team members to ensure understanding on regulations and restrictions - Ongoing monitoring of contracts, partnerships and business relationships

Trustees' Report cont.

Principal risks cont.

Risk Identified	Mitigation(s)
➢ Threat of cyber security attack	- EY processes and protections provide EY Foundation with protection including: 1. Governance & Strategy: Cyber Security Strategy/Plan 2. Employee Awareness & Training: Mandatory Cyber Security Training 3. Technical Controls including: o Penetration Testing o Network Perimeter Security o Encryption o Security Tools 4. Data Management & Protection: Data Classification & Backups 5. Incident Response & Recovery: Incident Response Plan - 6. Third Party Assurance: Third Party Controls: For service providers holding critical datasets, SOC2 or equivalent service auditor reports are obtained & reviewed - 7. Continuous Improvement: Policy Reviews: All key policies are regularly reviewed, updated, and evidence of review is maintained

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Directors' and Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, and Scotland requires The Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including income and expenditure for that period.

In preparing these financial statements, The Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- Observe the methods and principles of the Charities SORP;
- state whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each person who was a Trustee at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow Trustees and the auditor, each Trustee has taken all the steps that he/she is obliged to take as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

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

Trustees' Report cont.

Financial Review

The Charity funds its activities through corporate and individual donations and from fundraising events. Total income raised in the year was £5,496k (2024: £4,064k) of which £95k (2024: £176k) was restricted. Total expenditure was £4,616k (2024: £3,995k). As a result, the charity produced a surplus of £880k (2024: 69k) and was able to increase unrestricted reserves by £931k (2024: £97k).

Our programmatic activity has been funded this year through donations by EY, other corporate partnerships, and through new grants secured during the year.

We take an incremental lockstep approach to expenditure, increasing programme staffing resources once additional revenue is confirmed. This is a critical part of the Charity's financial risk management process.

Income
Income recognised in the year increased by £1,432k (35%) due primarily to the receipt of unbudgeted additional donations from EY £1.1m, and increased donation in kind support of £909k (2024: £718k).

The main income streams were:

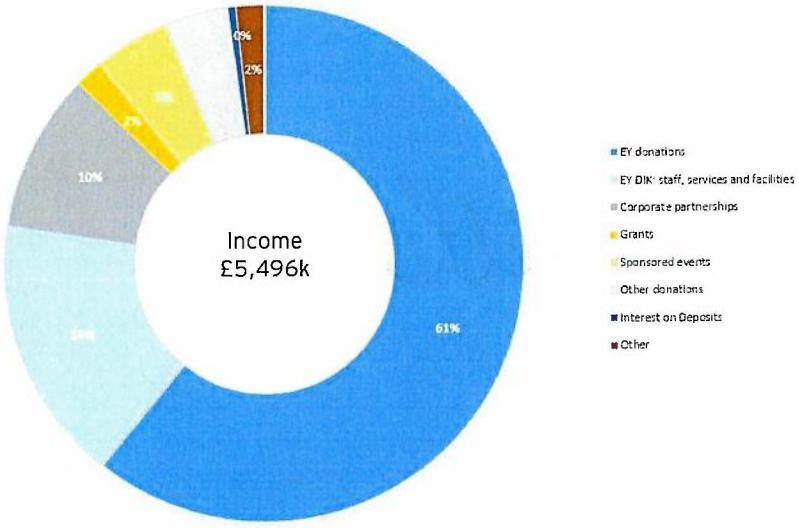
EY donations
Donations from EY which increased to £3,344k (2024: £2,0236k)

Corporate partnerships
Income from corporate partners who support young people to take part in EY Foundation's programmes, which increased to £545k (2024: £493k)

Grants
Grants received support EY Foundations direct programmes and reduced to £95k (2024: £175k)

Sponsored events
Events run throughout the year including the Decade of Impact dinner celebrating EY Foundation's 10th birthday raised £262k (2024: £41k)

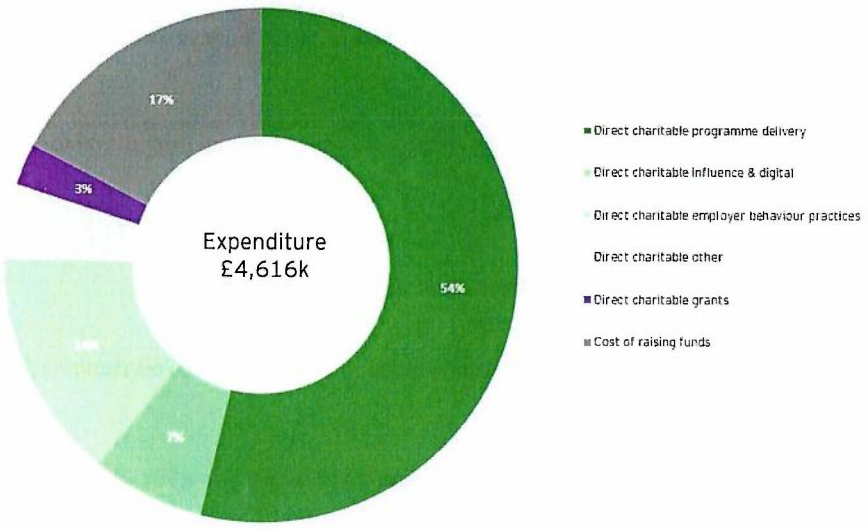
Gifts in kind and donated services income
The EY Foundation receives the benefit of donated staff, services and facilities. Income and equivalent costs in the year were £909k (2024: £718k).



Registered charity number 1157154 (England & Wales) and SC045076 (Scotland)
Registered company number 08935629

Trustees' Report cont.

Expenditure:
The EY Foundation aims to maximise the amount of expenditure on activities that contribute directly to achieving our charitable aims. All expenditure ultimately goes towards helping young people, be it direct expenditure on our charitable activities or expenditure to secure future income. In line with The EY Foundation's ambition, it has broadened its charitable activities to include influence and digital and employer practices activity as well as making grants to institutions and to individuals in addition to delivering direct programmes which remain at the heart of what the EY Foundation does.



Auditors

BDO LLP have been appointed as the Charity's auditors during the period.

In preparing this Trustees' report advantage has been taken of the small companies' exemption.

The Directors' and Trustees' Report on pages 3 - 20 was signed on behalf of the Directors and Trustees by

Edel Harris OBE, Chair

3rd December, 2025

Reference and Administrative Details

Name	The EY Foundation	
Registered charity number	1157154 (England & Wales) SC045076 (Scotland)	
Registered company number	08935629	
Registered office	1 More London Place London SE1 2AF	
Trustees	Sally Bartolo	(retired 12 March 2025)
	Sarah Baugh	
	Julie Cavin[2]	
	Sayeh Ghanbari[3]	
	Edel Harris OBE - Chair	
	Chelsea Hargreaves	(appointed 4 December 2024)
	Ashley Hodges	(appointed 12 March 2025)
	Mark Hutchinson	
	Julianna Oladipo[4]	
	Erol Mustafa[5] - Treasurer	
	Rachel Sandby Thomas	
	Lucia Wilde	(appointed 5 December 2024)
Audit and Risk Committee	Julie Cavin - Chair	(retired as Chair March 2025)
	Sayeh Ghanbari	
	Erol Mustafa - Interim Chair	(appointed March 2025)
	Jane Musyoki (co-optee)	
	Rachel Sandby Thomas	
Nomination and Remuneration Committee	Julianna Oladipo - Chair	
	Sarah Baugh	
	Edel Harris OBE	
	Dianne Hughes (co-optee)	
	Mark Hutchinson	
Patrons	Chris Achiampong	
	Liz Bingham	
	Patrick Dunne OBE	
	Margaret Gibson OBE	
	Dawid Konotey-Ahulu	
	Dame Mary Marsh	
	Douglas Nisbet	
	Steve Varley	

[2] EY Partner from UK&I Audit
[3] EY Partner from UK&I Consulting
[4] EY Director
[5] EY Partner from Financial Services

Reference and Administrative Details cont.

Leadership Team	Lynne Peabody, CEO Liz Crossley, CFO Jodie McNally, Chief Programmes Officer Ewan Bennie, Director of Communications and Influence Kathryn Eastwood, Director of Fundraising	(to 24 September 2025)
Youth Advisory Board (YAB) (renamed Youth Voice Forum (YVF) from July 2025)	Natalie Stuart - Chair	(from 01 January 2024)
	Elijah Amoako Fairy Chi Michelle Fotsing Henry Hughes Syeda Islam Huma Kiyani Raphael Mathews Ife Obasa Fome Owuasu Harry Sharma John Walker	
Auditors	BDO LLP 55 Baker Street London W1U 7EU	
Bankers	Barclays Bank plc 1 Churchill Place London EC14 5HP	
Solicitors	Bates Wells 10 Queen Street Place London EC4R 1BE	

Independent Auditor's Report to the members and Trustees of The EY Foundation

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 30 June 2025 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006, as amended.

We have audited the financial statements of The EY Foundation ("the Charitable Company") for the year ended 30 June 2025 which comprise the Statement of financial activities (incorporating an Income and Expenditure account), the Balance sheet, the Statement of cashflows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

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

Independence

We remain independent of the Charitable Company in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions related to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Independent Auditor's Report to the members and Trustees of EY foundation cont.

Other Companies Act 2006 reporting

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

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the Directors' Report, which are included in the Trustees' Report, has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Trustee's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- proper and adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

- the financial statements are not in agreement with the accounting records and returns; or

- certain disclosures of Directors' remuneration specified by law are not made; or

- we have not received all the information and explanations we require for our audit; or

- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report.

Responsibilities of Trustees

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 and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines 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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

Extent to which the audit was capable of detecting irregularities, including fraud

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:

Independent Auditor's Report to the members and Trustees of EY foundation cont.

Non-compliance with laws and regulations

Based on:

- Our understanding of the Charitable Company and the sector in which it operates;
- Discussion with management and those charged with governance including Audit and Risk Committee; and
- Obtaining and understanding of the Charitable Company's policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The Charitable Company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the health and safety legislation, UK tax legislation, Employment Taxes and the Bribery Act 2010.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations; and
- Review of financial statement disclosures and agreeing to supporting documentation.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance including the Audit and Rick Committee regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Charitable Company's policies and procedures relating to:
    - Detecting and responding to the risks of fraud; and
    - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be in existence of corporate partnership income and management override of controls.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Testing a sample of other journal entries throughout the year by agreeing to supporting documentation;
- Review of application of judgements associated with accounting estimates for indication of potential bias; and
- Testing a sample of corporate partnership income in the year.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Registered charity number 1157154 (England & Wales) and SC045076 (Scotland)
Registered company number 08935629

Independent Auditor's Report to the members and Trustees of EY foundation cont.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the Charitable Company's trustees, as a body, in accordance with the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the Charitable Company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company, the Charitable Company's members as a body and the Charitable Company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Katherine Henderson
6C436E6DD90A43A...

Katherine Henderson (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London

Date: 04 December 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Statement of financial activities (incorporating an Income and Expenditure account)

for the year ended 30 June 2025

	Notes	Unrestricted funds	Restricted funds	Year ended 30 June 2025 Total funds	Unrestricted funds As restated (note 18)	Restricted funds	Year ended 30 June 2024 Total funds
		£'000	£'000	£'000	£'000	£'000	£'000
INCOME FROM							
Donations	2	4,734	-	4,734	3,375	-	3,375
Charitable activities	3	640	95	735	494	176	670
Income from trading activities	4	-	-	-	1	-	1
Investments	5	27	-	27	18	-	18
Total income		5,401	95	5,496	3,888	176	4,064
EXPENDITURE ON							
Raising funds	6	(801)	-	(801)	(1,102)	-	(1,102)
Charitable activities	7	(3,669)	(146)	(3,815)	(2,689)	(204)	(2,893)
Total expenditure		(4,470)	(146)	(4,616)	(3,791)	(204)	(3,995)
NET INCOME AND (NET EXPENDITURE) IN FUNDS FOR THE FINANCIAL YEAR		931	(51)	880	97	(28)	69
NET MOVEMENT IN FUNDS		931	(51)	880	97	(28)	69
RECONCILIATION OF FUNDS							
Total funds brought forward		1,662	84	1,746	1,565	112	1,677
TOTAL FUNDS CARRIED FORWARD		2,593	33	2,626	1,662	84	1,746

All income and expenditure relates to continuing activities. The Charity has no recognised gains or losses other than those included in the results above and therefore, no separate statement of total recognised gains and losses has been presented.

The accompanying notes form part of these financial statements on pages 30 - 40.

Registered charity number 1157154 (England & Wales) and SC045076 (Scotland)
Registered company number 08935629

Balance sheet

at 30 June 2025

Registered Company Number: 08935629

	Notes	Unrestricted funds	Restricted funds	30 June 2025 Total funds	Unrestricted funds	Restricted funds	30 June 2024 Total funds
		£'000	£'000	£'000	£'000	£'000	£'000
NON-CURRENT ASSETS							
Intangible assets	*13*	8	-	8	34	-	34
		8	-	8	34	-	34
CURRENT ASSETS							
Cash and cash equivalents		584	33	617	1,911	84	1,995
Debtors	*14*	926	-	926	229	-	229
Current asset investments	*15*	1,500	-	1,500	-	-	-
		3,010	33	3,043	2,140	84	2,224
CREDITORS							
Amounts falling due within one year	*16*	(425)	-	(425)	(512)	-	(512)
NET CURRENT ASSETS		2,585	33	2,618	1,628	84	1,712
NET ASSETS		2,593	33	2,626	1,662	84	1,746
FUNDS							
Unrestricted Funds	*17*			2,593			1,662
Restricted Funds	*17*			33			84
TOTAL FUNDS CARRIED FORWARD				2,626			1,746

The accompanying notes form part of these financial statements on pages 30 - 40.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime. The financial statements were approved and authorised for issue by the Board of Trustees on December 2025 and were signed on its behalf by:

3rd Edel Harris OBE, Chair
December 2025

Statement of cash flows

for the year ended 30 June 2025

	Note	Period 2025 £'000	Period 2024 £'000
Cash flows from operating activities			
Net cash from / (used in) operating activities	a)	97	(93)
Cash flows used in investing activities			
Bank interest received		25	18
(Purchase) of treasury deposit		(1,500)	-
Change in cash and cash equivalents during the year		(1,378)	(75)
Cash and cash equivalents at beginning of year		1,995	2,070
Cash and cash equivalents at end of period		617	1,995

a) **Reconciliation of net income to net cash from/ (used in) operating activities:**	Period 2025 £'000	As restated Period 2024 £'000
Net surplus for the financial year (as per the Statement of Financial Activities)	880	69
Adjustments for:		
Amortisation of intangible assets	8	8
Bank interest received	(25)	(18)
Write off intangible asset	18	-
Non-cash income - staff, services and facilities donated by EY	(909)	(718)*
Non-cash expenses – staff services and facilities donated by EY	909	718*
(Decrease) in creditors	(87)	(238)
(Increase)/ decrease in debtors	(697)	86
	(783)	(161)
Net cash from/ (used in) operating activities	97	(93)

* impact on the cash flow statement of prior year restatement to donation in kind facilities	As reported 2024 £'000	DIK adjustment £'000	As restated Period 2024 £'000
Reconciliation of net income to net cash from/ (used in) operating activities:			
Non-cash income - staff, services and facilities donated by EY	(479)	(240)	(718)
Non-cash expenses – staff services and facilities donated by EY	479	240	718

The accompanying notes form part of these financial statements on pages 30 - 40.

Registered charity number 1157154 (England & Wales) and SC045076 (Scotland)
Registered company number 08935629

Notes to the financial statements

at 30 June 2025

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on the accruals basis of accounting using historical cost basis and fair value basis on certain items as described below; and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing accounts in accordance with the Financial Reporting Standards (FRS 102 SORP 2015) effective October 2019 (2nd Edition) and the Companies Act 2006 and the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The EY Foundation (the "EY Foundation" or the "charity") is incorporated, under the Companies Act 2006, as a private company limited by guarantee, with no share capital. The Charity is domiciled and registered in England and Wales with registered company number 08935629. The registered office address is 1 More London Place, London SE1 2AF. The Charity is a public benefit entity.

The financial statements have been drawn up for the year from 1 July 2024 to 30 June 2025 (the comparative period being from 1 July 2023 to 30 June 2024). The financial statements are prepared in sterling which is the functional currency of the charity and are rounded to the nearest £'000.

Going concern

The period of the Trustee's going concern assessment is the period to 30 June 2027. A budget for the financial year to 30 June 2026 was approved by Trustees, based on contracted or otherwise-secured income sources and new potential grants and contracts. To enable the Charity to be responsive to any further financial impacts, positive or negative, performance against the budget is subject to continuous review to facilitate further reductions or new investments where needed, whilst remaining in the agreed reserves policy. The Charity budgeted for a £752k deficit for the financial year to 30 June 2026 and the going concern review assumes a similar level of activity for the financial year to 30 June 2027. With this level of deficit, the Charity's reserves are still projected to be within the agreed policy level, and the cash flow position shows a clear ability to remain a going concern for the period to 30 June 2027.

The Trustees continue to consider that the Charity is a going concern and able to meet its debts as they fall due, based on the following analysis:

- EY Foundation has signed a five-year funding agreement and Master Services agreement (MSA) with EY covering the period from 1 July 2025 to 30 June 2030, which provides unrestricted funding. EY is proud of its investment in the EY Foundation and refers to its donation and the impact made with the Foundation in its annual impact report. This provides security around the Charity's principal source of funding and, with funding provided quarterly in advance, also reduces cash flow risk.
- Budgets and forecasts for FY26 are based on known and secured sources or with further additional income targets that are achievable. Activity in FY27 is envisaged to be in line with FY26.
- The Charity has no fixed costs, and all costs are under the control of the Charity's Trustees and management, enabling responsiveness to any further downturn.
- Cash flow forecasts have been stress-tested, principally to reflect any potential withdrawal or deferral of unsigned contracted income by corporate partners.
- The cash flow forecast for the period to 30 June 2027, prepared on the above assumptions, shows the minimum cash balance falling to £1.0m over that period assuming income crystallises as planned, and under the stress-test scenarios remains within agreed policy levels.

As at the date of signing of these financial statements, the forecasts approved by the Trustees indicate that the EY Foundation will be able to maintain liquidity for the period to 30 June 2027, following the date of signing these financial statements and will therefore be able to continue to operate as a going concern. The Trustees consider that no material uncertainty exists in relation to going concern for the EY Foundation for the period to 30 June 2027.

Notes to the financial statements cont.
at 30 June 2025

1. ACCOUNTING POLICIES CONT.

Income
Donations are recognised when there is entitlement, probability of receipt and the amount can be measured with sufficient reliability, for example an agreement for funding is in place. Gift aid is claimed on all donations which meet the criteria and where a signed declaration is in place from the individual or Partnership. Gift aid income is accrued for, where claims will be submitted to HMRC in line with gift aid requirements and the gift aid relates to donations received within the reporting period.

Donated services and facilities are included as income at current market value where the Charity has control over the item and are included both in income and expenditure. Where a market value is not available, appropriate estimates are made. In the current period the value of donated services and facilities was ascertained from the entities that made the donations. Examples of donated services include secondees, IT support, and premises.

EY provided information for the market value of donated desk space in the More London office utilised by the EY Foundation for the financial year ended 30 June 2025 that enabled greater understanding of the equivalent donated desk space for the financial year ended 30 June 2024. The prior year ended 30 June 2024 comparative figures have been restated to reflect the inclusion of 15 donated desks and the impact on the SOFA is explained below:

Impact on the SOFA, notes 1 and 18	Unrestricted funds as previously reported 2024 £'000	DIK adjustment £'000	Unrestricted funds as restated 2024 £'000
Income from donations:			
EY donations: cash	2,036	-	2,036
EY donations: staff, services and facilities	478	240	718
Other donations	580	-	580
Sponsored events	41	-	41
Income from donations:	3,135	240	3,375
Expenditure:			
Cost of Raising Funds			
Direct salaries	321	-	321
Direct costs	67	-	67
Support costs	635	79	714
Cost of Raising Funds	1,023	79	1,102
Expenditure on charitable activities			
Direct costs	1,088	-	1,088
Support costs	1,644	161	1,805
Expenditure on charitable activities	2,732	161	2,893
Total support costs	2,346	240	2,586
NET INCOME AND NET MOVEMENT IN FUNDS	69	-	69
TOTAL FUNDS CARRIED FORWARD	1,746	-	1,746

Registered charity number 1157154 (England & Wales) and SC045076 (Scotland)
Registered company number 08935629

Notes to the financial statements cont.
at 30 June 2025

1. ACCOUNTING POLICIES CONTD.

Income from special organised events is categorised as Donations, as any participation fees are recognised in Other Trading Activities. Income is recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability, for example, where an agreement is in place, but deposits or participant fees have not yet been received.

Income from the companies who support young people to take part in the EY Foundation's programmes - our corporate partnerships is categorised as Income from Charitable Activities as it is a primary purpose trading. As most programme costs are incurred in the delivery weeks, income is recognised evenly over this period. Income is deferred where the donor has specified that the income is to be expended in a future period or where contractual conditions for entitlement will be met in a future period.

Debtors are recognised when a commitment to pay EY Foundation has been made giving entitlement, where the amount owed to us can be calculated and receipt is probable.

Grants receivables are included in the Statement of financial activities (SOFA) when the EY Foundation believes it has entitlement, receipt is probable, and the amount can be measured reliably. Grants are recorded as income from charitable activities.

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.

Expenditure
Expenditure, including grants payable, is recognised when there is a legal or constructive obligation on the part of the Charity, and it is accounted for on an accruals basis. Expenditure has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the time spent on projects. Support costs are those functions that assist the work of the Charity. Governance costs are part of support costs and comprise the costs of compliance with constitutional and statutory requirements.

Support costs include the salaries of those staff which are not directly attributable to a particular programme of charitable work, governance costs, finance, IT, HR, office running costs and consumables and other overheads not specifically attributable to a particular programme of charitable work. Support costs are allocated between cost of raising funds and expenditure on charitable activities based on the proportion of staff time spent on these activities.

Irrecoverable VAT is charged as an expense against the activity for which the expenditure was incurred.

Cost of raising funds
Costs of raising funds include items relating to special events organised by the EY Foundation to raise awareness of the Charity and its objects, as well as salaries and overhead costs of the staff who undertake fundraising activities and the marketing costs associated with raising the profile of the EY Foundation (but not those which are used in an educational manner in furtherance of the Charity's objects). These and other fundraising costs are regarded as necessary to generate funds that are needed to finance charitable activities.

Expenditure on charitable activities
These costs relate to projects undertaken by EY Foundation and include travel costs, a proportion of support staff salaries and other costs considered to be in the furtherance of the charitable objectives of the Charity.

Grants payable
Grants payable are recognised as expenditure in the period in which the Charity becomes legally or constructively committed to make the payment. This is typically when the grant offer is communicated to the recipient and any conditions attached to the grant are unlikely to prevent payment.

Taxation
The company is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992,

Notes to the financial statements cont.
at 30 June 2025

1. ACCOUNTING POLICIES CONTD.

to the extent that such income or gains are applied exclusively to charitable purposes. No tax charge arose in the year.

Pensions
The EY Foundation participates in a defined contribution pension scheme for its staff. The assets of the scheme are not owned by the EY Foundation. Pension contributions charged in the SOFA represent the contributions payable by the EY Foundation in the year.

Intangible Fixed Assets
Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated, using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives, as follows: Software and Website costs - 5 years.

Where assets are still in development and not in use, these are treated as "Assets Under Construction", where no amortisation charge is incurred until the asset is complete.

Current asset investments
Current asset investments include fixed term deposits with an original maturity of more than three months and less than one year. Such deposits are classified as basic financial instruments and initially recognised at transaction value and subsequently measured at their settlement value.

Cash and cash equivalents
Cash and cash equivalents comprises cash in hand and current balances with banks and short term deposits with an original maturity date of less than three months that are readily convertible to known amounts of cash. For the purpose of the cash flow statement, cash and cash equivalents is as defined above, net of outstanding bank overdrafts.

Debtors
Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

Cash and cash equivalents
Cash and cash equivalents represent such accounts and instruments that are short-term, highly liquid investments with an original maturity of three months or less.

Creditors and provisions
Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event, it is probable that it will result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

Volunteers
Approximately 2,052 (2024: 2,010) volunteers gave their time freely to nurture and develop our young people. The value of this is not recognised in the accounts.

Fund accounting
The funds of the EY Foundation have been segregated as follows:

Restricted funds consist of EY donations and grants received for which the donor or grant giver has specified the purposes for which resources can be utilised. Expenditure on restricted funds reflect the appropriate expenditure that has been charged to those funds.

Restricted funds are disclosed by programme in the notes to the financial statements.

Unrestricted funds consist of all other income that has not been restricted and can be used in accordance with the charitable objectives at the discretion of the Trustees.

Unrestricted funds which have been set aside by Trustees for specific use are considered designated funds.

Notes to the financial statements cont.
at 30 June 2025

1. ACCOUNTING POLICIES CONTD.

Transfers are made between funds where there is a release of restricted funds to unrestricted funds or charges are made between funds.

Significant management judgements and key sources of estimation and uncertainty
Estimates and assumptions are based on historical evidence and other factors including expectations of future events that are believed to be reasonable within the EY Foundation. The only estimates believed to be significant are deferred income on grants and corporate partnerships and the holiday accrual:

Holiday accrual - the calculation of the value of annual leave not taken as at the reporting date includes an assumption that employees have an average holiday carried forward of 3 days and that they would have taken half of their holiday entitlement by the EY Foundation's year end. The value of the holiday accrual as at 30 June 2025 is £69,870 (2024: £63,192).

Deferred income on grants and corporate partnerships - Income from corporate partnerships is categorised as Income from Charitable Activities as is primary purpose trading. As most programme costs are incurred in the delivery weeks, we recognise the income evenly over this period. Income is deferred where the provider has specified that the income is to be expended in a future period or where contractual conditions for entitlement will be met in a future period.

2. INCOME FROM DONATIONS

	Unrestricted	*Restricted*	*Year 2025*	*As restated Year 2024*
	£'000	£'000	£'000	£'000
EY donations: cash	3,344	-	3,344	2,036
EY donations: staff, services and facilities (restated in 2024 see note 18)	909	-	909	718
Other donations	219	-	219	580
Sponsored events	262	-	262	41
	4,734	-	4,734	3,375

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted	*Restricted*	*Year 2025*	*Year 2024*
	£'000	£'000	£'000	£'000
Income from corporate partnerships	545	-	545	495
Grants	-	95	95	175
Other	95	-	95	-
	640	95	735	670

4. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted	*Restricted*	*Year 2025*	*Year 2024*
	£'000	£'000	£'000	£'000
Fundraising participants fees	-	-	-	1
	-	-	-	1

Registered charity number 1157154 (England & Wales) and SC045076 (Scotland)
Registered company number 08935629

Notes to the financial statements cont.
at 30 June 2025

5. INVESTMENT INCOME

	Unrestricted £'000	*Restricted* £'000	*Year 2025* £'000	*Year 2024* £'000
Deposit account interest	27	-	27	18
	27	-	27	18

6. COSTS OF RAISING FUNDS

	Unrestricted £'000	*Restricted* £'000	*Year 2025* £'000	*As restated Year 2024* £'000
Direct salaries	320	-	320	321
Direct costs	106	-	106	67
Support costs (note 9)	375	-	375	714
	801	-	801	1,102

7. EXPENDITURE ON CHARITABLE ACTIVITIES

	Grant funding £'000	*Direct staff costs* £'000	*Other Direct Costs* £'000	*Support Costs (note 9)* £'000	*Year* 2025 £'000	*As restated Year* 2024 £'000
Direct Programme Delivery						
Smart Futures	-	758	373	825	1,956	1,881
Your Future/ Our Future	-	142	90	155	387	290
Step into Business	6	19	2	21	48	39
Beyond Your Limits	-	-	10	-	10	418
Other Programme Costs	-	28	28	31	87	265
Total Direct programme delivery	6	947	503	1,032	2,488	2,893
Other Direct Charitable Costs						
Influence & Digital	115	121	76	132	444	-
Employer Behaviour Practices	-	311	16	339	666	-
Other Direct Charitable Costs	-	93	23	101	217	-
Total Other Direct Charitable Costs	115	525	115	572	1,327	-
	121	1,472	618	1,604	3,815	2,893

The EY Foundation has, in line with its strategic ambition in the financial year ended 30 June 2025 focused charitable activities on Influence & Digital, Employer Behaviour Practices as well as other non Direct Programme Delivery.

	Direct Costs	*Support Costs*	*Year*	*As restated Year*
			2025	*2024*
Analysed as:	*£'000*	*£'000*	*£'000*	*£'000*
Unrestricted	2,127	1,542	3,669	2,689
Restricted	84	62	146	204
	2,211	1,604	3,815	2,893

Registered charity number 1157154 (England & Wales) and SC045076 (Scotland)
Registered company number 08935629

Notes to the financial statements cont.
at 30 June 2025

8. GRANTS PAYABLE

	Value of awards in 2025	*Number of awards in 2025*	*Value of awards in 2024*	*Number of awards in 2024*
	£'000		*£'000*	
Influence grants to institutions	115	3	-	-
Step into Business grants to individuals	6	7	8	6
	121	10	8	6

9. SUPPORT COSTS

	Costs of raising funds	*Charitable activities*	*Year*	*As restated Year*
			2025	*2024*
	£'000	*£'000*	*£'000*	*£'000*
Office running costs total	6	26	32	88
Other costs	25	94	119	156
Marketing costs (excl. salaries)	6	27	33	20
Salaries and on costs	161	697	858	1,447
Donated services & facilities (restated in 2024 see note 18)	171	738	909	718
Supporter engagement costs	-	-	-	1
Monitoring & evaluation costs	-	(4)	(4)	58
Governance costs	11	46	57	58
Technology investment costs	(5)	(20)	(25)	40
	375	1,604	1,979	2,586

10. AUDITOR'S FEES

	Year 2025	*Year 2024*
	£'000	*£'000*
Fees payable to the Charity's auditor for the audit of the annual accounts	34	28
(No non-audit fees were paid to the auditor)	34	28

11. TRUSTEES REMUNERATION AND OTHER BENEFITS

Trustees are reimbursed their travel and accommodation expenses only when travelling on EY Foundation business (i.e., to Board meetings). Total expenses paid out to four Trustees totalled £244 (2023: £369). None of the Trustees are remunerated as a Trustee. There were no short-term contracts offered to Trustees in FY25 (2024: £0).

Notes to the financial statements cont.
at 30 June 2025

12. STAFF COSTS

Staff are recruited under pay scales that were historically benchmarked against charity pay scales.

	Year 2025 £'000	*Year 2024 £'000*
Wages and salaries	2,321	1,882
Social security costs	250	206
Other pension costs	125	145
Benefits	182	173
	2,878	2,406

The average monthly number of staff during the year was as follows:

	2025 Full time equivalents	*2025 Headcount*	*2024 Full time equivalents*	*2024 Headcount*
Chief executive	1	1	1	1
Direct Charitable	26	27	18	18
Fundraising support	5	5	5	5
Marketing	4	4	6	6
Other support staff	8	9	13	13
	44	46	43	43

Key management personnel
The EY Foundation's Leadership Team (its key management personnel) are in charge of directing, controlling, running and operating the charity on a day to day basis and comprises the 5 posts outlined on page 22 (2024: 5 posts). During the year ended 30 June 2025, these 5 posts were taken up by 5 members of staff. The total remuneration (including taxable benefits) of the five key management personnel was £565,271 (2024: £541,702 five key management roles).

Pay is benchmarked for all roles against a recognised benchmarking tool for the Charity sector, from which pay bands have been created. All roles are mapped against them, including the Chief Executive. The remuneration of all employees, including key management personnel, is based on the outcome of this independent, sector-specific, benchmark evaluation. The Remuneration Committee approves and oversees the methodology adopted.

During the year the number of employees who earned between the amounts stated below (including taxable benefits but excluding employer pension and national insurance contributions) were:

	2025	*2024*
£60,000 - £70,000	2	2
£70,001 - £80,000	4	2
£80,001 - £90,000	-	1
£90,001 - £100,000	3	2
£100,001 - £110,000	-	-
£110,001 - £120,000	1	1

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Notes to the financial statements cont.
at 30 June 2025

13. INTANGIBLE FIXED ASSETS

	Assets under construction	Website	Total
	£'000	£'000	£'000
Cost or Valuation			
At 1 July 2024	18	40	58
Written off	(18)	-	(18)
At 30 June 2025	-	40	40
At 1 July 2024	-	24	24
Charge for the year	-	8	8
At 30 June 2025	-	32	32
Net Book Value			
At 1 July 2024	18	16	34
At 30 June 2025	-	8	8

During the year, the charity reviewed the carrying value of its intangible assets in accordance with Section 18 of FRS 102 and the Charities SORP. As a result of this review, the asset under construction with a carrying value of £18,292 was written off in full in the Statement of Financial Activities.

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	*2024*
	£'000	*£'000*
Trade debtors	113	98
Prepayments	14	18
Accrued income *	627	41
Amounts owed from EY	172	72
Total debtors	926	229

* Accrued income includes gift aid income relating to the donation from EY payable from EY LLP in the financial year ending 30 June 2025. In prior years the donation was remitted from EY Services Limited and not subject to gift aid.

15. CURRENT ASSET INVESTMENTS

Current asset investments comprise fixed term treasury deposits with an original maturity of more than three months and less than one year.

	2025	*2024*
	£'000	*£'000*
Fixed term treasury deposit (6 months)	1,500	-

These deposits are held with reputable financial institutions and are repayable within twelve months of the balance sheet date. The deposits are classified as basic financial instruments and are initially recognised at transaction value and subsequently measured at their settlement value.

Notes to the financial statements cont.
at 30 June 2025

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	*2024*
	£'000	*£'000*
Trade creditors	8	33
Taxation and social security	112	106
Accruals/other creditors	187	236
Deferred income	74	72
Amounts owed to EY	44	65
	425	512

17. MOVEMENT IN FUNDS

Year 2025	*Opening funds*	*Income*	*Expenditure*	*Net movement*	*Closing funds*
	£'000	*£'000*	*£'000*	*£'000*	*£'000*
Unrestricted funds					
Unrestricted	1,615	5,401	(4,419)	982	2,597
Designated	47	-	(47)	(47)	-
Unrestricted funds	1,662	5,401	(4,466)	935	2,597
Restricted	84	95	(146)	(51)	33
	1,746	5,496	(4,612)	884	2,630

Restricted funding in 2025:	*Opening funds*	*Income*	*Expenditure*	*Net movement*	*Closing funds*
	£'000	£'000	£'000	£'000	£'000
The Gannochy Trust	32	36	(35)	1	33
Haberdashers' Benevolent Foundation	52	1	(53)	(52)	-
Walcot Foundation	-	11	(11)	-	-
Chartered Bankers Institute	-	48	(48)	-	-
Total Restricted Funds	84	96	(147)	(51)	33

Year 2024	*Opening funds as restated*	*Income*	*Expenditure*	*Transfer between funds**	*Net movement*	*Closing funds*
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted	1,352	3,649	(3,476)	90	263	1,615
Designated	213	-	(76)	(90)	(166)	47
Restricted	112	176	(204)	-	(28)	84
	1,677	3,825	(3,756)	-	69	1,746

*Funds of £90,000 designated for the Beyond Your Limits programme have been released to unrestricted funds as the programme will no longer be delivered as a separate programme.

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Notes to the financial statements cont.
at 30 June 2025

17. MOVEMENT IN FUNDS CONT.

Restricted funding in 2024:	*Opening funds* £'000	*Income* £'000	*Expenditure* £'000	*Net movement* £'000	*Closing funds* £'000
EY LLP (HNWI and Partners fine)	90	-	(90)	(90)	-
Paul Hamlyn Foundation	22	-	(22)	(22)	-
The Gannochy Trust	-	36	(4)	32	32
Haberdashers' Benevolent Foundation	-	52	-	52	52
Walcot Foundation	-	11	(11)	-	-
Chartered Bankers Institute	-	76	(76)	-	-
Worshipful Company of Security Professionals Charitable Trust	-	1	(1)	-	-
Total Restricted Funds	112	176	(204)	(28)	84

Funding from EY is unrestricted and is provided by way of a Funding agreement to achieve maximum impact and influence from the resources invested. Funding from grants is used to support the delivery of employability training, work experience, or other programme activity, as specified in the grant terms.

18. RELATED PARTY DISCLOSURES

EY donated the following during the year:	*Year* 2025 £'000	*As restated Year* 2024 £'000
Cash donation	2,755	2,036
Donations in kind (note 2):		
EY staff	313	249
Services, buildings & technology	596	469*
Total donations in kind	909	718
	3,664	2,754

The majority of purchases are paid for directly by EY Foundation. However, several costs are paid for directly by EY and then recharged to EY Foundation on a monthly basis. At the end of the year amounts owed to EY were £44k (2024: £65k) and balances due from EY were £172k (2024: 72k).

* The prior year figure for donated services, buildings & technology have been restated to include a market value donation of the 15 desks used by EY Foundation in EY's More London Office of £240k. EY provided an updated calculation for this in the financial year ended 30 June which enabled a prior year restatement to be included.

Trustees' remuneration and other benefits have been disclosed in Note 11. Donations of £4k (2024: 4k) were received from Trustees without conditions.

19. ULTIMATE CONTROLLING PARTY

The Charity is controlled by the Board of Trustees. The Trustees consider that the Charity's parent undertaking is Ernst & Young LLP, a limited liability partnership registered in England and Wales. Ernst & Young LLP is the parent undertaking of the largest group that consolidates these financial statements, copies of which are available from its registered office, 1 More London Place, London, SE1 2AF. EY Foundation is a registered charity with registered charity number 1157154 (England and Wales), SC045076 (Scotland).

THE EY FOUNDATION

England & Wales - Charity number 1157154

Accounts

EY Foundation

Annual Report and Financial Statements

For the year ended 30 June 2024

Registered charity number 1157154 (England & Wales) and SCO45076 (Scotland)
Registered company number 08935629

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Achieving our Vision

We believe that every young person in the UK eligible for Free School Meals can succeed in the workplace, and we believe every employer in the UK regardless of size or sector has an important role to play in giving young people a better start to their working lives.

Our mission is to reduce the barriers to work young people from a low-income background face, supporting them to successfully transition into higher education, employment, or self-employment.

Our Ambition

To support in the achievement of our mission, in 2022 we established an ambition that we believe provides the motivation necessary to tackle the challenges of social mobility within the UK:

> We will enable all young people on Free School Meals to have an employment and earnings potential that is equitable to other young people in the UK. We will do so in collaboration with employers and key partners, through employability skills programmes, scalable digital interventions and by leveraging our convening power to influence systemic change.

Our Approach

For the financial years 3 July 2021 to 30 June 2024, we operated under a three-year strategic framework which set out our approach through four key strands of work:

1. Programmes

- We will continue to offer high quality skills training to young people all around the country to boost employability skills and ease the transition from school to employment.

2. Digital

- Greater use of technology will help to create systemic change by providing the evidence-base for changing how young people are supported to succeed in the workplace.

3. Influence

- In our work delivering programmes, we will generate insights that can help shape the policies of employers and government at a national level.

4. Collaboration

- Through working with other organisations across the social mobility sector and with employers, we will increase the number of young people we support.

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Achieving our Vision cont.

Our Strategic Priorities

The financial year ended 30 June 2024, was the final year of our three-year strategic framework. For this year, our objectives were determined by the four key strands of work, under which rested seven strategic priorities:



A key achievement of the financial year ended 30 June 2024 was the design, development and transition from this three-year strategic framework and priorities into a new ten-year strategy which maps the road to achieving our ambition. Further details of this are provided under 'Future Plans' (p.13)

Our Year in Numbers

	FY24 (Total)	FY23 (Total)
Free School Meal Young People Engaged	3,471	2,916
Volunteer Opportunities Created	3,268	3,087
Unique Volunteers Engaged	2,010	2,510
Fundraising Participants	1,602	Not collected
Unique Employers Engaged	322	353
Corporate Partners	34	30

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Achieving our Vision cont.

Our Impact

Our Programmes

The direction of our programmes was driven by two priorities under the three-year strategic framework: Focus and Scale. From July 2023 to June 2024, we delivered a total of 39 high impact programmes. These programmes included: Smart Futures, Your Future, Our Future and Beyond Your Limits. We completed 99 short term interventions through our employability workshops and also delivered a new programme called Step into Business through 5 workshops across all 4 Hubs.

This resulted in a total of 4,501[1] young people (2023: 4,163), 3,471 (2023: 2,916) of whom came from a Free School Meals (FSM) background, engaging with our programmes. 800 of these young people were engaged in our high impact programmes a 4% increase on the previous year (2023: 766). A total of 2,671 FSM participants were supported through our short-term interventions, a 24% increase on the previous year (2023: 2,150). This included 142 young people through our new initiative, Step Into Business.

➢ ***Smart Futures:***

Smart Futures offers young people the opportunity to learn more about the choices available to them when making decisions about their future. It includes up to 2 weeks paid employability training, work experience and 1-to-1 mentoring support. In the year ended 30 June 2024, we delivered 11 sector-focused Smart Futures programmes, including 3 new sector programmes – Private Equity, Wealth and Asset Management and Sustainable Tech – to a total of 635 young people from an FSM background (2023: 589).

When giving feedback on our Smart Future programmes, participants rated themselves 'Good' or 'Excellent' in the following ways:

Transferable Skills:

- **Self-confidence** jumped from 53% pre-programme to 97% post-programme, a 44% increase.
- **Presentation skills** improved from 44% to 92%, marking a 48% increase.
- **Networking skills** surged from 48% to 97%, reflecting a 49% improvement.

Careers Advice Received:

- Understanding of what employers look for when recruiting increased from 45% to 94%, a 49% improvement.
- Development of CV skills rose from 43% to 85%, reflecting a 42% increase.
- Interview skills improved from 49% to 95%, marking a 46% increase.

'As a young person with minimal experience in the corporate world, the programme has allowed me to grow in confidence and pushed me to step out of my comfort zone. I was blown away by the all the support I received, and I greatly appreciate the amazing opportunity to network and build on important skills for the future.'

Smart Futures Professional Services Programme Participant

➢ ***Our Future:***

Our Future works with young people, aged 16-19, who face significant barriers in entering the labour market and who are at risk of becoming 'NEET' (not in education, employment or training).

Following the introduction and growth of Your Future, the Our Future programme is being wound down and merged with the Your Future programme. Following the delivery of the Our Future programme in

[1] We engage non-FSM young people as we deliver a number of school based sessions through our Employability Workshops and do not single out young people eligible for free school meals when working with a whole year group.

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Achieving our Vision cont.

Scotland in the summer of 2023 to 16 young people (2023: 38), we have not since delivered this programme and have no plans to do so in the future.

When giving feedback on the Our Future programme, participants rated themselves 'Good' or 'Excellent' in the following ways:

Transferable Skills:

- **Self-confidence** jumped from 57% pre-programme to 100% post-programme, a 43% increase.
- **Presentation skills** improved from 57% to 71%, marking a 14% increase.
- **Networking skills** surged from 28% to 85%, reflecting a 57% improvement.

Careers Advice Received:

- Understanding of what employers look for when recruiting increased from 57% to 85%, a 28% improvement.
- Development of CV skills rose from 57% to 85%, reflecting a 28% increase.
- Interview skills improved from 42% to 85%, marking a 43% increase.

➢ ***Your Future:***

Your Future reflects our ambition of not only supporting young people to 'get ready for work' but also to help them 'get into work'. Your Future targets young people from low-income families that want to get into employment after leaving school and college. As such we look to work with employers with entry level roles and vacancies.

In addition to paid employability training and work experience, each participant has a dedicated volunteer employment coach with the aim of supporting them into their first job role. We delivered 2 Your Future programmes across 2 Hubs to a total of 105 young people from an FSM background (2023: 60).

When giving feedback on our Your Future programmes, participants rated themselves 'Good' or 'Excellent' in the following ways:

Transferable Skills:

- **Self-confidence** improved from 44% to 95% - a 51% increase.
- **Presentation skills** rated as 'excellent' or 'good' improved from 29% to 90%, marking a 61% increase.
- **Networking skills** climbed from 43% to 95%, reflecting a 52% improvement.

Careers Advice Received:

- Understanding of what employers look for when recruiting grew from 32% to 91% post- programme, a 59% improvement.
- Development of CV skills rose from 37% to 94%, reflecting a 57% increase.
- Interview skills increased from 30% to 95%, marking a 65% increase.

'My time at People's Partnership began with a three-week work experience through the EY Foundation, which opened doors I never imagined. The experience was transformative, and securing a job there afterwards felt like a dream come true. It proved that dedication and opportunity can truly change the course of your career.'

Your Future Programme Participant

➢ ***Beyond Your Limits (BYL):***

The programme was designed to help care experienced young people progress into education, employment or training. It provides young people with a range of support, including paid employability skills and financial literacy training, a work experience placement, a bursary and optional mentoring for 6 months.

In the financial year ended 30 June 2024, we delivered a total of 4 BYL programmes to 44 young people from an FSM background across 2 Hubs (2023: 33).

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Achieving our Vision cont.

In the financial year ending 30 June 2025, we have decided to pause this programme and support care experienced young people through our Smart Futures programme. Instead of delivering a separate programme, we will offer additional support (e.g. personal development grant) through Smart Futures.

We will look to collaborate with others to see how we can more effectively scale support to care experienced young people.

'This programme provides great awareness whilst helping you develop your soft skills, your understanding of your career, and insight into prospering companies and how they work.'
Beyond Your Limits Programme Participant

When giving feedback on our Beyond Your Limit programme, participants rated themselves 'Good' or 'Excellent' in the following ways:

Transferable Skills:

- **Self-confidence** rated as 'excellent' or 'good' jumped from 44% pre-programme to 94% post-programme, a 50% increase.
- **Presentation skills** rated as 'excellent' or 'good' improved from 47% to 85%, marking a 38% increase.
- **Networking skills** rated as 'excellent' or 'good' surged from 76% to 97%, reflecting a 21% improvement.

Careers Advice Received:

- Understanding of what employers look for when recruiting increased from 41% pre-programme to 56% post-programme, a 15% improvement.
- Development of CV skills rated as 'excellent' or 'good' rose from 53% to 91%, reflecting a 38% increase.
- Interview skills rated as 'excellent' or 'good' improved from 47% to 97%, marking a 50% increase.

➢ ***Employability Workshops:***

In the financial year ending 30 June 2024, we delivered employability workshops to 2,671 young people eligible for free school meals and a further 1,069 young people not eligible for free school meals. Employability Workshops are half and/or full day sessions either at school or an employer site which provide young people with an insight into different careers and an opportunity to develop employability skills.

On feedback on our Employability Workshops, participants rated themselves in the following ways:

Transferable Skills rated 'Quite' or 'Very' Confident:

- Confidence and optimism about the future increased from 51% pre-programme to 68% post-programme, a 17% improvement.
- Motivation to achieve future career goals rose from 61% to 76%, reflecting a 15% increase.
- Confidence in working in a team improved from 58% to 70%, marking a 12% increase.

Careers Advice Received rated 'Good' or 'Excellent':

- Awareness of different career paths increased from 34% pre-programme to 68% post-programme, reflecting a 34% improvement.
- Awareness of what employers seek in potential employees rose from 26% to 65%, marking a 39% increase.
- Understanding of job application requirements improved from 26% to 58%, showing a 32% increase.

➢ ***Step Into Business:***

Step into Business provides guidance and support on how to set up a new business. The programme kicks off with a 1-day intensive workshop which leads participants through the various steps needed to take a business idea and turn it into reality. Following the workshop, those with a business idea can request a 1-to-1 business coach with the aim of taking their business idea forward and can apply for a £2,000 start up grant from the EY Foundation (EYF).

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Achieving our Vision cont.

In the financial year ending 30 June 2024, we engaged 142 young people through the initial 1-day workshop and 6 young people received a startup grant of £750 to £2000 following a pitching workshop held in Manchester.

> 'Participating as a Step into Business Coach has been both inspiring and enriching. Working with talented young individuals allowed me to pass on my entrepreneurial insights, helping them to overcome obstacles and pursue their goals with greater clarity. It has been a joy to watch their progress and I am grateful for the opportunity to contribute to their success through this programme.'
>
> **Step into Business Coach**

Influence

Our influence strand of work has built year on year under the fifth priority – Impact & Influence – of our three year strategic framework. Our ability to use our direct delivery to generate insights that can help shape the policies of employers and governments at a national level has enabled us to reach out into new areas, engage with different stakeholders and leverage the opinion and insights of our young people to drive change. It will continue as a key area of focus for our new ten-year ambition strategy as well, as highlighted under Future Plans. Achievements of some of our projects over the past year include:

- ***Social Mobility in the Metaverse***

To build on the successful artist in residence approach pioneered by EY's Metaverse Labs team in New York, the purpose of this project was to identify and promote barriers to social mobility in the metaverse. This was a partnership project working with Ofcom, Manchester Metropolitan University's School for Digital Art, young people from our programmes, digital artist Alina Akbar and Metaverse Labs in New York. During the project, we held a series of 5 workshops and immersive sessions with young people from low-income backgrounds from Greater Manchester. The final piece of activity was for Alina to produce a visual artwork in partnership with a Creative Technologist from EY Metaverse Lab team. The project culminated in the publishing of our Social Mobility in the Metaverse Report.

- ***Harnessing AI to Reduce Inequality and Boost Social Mobility***

Building on our CEO's blog published by TechUK as part of their Tech Together Campaign, we're working with technology experts to highlight the importance of considering social mobility in the development of AI technologies and policies.

- ***Breaking Barriers in Greater Manchester***

We piloted a series of activities bringing both sides of the labour market together so that employers could better understand the often-hidden barriers experienced by young people from this demographic. Our report, launched in October 2023, includes recommendations to shape the Local Skills Improvement Plan (LSIP) and support employers to "futureproof" a more diverse workforce. Working closely with the Greater Manchester Chamber of Commerce, we ensured the Greater Manchester LSIP prioritised: 1) addressing the skills needs in Greater Manchester's growth sectors and 2) transforming the employment prospects of young people from low-income backgrounds. Our recommendations and activities were included in the LSIP which was approved by the Department for Education.

- ***Social Mobility in the Charity Sector***

As part of our efforts to raise awareness of and to increase social mobility in the charity sector, we commissioned social mobility specialist Duncan Exley to write our 'Social Mobility in the Charity Sector' report which gained national coverage in The Guardian.

This report links to another strand of our social mobility in the sector activity launched in 2023 – our Impactful Futures programme – which provides young people from low-income backgrounds with the opportunity to learn more about the sector and gain much needed work experience. This year, the programme grew, supporting 31 FSM young people across 2 Hubs (Manchester and London).
Another strand of this activity is to ensure as an employer we are helping to provide solutions to the challenging issues within social mobility. In 2023, we were proud to submit to the Social Mobility Employer

Achieving our Vision cont.

Index the first time, where we were ranked 100 out of 143 organisations, including PwC, Historic England and the Cabinet Office. We have begun to implement the recommendations made by the Social Mobility Commission and are delighted to have moved up to 50th place in June 2024.

➢ ***Work Experience Revolution***

We commissioned Groundswell Innovation to research what constitutes good work experience and explore opportunities for digital solutions to generate better outcomes. The findings will inform EY Foundation's approach to a place-based pilot in Bradford, working with key stakeholders in the area to co-design a project that we hope can be scaled nationally as part of our broader ambition to revolutionise work experience.

➢ ***External & Public Affairs***

We've been working closely with EY's public affairs team to build our public affairs work by coordinating activities at both the Labour Party and Conservative Party conferences in 2023 and secured bi-lateral meetings with government officials.

To build the Foundation's profile and engage key stakeholders in our work, we partnered with EY to host a roundtable and speak on several panels at Anthropy's September 2023 conference and spoke at the Open University's 'Elevate Equity: Harnessing Young Talent' May 2024 conference.

Youth Voice

Youth Voice is an essential part of our work, as evidenced by our second priority – Amplify Youth Voice – under the three-year strategic framework. It helps to ensure our activities represent the young people we serve and supports them in the best way possible. We provide young people with opportunities to play a role in the development and implementation of projects which are designed to create a positive impact on beneficiaries' lives. Whether this be through supporting policy development to influencing our strategy, young people are given the opportunity to be their own advocates and create a better working world for their future.

Youth Voice works through three central strands: our Youth Advisory Board; our Alumni Community; and our Young Volunteers. In FY24, we also tested a new strand of activity to champion youth voice and empower young people to be their own advocates: our Comms Academy pilot.

➢ ***Comms Academy***

Our commitment to championing and embedding youth voice includes developing ways to support our young people to advocate for themselves and for what they believe in. We know that young people from low-income backgrounds suffer inequality of participation in comparison to their more affluent peers. We also believe young people are the experts of their own experience and should be listened to and actively consulted, but that this relies on structured support to enable participation. During the year, we piloted a Communications Academy with five young people who had previously taken part in our programmes. The Comms Academy was designed to support them to strengthen the skills and experiences needed to advocate, campaign, and amplify youth voice.

During the academy, the selected young people attended workshops on public speaking, social media, advocacy, and campaigning. All participants strongly agreed with the aim of the Comms Academy, with 80% of them strongly agreeing that the Academy increased their understanding of how to affect change and their understanding of youth voice. We took away valuable learnings from the pilot which will enable us to improve the offering and develop this project to better support our youth voice-focussed initiatives and the young people we work with.

> 'What stood out to me was how well the group worked together, and I enjoyed taking the time to consider the different ways media is used [...] I got a lot from the experience.'
>
> **Communications Academy Participant**

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Achieving our Vision cont.

➢ ***Youth Advisory Board***

The Youth Advisory Board (YAB) was established in November 2019 to advise The EY Foundation, its Trustees and Leadership Team on how best to serve the needs of young people making a transition into further/higher education, the workplace or self-employment. The YAB provides opportunities for young people to develop leadership skills and be part of the decision-making process as well as providing opportunities for young people to gain experience and knowledge of business and charity practices. The YAB is an unremunerated voluntary position with no decision-making powers. YAB Members sit for a tenure of two years.

In November, our 2022-2023 YAB Cohort co-designed and facilitated the event – 'Overcoming Barriers' in Manchester - to wrap up our initial Future of Work series in Greater Manchester. The event also saw 15 other local young people join as panellists and table facilitators to share their experiences.
During the year, we recruited a new Youth Advisory Board cohort (January 2024 – December 2025). We had a total of 131 applications which were representative of the regions, ethnicities and backgrounds of the young people we serve. Ultimately, 12 young people[2] were chosen to join our YAB after an intensive recruitment process which was co-designed by our previous YAB cohort.

'I have been a member of other types of advisory boards before, but have found the recruitment process and induction to be inclusive, informative and supportive. My neurodivergence was considered and supported during my application, and I felt instantly like a member of the team.'

Youth Advisory Board Member, 2024-2025

Taking on feedback from previous YAB cohorts and the wider team, we identified the opportunity to more purposefully include the YAB within key strategic decision making. As such, we appointed YAB members to Representative Roles based on their interests. In addition to the opportunity to shape the future of a growing charity, YAB members also have access to individual learning and development budget and are assigned a 'Buddy' to support them with their professional and personal development.

We plan to complete a YAB Review in March 2025 which will look at the experience of the YAB just past the mid-point of their tenure and then recommend enhancements for future cohorts. With each iteration, we hope to be able to expand the role of our YAB, ensuring they are fully embedded within the organisation.

'Before joining the YAB here at EYF, I was often apprehensive about speaking to a room of adults, wary that my voice and my ideas would not be taken seriously against people with years of experience. However, if my time at EYF so far has taught me anything, it is that our age and our experience is our strength.'

Youth Advisory Board Member, 2024-2025

➢ ***Wider Youth Voice Activity***

Alongside our core Youth Voice activities, we provided chances for young people to support the Foundation and build their advocacy, communication and public speaking skills through a variety of activities including:

- Our Impact Awards 2023 (October) as hosted by two of our young people, and another two young people became the recipient of awards - Ambassador of the Year and Youth Voice Champion.
- We invited young people to attend two supporter events designed to increase engagement with stakeholders and donors. The young people presented at both events, sharing their experiences of their EYF programme and the impact it has had.

[2] The names of the current YAB members can be found on page 22.

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Achieving our Vision cont.

- Numerous podcast episodes, blogs and articles co-authored about issues affecting their lives, such as the use of AI in recruitment, social mobility and the future of work.
- We finalised our Youth Engagement Framework designed to support the organisation in ensuring that the voices of the young people we serve are at the centre of our work. The framework sets out the ways in which young people will have a say in what we do, and how we develop as an organisation, ensuring that we are meeting their diverse needs.

Youth Voice will continue to play a central role, as part of our ambition, in ensuring we achieve our ultimate goal. We want to ensure that young people are part of the changes which will affect their future. As such, we will further our work to embed the Youth Engagement Framework within the organisation.

Additionally, we will continue our work collaborating with other youth employment organisations to share best practice within the sector.

Our Partnerships and Fundraising

Partnerships

Two of the priorities within our three-year strategic framework: Focus and Sustainability, directed our partnerships and fundraising activity. We receive most of our funding through our Master Services and Funding Agreement with Ernst & Young LLP (EY). EY provides assurance, consulting, taxation, strategy and transaction services in the UK and Channel Islands. As an independent charity we also seek to raise funds in several different ways:

- engaging with Corporate Partners to deliver more programmes to young people;
- organising challenge events and other traditional fundraising events and activities;
- working with high-net-worth individuals; and
- securing grant funding.

For the financial year 1 July 2023 to 30 June 2024, the EY Foundation worked with 34 Corporate Partners (2023: 30) and 322 unique employers (2023: 353). We expanded delivery and collaborated with various new employers, including Tripledot, Appian, ISG, Unicef and Triodos Bank, across our sector-based programmes including Banking, Tech and Non-Profit. We also launched three new sector-based programmes: Private Equity Futures, Wealth & Asset Management Futures and Sustainable Tech Futures.

➢ ***Generating insights from employers through programme delivery***

As part of our engagement with employer partners, we collect qualitative and quantitative data before and after programmes to generate insights on their objectives around social mobility, as well as their specific experience with the EY Foundation.

Reflections from the 6 employers and 45 volunteers involved in our Easter 2024 Tech Futures programme highlights that:

- Employers reported that participating in the programme provided them with **insights on engaging with young people in a rapidly changing technological landscape.**
- The programme's volunteering and business hosting opportunities **boosted employer brand exposure and supported efforts to attract diverse talent**, while also allowing them to **evaluate their appeal to prospective recruits** as part of their Diversity & Inclusion strategies.
- Engagement with the EY Foundation has reinforced the importance of young people to organisations, highlighted the **significance of meaningful work experience**, and the **vital role employers have in shaping the future workforce.**
- Employees valued the opportunity to give back - volunteering is a useful tool for **retaining and developing the current workforce**, at all levels of seniority.
- 93% of employers said they were **extremely likely** to recommend EY Foundation programmes to other organisations.
- **100%** of business volunteers said that they **would volunteer with the EY Foundation again** and **63%** of volunteers said they would **reference their experience** at their **performance** review.

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Registered company number 08935629

Achieving our Vision cont.

➢ ***Building on our sector-focussed approach***

On our new Sustainable Tech Futures programme, we partnered with Extreme E and their Sustainability Partner, EY, to develop a programme whereby young people had the opportunity to learn about the variety of careers and pathways into Sustainable Tech. The programme supported 17 young people from London to access skills, insights and experience in the world of Sustainable Technology. You can hear more about their experience here.

'As a championship which is constantly looking ahead to the future, it was great to collaborate with the EY Foundation to support the next generation of talent coming through as a result of the Sustainable Tech Futures programme'.

Extreme E, Partnership Representative

➢ ***Leveraging our employer network to drive change***

Aside from growing the number of Corporate Partners we work with and our sector-based programmes, we also began hosting a series of employer roundtable events, providing an opportunity for our employer network to come together to discuss challenges they are facing around social mobility and share ideas and best practice.

In FY24, we held three roundtables in London and Manchester, attended by a total of 22 employers from 8 sectors including law, tech, construction and financial services. Discussion topics included: overcoming challenges to implementing work experience; tangible actions employers are taking to further social mobility and articulating the business case for investing in diverse talent and social mobility.

To deepen our understanding of the challenges our employers face around social mobility, we have a further two roundtable events planned in Q1 of FY25; one with the Youth Futures Foundation to explore the relationship between AI and Human-centric skills, and another in Edinburgh in partnership with EY and Scottish Financial Enterprise focusing on social mobility and financial services.

Traditional fundraising, grants and high net worth Individuals

Over 1,600 people took part in fundraising activities in support of EY Foundation from across the UK. Of these, 234 people took part in our annual Mud Trial event and many undertook their own fundraisers, from football tournaments to bake sales. Unfortunately, global events meant our two challenge treks to Wadi Rum did not go ahead, but we hope to welcome back several of our trekkers in November 2024 for replanned treks to Angkor Wat. Overall, we raised £84,196 (2023: £122,185) in donations in the financial year ending 30 June 2024.

We continued to work with a small number of grant funders and received £97,557 (2023: £214,826) in the financial year ending 30 June 2024 as well as continuing to develop our High Net Worth Individual (HNWI) stream, hosting four stewardship events in the year and raising £153,853 (2023: £127,733) from 82 supporters.

The team has been busy planning a packed calendar of Fundraising events for the financial year ending 30 June 2025 to align with activities and events to mark the EY Foundation's 10 Year Anniversary!

The EY Foundation subscribes to the Fundraising Regulator and its code of fundraising practice. We strive to create a positive donor experience for our supporters, and will continue to make improvements, adhere to new regulations and build engagement and value by ensuring our supporters are at the heart of our work.

Our income generation is managed by our trained in-house team. We do not engage in street fundraising or telephone fundraising campaigns and do not outsource any fundraising to third parties. Our mission is to raise funding to support young people and none of our fundraising activities are directed towards seeking funding from those we are here to help.

We take the responsible use of personal data seriously and assess our level of GDPR compliance as part of a developing framework of assurance. We will only ever contact donors who have explicitly 'opted in'

Achieving our Vision cont.

to receive communications from us. Should we fall short of the standards expected by our donors we have a complaints policy where their concerns can be submitted. During the year ended 30 June 2024 there were no complaints received about fundraising for the Charity.

Our Volunteers

We would not be able to deliver our programmes or activity if not for our wonderful volunteers and fundraisers. We see them as a core part of our work, included in our three-year strategic framework under the Team objective.

In the financial year ending 30 June 2024, we created 3,268 volunteering opportunities (2023: 3,087) facilitated by 2,010 unique volunteers (2023: 2,510). Of these, we created 70 Young Volunteering opportunities on our programmes through the year, a new cohort of volunteers who have begun to create specific opportunities for.

During this time, our focus was on the recognition of our current volunteer network by implementing an employee engagement model across our volunteer management process as well as establishing new components including feedback reporting and volunteer development opportunities.

The next phase of the volunteer plan across the financial year ending 30 June 2025 will include:

- **How we capitalise on the skillset of our volunteers:** Ensuring optimisation of the impact on young people whilst tapping into the 'competency' element of the volunteer in accordance with self-determination theory to encourage participation and maximise quality assurance.
- **How we extend the volunteer opportunity across EY & externally**: Analysing the offices, networks and communities across EY to encourage a more diverse pool of volunteers and how we do this using effective methods, as well as strategic consideration on external organisations to reach out to.
- **Maximising how we work across teams:** Streamlining approach and activity across EYF teams to capitalise on all communications, events and relationships.

'I really enjoyed participating in the mock interviews and I came away from it feeling great as the young people were so well prepared. I was so impressed by the skills they had learned in such a short space of time.'

EYF Programme Volunteer

Future Plans

In June 2024, we completed and approved our new ten-year strategic plan. Based on our ambition, the new strategy focuses on five key aims that we believe will help to deliver positive outcomes for all young people on Free School Meals. Our five strategic aims are:

1. Inspire young people through careers support	2. Create a work experience revolution	3. Ensure employers actively engage with and recruit FSM young people	4. Ensure the future of work is inclusive for all	5. A thriving organisation
▸ All young people eligible for Free Schools meals receive consistent, relevant and high-quality careers support throughout their primary and secondary education. This will generate the knowledge and aspiration to ignite and inspire their career ambitions. Inspiring role models will fuel self-belief and raise awareness about what is possible and what they can achieve.	▸ All young people eligible for free school meals participate in high quality mandatory work experience at key points in their education. This will follow a model of delivery tailored to their needs, the opportunities in different locations and sectors of the economy, creating systemic change which benefits all young people.	▸ Employers drive social mobility within their organisations, committing to recruit young people from FSM backgrounds. This is done through early investment in building a diverse pipeline, inclusive recruitment, progression, and retention practices. In turn, it will help address skills gaps and ensure organisations benefit from untapped, diverse talent.	▸ All young people eligible for free school meals understand the opportunities and have the skillsets needed to thrive in the future of work. Rapidly evolving technologies will unlock, rather than entrench barriers to social mobility.	▸ We have an organisational structure that enables us to reach our ambition. Powered by collaboration, a vibrant and diverse team and Board that delivers evidenced based insights and sustainable impact.

Achieving our Vision cont.

The road to achieving this vision of the future is not simple or straightforward. It will take commitment, collaboration and disruption. But we are fully committed to finding new ways to create a step change in impact. Therefore, in the coming years, we will shape the future by growing:

- **Our Direct Delivery** – Changing one life at a time we will scale our operations to deliver our programmes to as many young people from low income-backgrounds as we can.
- **Our Employer Engagement** – Supporting employers to lead with purpose, we will work together to generate insights into the specific challenges and opportunities employers face in accelerating social inclusion.
- **Our Influence** – Putting new ideas into action, we will build strategic partnerships and lead by example to remove barriers and unlock new opportunities for young people from low-income backgrounds that enable them to thrive in the workplace.

We also recognise that the challenges within social mobility will not be simply solved and require big thinking. In our new strategy, we have identified new key areas of work that we believe will produce new impactful solutions to these challenges, including:

- **Establishment of an 'Innovation Fund' (name TBC)** – turbo charging scalable solutions and supporting pilots and programmes that address social mobility.
- **Leading on National Campaigns** – broadening impact we will co-design high profile campaigns alongside young people, employers and educators to tackle key social mobility challenges.
- **Creating a Disruption Lab** – creating new ideas and action through the convening of diversity of thought to provide radical approaches for disrupting the status quo.
- **Fostering a Community of Support** – uniting an army of advocates to raise awareness of the challenges young people from low-income backgrounds face and the ways to support.

For the year ahead, our main objectives as defined in our business plan are:

1. Consolidate the income model required to fund the ten-year ambition
2. Drive changes in employer practices to positively impact FSM young people
3. Agree and begin to implement an organisation structure that can impact 2 million FSM young people
4. Enhance our programmes to improve outcomes for young people
5. Redefine the model of work experience to ensure all young people are better prepared for work
6. Become a leading voice for ensuring the future of work is inclusive for all young people
7. Evidence impact of new careers support interventions throughout a young person's school years
8. Develop a model for charities to increase socio-economic diversity and begin testing with trailblazer organisations

Trustees' Report

The Trustees present the financial statements for the year ended 30 June 2024. The financial statements cover the year 1 July 2023 to 30 June 2024 (the comparative period being from 1 July 2022 to 30 June 2023).

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) (2nd Edition) and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The Trustees confirm that they have complied with the duty in the Charities Act 2011 to have due regard to guidance on public benefit produced by the Charity Commission and believe the undertaking of these activities fully meets the requirements that all the Charity's aims are for the public benefit. The Trustees and Leadership Team carefully consider any new initiatives or changes to delivery models to ensure they meet the EY Foundation's primary charitable purpose.

Structure and Governance

About EY Foundation

The EY Foundation ("EY Foundation" or the "Charity") was incorporated on 12 March 2014 as a private company limited by guarantee, with no share capital. EY Foundation is a registered charity with registered charity number 1157154 (England and Wales) since 21 May 2014, and SC045076 (Scotland) since 26 August 2014.

The objects of the Charity are for the benefit of the public to advance such exclusively charitable purposes as the Trustees may decide from time to time. The Charity is governed by a Board of Trustees, who are also the Directors of the EY Foundation. Trustees set the strategic and policy direction with day-to-day management functions being the responsibility of the Leadership Team.

Public benefit

The Trustees confirm that they have complied with the duty in the Charities Act 2011 to have due regard to guidance on public benefit produced by the Charity Commission and believe the undertaking of these activities fully meets the requirements that all the Charity's aims are for the public benefit.

The Trustees and Leadership Team carefully consider any new initiatives or changes to delivery models to ensure they meet the EY Foundation's primary charitable purpose.

Board and Committees

The Trustees who served during the year and those appointed before the date of this report are listed on page 21. The Board met four times during the year and attended a further Board Away Day to discuss and review the Charity's strategic direction (October 2023). Meetings with the Member (EY) were held quarterly after each Board meeting and were attended by the Chair, CEO and other Leadership Team members and Trustees by invitation.

The Committees report to the Board and were comprised of: the Audit and Risk Committee, the Nomination Committee and the Remuneration Committee until January 2024 when the Nomination Committee and Remuneration Committee were amalgamated to the Nomination and Remuneration Committee, chaired by Julianna Oladipo. The charity also maintains a Youth Advisory Board.

The Audit and Risk Committee reviews and considers the Charity's framework of assurance, including internal controls, risk management and policies before they are presented to the Board for approval. The Committee meets at least three times each year and is chaired by an EY Trustee (as of During the year ended 30 June 2024).

The Nomination and Remuneration Committee leads the Board, Committee, Patron, Youth Advisory Board, and Leadership Team appointment processes, monitors Board effectiveness and Trustee

Trustees' Report cont.

succession planning and reviews the framework for setting the Charity's remuneration principles, for setting senior executive pay. The Committee meets at least four times per year.

All Committees are encouraged to have youth voice representation within them. All Committees agree an annual cycle of business and review its progress against that work plan at each meeting.

Youth Advisory Board

The Youth Advisory Board (YAB) was established in November 2019 to advise The EY Foundation, its Trustees and Leadership Team on how best to serve the needs of young people making a transition into further/higher education, the workplace or self-employment. The YAB provides opportunities for young people to develop leadership skills and be part of the decision-making process as well as providing opportunities for young people to gain experience and knowledge of business and charity practices. The YAB is an unremunerated voluntary position with no decision-making powers. The YAB members who served during the year and those appointed before the date of this report are listed on page 22.

Related Parties

The Charity's sole member ("the Member") is Ernst & Young LLP (EY"). EY Foundation's relationship with EY consists of receiving funding through a five-year funding agreement, and EY Foundation's use of their facilities, information systems and professional support.

Recruitment and Appointment of Trustees

Trustees are appointed for a period of three years, which can then be extended by ordinary resolution for another period of three years. The Chair's position may be extended for a third term of up to three years under the Articles. There is no maximum number of Trustees who may be appointed. No person may be appointed as a Trustee, if, as a result of their appointment, the EY Trustees and the EY Colleague Trustee together exceed the number of Independent Trustees. The Chair of the Board must always be independent with no current connection to the Member as an employee or Partner.

The recruitment of new Trustees follows an evaluation of the desired skills and experience for the Board, aligned to the Charity's evolving strategy. A rigorous selection process is adopted to provide potential candidates with a rounded perspective of the Charity, and the environment in which we work.

On joining the EY Foundation's Board, new Trustees receive a welcome pack with key documents and an induction programme which covers the Charity's values and purpose, and separately, includes information on the financial, governance and operational arrangements for the Charity. All Trustees are invited to volunteer on our programmes to see them in action. All Trustees undertake training to ensure they are aware of the importance of safeguarding and child protection and must obtain an up-to-date Enhanced DBS (England) or PVG (Scotland)

The Trustee role is unremunerated, but Trustees can claim expenses where relevant. Training requirements are considered regularly, and a budget exists for Trustee training.

Charity Governance Code

The Board recognises the importance of the Governance Code in promoting good governance in the Charity sector. Trustees continue to keep themselves appraised of developments in the sector and on regulatory and good practice requirements related to governance and charity management via updates from the Governance and Assurance Officer and Chair of the Board.

Key Management Personnel

The Trustees have delegated authority to the Chief Executive for the day-to-day management of the Charity. The EY Foundation's Leadership Team who served during the year and those appointed before the date of this report are listed on page 21. Pay is benchmarked for all roles against a recognized benchmarking tool for the Charity sector, from which pay bands have been created. All roles are mapped against them, including the Chief Executive. The remuneration of all employees, including key management personnel, is based on the outcome of this independent, sector-specific, benchmark evaluation. The Remuneration Committee approves and oversees the methodology adopted.

Trustees' Report cont.

Financial Review

The Charity funds its activities through corporate and individual donations and from fundraising events. Total income raised in the year was £3,824k (2023: £4,006k) of which £175k (2023: £401k) was restricted. Total expenditure was £3,756k (2023: £4,026k). As a result, the charity produced a surplus of £68k (2023: deficit £20k) and was able to increase unrestricted reserves by £97k (2023 restated: £260k).

Our programmatic activity has been funded this year through donations by EY, other corporate partnerships, and through new grants secured during the year.

We take an incremental lockstep approach to expenditure, increasing programme staffing resources once additional revenue is confirmed. This is a critical part of the Charity's financial risk management process.

Going concern

The period of the Trustee's going concern assessment is the period to 30 June 2026. A budget for FY25 was approved by Trustees, prepared based on contracted or otherwise-secured income sources and new potential grants and contracts and it is anticipated that activities in FY26 will be broadly similar. Reflecting that the EY Foundation's reserves are above the range determined by our agreed reserves policy an FY25 budget deficit of £490k was approved by the Board. This is a planned investment to support our Ambition strategy to enable all Free School Meal young people to have an employment and earnings potential that is equitable to other young people in the UK as outlined on page 3 and to bring our reserves more in line with our policy. To enable the Charity to be responsive to any further financial impacts, positive or negative, performance against the budget was subject to continuous review to facilitate further reductions or new investments where needed. With the £490k deficit budgeted, the Charity's reserves were still projected to be above the agreed policy level, and the cash flow position showed a clear ability to remain a going concern.

Subsequent to setting the FY25 budget, Trustees have continued to monitor the additional savings made and income secured by the Charity and have adjusted forecasts, accordingly, continuing to adopt the position of forecasting only secured income, whilst investing resources in the development of new funding opportunities. Trustees continue to consider that the Charity is a going concern and able to meet its debts as they fall due, based on the following analysis:

- EY Foundation's current five year funding agreement, which provides unrestricted funding under the master services agreement comes to an end on 30 June 2025. A new master services agreement (the fifth) will be negotiated early in 2025. EY has confirmed in writing its intent to provide the EY Foundation with funding for 1 July 2025 to 30 June 2026 at the same level as FY25. EY is proud of its investment in the EY Foundation and refers to its donation and the impact made with the Foundation in its annual impact report. This provides security around the Charity's principal source of funding and, with funding provided quarterly in advance, also reduces cash flow risk.
- Budgets and forecasts for FY25 are based on known and secured sources or with further additional income targets that are considered to be achievable. Activity in FY26 is envisaged to be in line with FY25.
- The Charity has no fixed costs, and all costs are under the control of the Charity's Trustees and management, enabling responsiveness to any further downturn. The Master Services Agreement in place with EY covers all utilities and property overheads, therefore the Charity is less susceptible to the current inflationary pressures and energy pricing crisis.
- The cash flow forecast for the period to 30 June 2026, prepared on the above assumptions, shows the minimum cash balance falling to £1.2m over that period. However, if only EY income is received, the loss of non-EY income of up to £1.2m would not lead to cash flow or liquidity concerns over the period of the assessment to 30 June 2026.
- The Charity has started to secure long term corporate partnerships beyond a year, providing more income certainty above the amounts secured from EY.

As at the date of signing of these financial statements, the forecasts approved by the Trustees indicate that the EY Foundation will be able to maintain liquidity for the period to 30 June 2026, following the date of signing these financial statements and will therefore be able to continue to operate as a

Trustees' Report cont.

going concern. The Trustees consider that no material uncertainty exists in relation to going concern for the EY Foundation for the period to 30 June 2026.

Reserves policy

Our reserves policy identifies the risk factors for which reserves are retained, the process for estimating the level of reserves required against each risk area, and the circumstances under which reserves may be built above the minimum reserves level for future investment. In addition to restricted and unrestricted reserves, the policy also includes the establishment and use of designated reserves, at the discretion of Trustees.

Total funds at the year end are £1,746k (2023: £1,677k); unrestricted reserves stood at £1,662k (2023: £1,565k) and restricted reserves at £84k (2023: £112k). Trustees have not designated any funds (2023: £nil) of unrestricted reserves during the financial year ended 30 June 2024 and have released £90k of designated funds for the Beyond Your Limits programme back to unrestricted funds given this programme has been paused. In preparing the budget for FY25 the assessment of the minimum unrestricted reserves level required, based on the assessment of risks was £426k to £1,097k. The level of unrestricted reserves at 1 July 2024 was therefore above the minimum requirement. The EY Foundation has an ambition to enable all young people who are eligible for Free School Meals (of which there are currently 2 million) to have an employment and earnings potential that is equitable to other young people in the UK. Plans to: increase our programme delivery, work with Employers to lead with purpose and build strategic partnerships to influence the removal of barriers and unlocking of opportunities will support our new ten-year plan. The approval of the FY25 budgeted deficit of £490k will utilise unrestricted funds and bring them back to within the acceptable policy level.

The Charity receives funding from EY, the main funder, on a quarterly basis. The EY Foundation has a low tolerance to capital volatility and adopts a cautious attitude to risk. The Board has therefore decided that the Charity's reserves should be maintained in (immediately accessible) cash deposits with low-risk financial institutions. The policy and guidance are reviewed and updated annually or as necessary.

Risk management

The Board and Leadership Team acknowledge that sound risk management is fundamental to both good governance and good management practice. Risk management forms an essential part of the Charity's decision-making process and is integrated into strategic and operational planning.

Risk management is part of the Charity's internal control system and is assessed and presented via our Board Assurance Framework. This framework ensures all key risks are maintained and updated and reviewed by the designated Risk Leads and Leadership Team.

Staff are provided with adequate training on risk management to help them efficiently fulfil their roles and responsibilities. The Audit & Risk Committee and Board of Trustees reviews the Board Assurance Framework at least twice annually. The Leadership Team and Risk Leads reviews the Board Assurance Framework on a quarterly basis.

Principal risks

The five-year funding relationship with EY provides an element of financial risk mitigation but the landscape in which the Foundation operates, as for all charities, changes per our economic and political environment. The key strategic risks for FY24 and their mitigations were as follows:

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Trustees' Report cont.

Risk Identified	Mitigation(s)
➢ Achieving a broad diversification of income in the current economic, social and political climate.	- Building relationship with EY Partners and Bid teams to diversify channels. - Planned annual budget and targets include alternative income streams to reduce impact on traditional fundraising. - Increased resource for corporate partnerships through FTE and secondments from EY.
➢ The ability to work with employers, funders, and other stakeholders, in the complex and highly regulated environment in which we operate.	- Compliance measures and processes identified and mapped - Training and resources provided for team members to ensure understanding on regulations and restrictions. - Ongoing monitoring of contracts, partnerships and business relationships.
➢ Achieving our pledged public race commitments.	- 8 out of 11 Race Commitments achieved. - DEI focused recruitment agencies approved as preferred suppliers and used for variety of roles from Senior Management Team to Board. - Talent Initiative for Black, Asian and Ethnic Minority employees launched August 2023. - Annual review of EY Foundation Culture and Inclusion Policy.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Directors' and Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, and Scotland requires The Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including income and expenditure for that period.

In preparing these financial statements, The Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each person who was a Trustee at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow Trustees and the auditor, each Trustee has taken all the steps that he/she is obliged to take as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Trustees' Report cont.

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

Auditors

BDO LLP have been appointed as the Charity's auditors during the period.

In preparing this Trustees' report advantage has been taken of the small companies' exemption.

The Directors' and Trustees' Report on pages 3 - 20 was signed on behalf of the Directors and Trustees by



Edel Harris OBE, Chair

04 December, 2024

Reference and Administrative Details

Trustees	Jade Barnett	(resigned 16 September 2024)
	Sally Bartolo	
	Sarah Baugh	(from 06 December 2023)
	Julie Cavin[3]	
	Patrick Dunne OBE - Chair	(resigned 06 December 2023)
	Sayeh Ghanbari[4]	
	Edel Harris OBE – Chair	(from 06 December 2023)
	Mark Hutchinson	
	Ebenezer Odubanjo	(resigned 06 December 2023)
	Julianna Oladipo[5]	
	Maria Owusu Mensah	(resigned 06 December 2023)
	Erol Mustafa[6] - Treasurer	(from 13 March 2024)
	Rebecca Robins	(resigned 27 February 2024)
	Rachel Sandby Thomas	
	Peter Wallace[7] - Treasurer	(resigned 11 March 2024)
Leadership Team	Lynne Peabody, CEO	
	Liz Crossley, CFO	(from 11 September 2023)
	Jodie McNally, Chief Programmes Officer	
	Kathryn Eastwood, Director of Fundraising	
	Ewan Bennie, Director of Communications and Influence	
	Nil Neale, CFO	(resigned 28 July 2023)
Patrons	Chris Achiampong	
	Liz Bingham OBE	
	Patrick Dunne OBE	(from 06 December 2023)
	Margaret Gibson OBE	
	Dawid Konotey-Ahulu	
	Dame Mary Marsh	
	Douglas Nisbet	
	Steve Varley	
Audit and Risk Committee	Julie Cavin – Chair	
	Sayeh Ghanbari	(from 06 December 2023)
	Rachel Sandby Thomas	
	Jane Musyoki (co-optee)	
	Jade Barnett	(from 06 June 2024)
Nomination and Remuneration Committee	Julianna Oladipo - Chair	
	Sarah Baugh	(from 06 June 2024)
	Sayeh Ghanbari	(resigned 06 December 2023)
	Edel Harris OBE	
	Mark Hutchinson	
	Dianne Hughes (co-optee)	

[3] EY Partner from UK&I Audit
[4] EY Partner from UK&I Consulting
[5] EY Director
[6] EY Partner from Financial Services
[7] EY Partner from Financial Services

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Registered company number 08935629

Reference and Administrative Details Cont.

Youth Advisory Board (resigned 31 Dec 2023)	Maria Owusu Mensah – Co-Chair Ebenezer Odubanjo – Co-Chair Olivia Agbe Ikra Choudhury James Frater Zubair Junjunia Gertrude Kyeremaa Victoria Penev Muhammad Abid-ur Rahman Emmanuel Saliu
Youth Advisory Board (from 01 January 2024)	Natalie Stuart – Chair Elijah Amoako Fairy Chi Michelle Fotsing Henry Hughes Syeda Islam Huma Kiyani Raphael Mathews Ife Obasa Fome Owuasu Harry Sharma John Walker
The EY Foundation	Registered charity number: 1157154 (England & Wales) Registered charity number: SC045076 (Scotland) Registered company number: 08935629 1 More London Place London SE1 2AF
Bankers	Barclays Bank plc 1 Churchill Place London EC14 5HP
Solicitors	Bates Wells 10 Queen Street Place London EC4R 1BE
Auditors	BDO LLP 2 City Place Beehive Ring Road Gatwick RH6 0PA

Independent Auditor's Report to the members and Trustees of EY Foundation

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 30 June 2024 and of incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006, as amended.

We have audited the financial statements of EY Foundation ("the Charitable Company") for the year ended 30 June 2024 which comprise the statement of financial activities (incorporating an income and expenditure account), the balance sheet, the statement of cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

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

Independence

We remain independent of the Charitable Company in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions related to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Registered charity number 1157154 (England & Wales) and SCO45076 (Scotland)
Registered company number 08935629

Other Companies Act 2006 reporting

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

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report, which are included in the Trustees' Report, has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Trustee's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- proper and adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report.

Responsibilities of Trustees

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 and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines 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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

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Extent to which the audit was capable of detecting irregularities, including fraud

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:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Charitable Company and the sector in which it operates;
- Discussion with management and those charged with governance including the Audit and Risk Committee; and
- Obtaining and understanding of the Charitable Company's policies and procedures regarding compliance with laws and regulations.

we considered the significant laws and regulations to be the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The Charitable Company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the health and safety legislation, UK tax legislation, Employment Taxes and the Bribery Act 2010.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations; and
- Review of financial statement disclosures and agreeing to supporting documentation.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Charitable Company's policies and procedures relating to:
    - Detecting and responding to the risks of fraud; and
    - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

Based on our risk assessment, we considered the areas most susceptible to fraud to be income recognition and management override of controls.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Testing a sample of other journal entries throughout the year by agreeing to supporting documentation;
- Review of application of judgements associated with accounting estimates for indication of potential bias;
- Testing a sample of income throughout the year to source records; and
- Testing a sample of income for cut-off and revenue recognition.

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We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the Charitable Company's trustees, as a body, in accordance with the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the Charitable Company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company, the Charitable Company's members as a body and the Charitable Company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Laurence Elliott
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Laurence Elliott (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Gatwick, UK
Date 09 January 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Registered charity number 1157154 (England & Wales) and SCO45076 (Scotland)
Registered company number 08935629

Statement of financial activities (incorporating an Income and Expenditure account)

For the year ended 30 June 2024

	Notes	Unrestricted funds	Restricted funds	Year ended 30 June 2024 Total funds	Unrestricted funds As restated (note 15)	Restricted funds As restated (note 15)	Year ended 30 June 2023 Total funds
		£	£	£	£	£	£
INCOME FROM							
Donations	2	3,135,781	-	3,135,781	3,006,691	192,319	3,199,010
Charitable activities	3	493,705	175,347	669,052	588,927	208,979	797,906
Income from trading activities	4	990	-	990	8,880	-	8,880
Investments	5	18,194	-	18,194	-	-	-
Total income		*3,648,670*	*175,347*	*3,824,017*	*3,604,498*	*401,298*	*4,005,796*
EXPENDITURE ON							
Raising funds	6	(1,023,590)	-	(1,023,590)	(949,755)	(75,708)	(1,025,463)
Charitable activities	7	(2,528,151)	(204,127)	(2,732,278)	(2,394,556)	(605,643)	(3,000,199)
Total expenditure		*(3,551,741)*	*(204,127)*	*(3,755,868)*	*(3,344,311)*	*(681,351)*	*(4,025,662)*
NET INCOME AND (NET EXPENDITURE) IN FUNDS FOR THE FINANCIAL YEAR		96,929	(28,780)	68,149	260,187	(280,053)	(19,866)
NET MOVEMENT IN FUNDS		96,929	(28,780)	68,149	260,187	(280,053)	(19,866)
RECONCILIATION OF FUNDS							
Total funds brought forward		*1,565,121*	*112,300*	*1,677,421*	*1,304,934*	*392,353*	*1,697,287*
TOTAL FUNDS CARRIED FORWARD		*1,662,050*	*83,520*	*1,745,570*	*1,565,121*	*112,300*	*1,677,421*

All income and expenditure relates to continuing activities. The Charity has no recognised gains or losses other than those included in the results above and therefore, no separate statement of total recognised gains and losses has been presented.

The accompanying notes form part of these financial statements on pages 30 - 40.

Registered charity number 1157154 (England & Wales) and SCO45076 (Scotland)
Registered company number 08935629

Balance sheet

at 30 June 2024

Registered Company Number: 08935629

	Notes	Unrestricted funds	Restricted funds	30 June 2024 Total funds	Unrestricted funds As restated (note 15)	Restricted funds As restat15ed (note 15)	30 June 2023 Total funds
		£	£	£			£
NON-CURRENT ASSETS							
Intangible assets	12	34,292	-	34,292	42,292	-	42,292
		34,292	-	34,292	42,292	-	42,292
CURRENT ASSETS							
Cash at bank and in hand		1,910,716	83,520	1,994,236	1,957,198	112,300	2,069,498
Debtors	13	229,480	-	229,480	315,628	-	315,628
		2,140,196	83,520	2,223,716	2,272,826	112,300	2,385,126
CREDITORS							
Amounts falling due within one year	14	(512,438)	-	(512,438)	(749,997)	-	(749,997)
NET CURRENT ASSETS		1,627,758	83,520	1,711,278	1,522,829	112,300	1,635,129
NET ASSETS		1,662,050	83,520	1,745,570	1,565,121	112,300	1,677,421
FUNDS							
Unrestricted Funds	15			1,662,050			1,565,121
Restricted Funds	15			83,520			112,300
TOTAL FUNDS CARRIED FORWARD				1,745,570			1,677,421

The accompanying notes form part of these financial statements on pages 30 - 40.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime. The financial statements were approved and authorised for issue by the Board of Trustees on December 2024 and were signed on its behalf by:

Edel Harris OBE, Chair

December 2024

Registered charity number 1157154 (England & Wales) and SCO45076 (Scotland)
Registered company number 08935629

Statement of cash flows

for the year ended 30 June 2024

	Note	Period 2024	Period 2023
		£	£
Cash flows from operating activities			
Net cash (used in)/ from operating activities	a)	(83,262)	216,645
Cash flows used in investing activities			
Amortisation of intangible assets		8,000	8,000
Change in cash and cash equivalents during the year		(75,262)	224,645
Cash and cash equivalents at beginning of year		2,069,498	1,844,853
Cash and cash equivalents at end of period		1,994,236	2,069,498

a) Reconciliation of net income/(expenditure) to net cash (used in)/ from operating activities:	**Period 2024**	**Period 2023**
	£	£
Net surplus/(deficit) for the financial year (as per the Statement of Financial Activities)	68,149	(19,866)
Adjustments for:		
(Decrease)/ Increase in creditors	(237,559)	197,159
Decrease in debtors	86,148	39,352
	(151,411)	236,511
Net cash (used in)/ from operating activities	(83,262)	216,645

The accompanying notes form part of these financial statements on pages 30 – 40.

Registered charity number 1157154 (England & Wales).and SCO45076 (Scotland)
Registered company number 08935629

Notes to the financial statements

at 30 June 2024

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on the accruals basis of accounting using historical cost basis and fair value basis on certain items as described below; and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing accounts in accordance with the Financial Reporting Standards (FRS 102 SORP 2015) effective October 2019 (2nd Edition) and the Companies Act 2006 and the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

EY Foundation (the "EY Foundation" or the "charity") is incorporated, under the Companies Act 2006, as a private company limited by guarantee, with no share capital. The Charity is domiciled and registered in England and Wales with registered company number 08935629. The registered office address is 1 More London Place, London SE1 2AF. The Charity is a public benefit entity.

The financial statements have been drawn up for the year from 1 July 2023 to 30 June 2024 (the comparative period being from 1 July 2022 to 30 June 2023).

Going concern

The period of the Trustee's going concern assessment is the period to 30 June 2026. A budget for FY25 was approved by Trustees, based on contracted or otherwise-secured income sources and new potential grants and contracts. To enable the Charity to be responsive to any further financial impacts, positive or negative, performance against the budget was subject to continuous review to facilitate further reductions or new investments where needed, whilst remaining in the agreed reserves policy. The Charity budgeted for a £490k deficit. With this level of deficit, the Charity's reserves were still projected to be within the agreed policy level, and the cash flow position showed a clear ability to remain a going concern.

Trustees continue to consider that the Charity is a going concern and able to meet its debts as they fall due, based on the following analysis:

- EY Foundation's current five year funding agreement, which provides unrestricted funding under the master services agreement comes to an end on 30 June 2025. A new master services agreement (the fifth) will be negotiated early in 2025. EY has confirmed in writing its intent to provide the EY Foundation with funding for FY26 to 30 June 2026 at the same level as FY25. EY is proud of its investment in the EY Foundation and refers to its donation and the impact made with the Foundation in its annual impact report. This provides security around the Charity's principal source of funding and, with funding provided quarterly in advance, also reduces cash flow risk.
- Budgets and forecasts for FY25 are based on known and secured sources or with further additional income targets that are achievable. Activity in FY26 is envisaged to be in line with FY25.
- The Charity has no fixed costs, and all costs are under the control of the Charity's Trustees and management, enabling responsiveness to any further downturn.
- Cash flow forecasts have been stress-tested, principally to reflect any potential withdrawal or deferral of unsigned contracted income by corporate partners.
- The cash flow forecast for the period to 30 June 2026, prepared on the above assumptions, shows the minimum cash balance falling to £1.2m over that period assuming income crystallises as planned, and under the stress-test scenario falling to £0.9m, providing comfort that the Charity will be able to meet its financial obligations.

As at the date of signing of these financial statements, the forecasts approved by the Trustees indicate that the EY Foundation will be able to maintain liquidity for the period to 30 June 2026, following the date of signing these financial statements and will therefore be able to continue to operate as a going concern. The Trustees consider that no material uncertainty exists in relation to going concern for the EY Foundation for the period to 30 June 2026.

1. ACCOUNTING POLICIES CONT'D.

Income
Donations are recognised when there is entitlement, probability of receipt and the amount can be measured with sufficient reliability, for example an agreement for funding is in place. Gift aid is claimed on all donations which meet the criteria and where a signed declaration is in place from the individual or Partnership. Gift aid income is accrued for, where claims will be submitted to HMRC in line with gift aid requirements and the gift aid relates to donations received within the reporting period.

Donated services and facilities are included as income at current market value where the Charity has control over the item. Where a market value is not available, appropriate estimates are made. In the current period the value of donated services and facilities was ascertained from the entities that made the donations. Examples of donated services include secondees, IT support, and premises.

Income from special organised events is categorised as Donations, as any participation fees are recognised in Other Trading Activities. Income is recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability, for example, where an agreement is in place, but deposits or participant fees have not yet been received.

Income from corporate partnerships is categorised as Income from Charitable Activities as is primary purpose trading. As most programme costs are incurred in the delivery weeks, we recognise the income evenly over this period. Income is deferred where the donor has specified that the income is to be expended in a future period or where contractual conditions for entitlement will be met in a future period.

Debtors are recognised when a commitment to pay EY Foundation has been made giving entitlement, where the amount owed to us can be calculated and receipt is probable.

Grants receivables are included in the SOFA when the EY Foundation believes it has entitlement, receipt is probable, and the amount can be measured reliably. Grants has been recorded as an income from charitable activities.

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.

Expenditure
Expenditure, including grants payable, is recognised when there is a legal or constructive obligation on the part of the Charity, and it is accounted for on an accruals basis. Expenditure has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the time spent on projects. Support costs are those functions that assist the work of the Charity. Governance costs are part of support costs and comprise the costs of compliance with constitutional and statutory requirements.

Support costs include the salaries of those staff which are not directly attributable to a particular programme of charitable work, governance costs, finance, IT, HR, office running costs and consumables and other overheads not specifically attributable to a particular programme of charitable work. Support costs are allocated between cost of raising funds and expenditure on charitable activities based on the proportion of staff time spent on these activities.

Irrecoverable VAT is recognised as expenditure under the same category as the item it relates to.

Cost of raising funds
Costs of raising funds include items relating to special events organised by the EY Foundation to raise awareness of the Charity and its objects, as well as salaries and overhead costs of the staff who undertake fundraising activities and the marketing costs associated with raising the profile of the EY Foundation (but not those which are used in an educational manner in furtherance of the Charity's objects). These and other fundraising costs are regarded as necessary to generate funds that are needed to finance charitable activities.

1. ACCOUNTING POLICIES CONT'D.

Expenditure on charitable activities
These costs relate to projects undertaken by EY Foundation and include travel costs, a proportion of support staff salaries and other costs considered to be in the furtherance of the charitable objectives of the Charity.

Taxation
The company is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 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 arose in the year.

Pensions
The EY Foundation participates in a defined contribution pension scheme for its staff. The assets of the scheme are not owned by the EY Foundation. Pension contributions charged in the SOFA represent the contributions payable by the EY Foundation in the year.

Intangible Fixed Assets
Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated, using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives, as follows: Software and Website costs – 5 years.

Where assets are still in development and not in use, these are treated as "Assets Under Construction", where no amortisation charge is incurred until the asset is complete.

Volunteers
Approximately 2,010 (2023: 2,510) volunteers gave their time freely to nurture and develop our young people. The value of this is not recognised in the accounts.

Fund accounting
The funds of the EY Foundation have been segregated as follows:

Restricted funds consist of EY donations and grants received for which the donor or grant giver has specified the purposes for which resources can be utilised. Expenditure on restricted funds reflect the appropriate expenditure that has been charged to those funds.

Restricted funds are disclosed by programme in the notes to the financial statements.

Unrestricted funds consist of all other income that has not been restricted and can be used in accordance with the charitable objectives at the discretion of the Trustees.

Unrestricted funds which have been set aside by Trustees for specific use are considered designated funds.

Transfers are made between funds where there is a release of restricted funds to unrestricted funds or charges are made between funds.

Two transfers between funds have taken place in the financial statements for the year ended 30 June 2024:

- 2024: Release of £90,000 funds designated to the Beyond Your Limits programme to unrestricted funds (see note 15). The decision was taken to pause the Beyond Your Limits programme, with care experienced young people taking part in Smart Futures instead.
- 2023: Transfer of £21,860 restricted expenditure in the financial year ended 30 June 2023 to unrestricted expenditure. The year end restricted balance had been reported in error with restricted funds carried forward being understated by £21,860 relating to funds from The Paul Hamlyn Foundation and the unrestricted funds carried forward being overstated.

Registered charity number 1157154 (England & Wales) and SCO45076 (Scotland)
Registered company number 08935629

1. ACCOUNTING POLICIES CONT'D.

The impact on the primary statements and notes of the 2023 reclassification is:

Impact on the Balance Sheet and note 15	*As previously reported*	*Reclassification*	*As restated at 30 June 2023*
	£	£	£
Unrestricted funds	1,373,981	(21,860)	1,352,121
Designated fund	213,000	-	213,000
Total Unrestricted funds	1,586,981	(21,860)	1,565,121
Restricted funds	90,440	21,860	112,300
	1,677,421	-	1,677,421

Impact on the SOFA and note 7	*As previously reported*			*Reclassification*			*As restated at 30 June 2023*		
	Unrestricted	*Restricted*	*Total*	*Unrestricted*	*Restricted*	*Total*	*Unrestricted*	*Restricted*	*Total*
	£	£	£						
Expenditure on Raising Funds	943,197	82,266	1,025,463	6,558	(6,558)	-	949,755	75,708	1,025,463
Expenditure on Charitable Expenditure	2,379,254	620,945	3,000,199	15,302	(15,302)	-	2,394,556	605,643	3,000,199
Total Expenditure	3,322,451	703,211	4,025,662	21,860	(21,860)	-	3,344,311	681,351	4,025,662
Net movement in Funds	282,047	(301,913)	(19,866)	(21,860)	21,860	-	260,187	(280,053)	(19,866)
Total Funds carried forward	1,586,981	90,440	1,677,421	(21,860)	21,860	-	1,565,121	112,300	1,677,421

Significant management judgements and key sources of estimation and uncertainty

Estimates and assumptions are based on historical evidence and other factors including expectations of future events that are believed to be reasonable within the EY Foundation. The only estimates believed to be significant are Deferred Income on Grants and Corporate Partnerships and the holiday accrual:

Holiday accrual – the calculation of the value of annual leave not taken as at the reporting date includes an assumption that employees have an average holiday carried forward of 3 days and that they would have taken half of their holiday entitlement by the EY Foundation's year end. The value of the holiday accrual as at 30 June 2024 is £63,192 (2023: £73,163).

Deferred Income on Grants and Corporate partnerships – Income from corporate partnerships is categorised as Income from Charitable Activities as is primary purpose trading. As most programme costs are incurred in the delivery weeks, we recognise the income evenly over this period. Income is deferred where the provider has specified that the income is to be expended in a future period or where contractual conditions for entitlement will be met in a future period.

2. INCOME FROM DONATIONS

	Unrestricted	*Restricted*	*Year 2024*	*Year 2023*
	£	£	£	£
EY donations: cash	2,036,000	-	2,036,000	2,036,000
EY donations: staff, services and facilities	478,795	-	478,795	763,774
Other donations	580,300	-	580,300	290,876
Sponsored events	40,686	-	40,686	70,040
Gift Aid regarding EY donation: cash	-	-	-	38,320
	3,135,781	-	3,135,781	3,199,010

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted	*Restricted*	*Year 2024*	*Year 2023*
	£	£	£	£
Income from corporate partnerships	493,705	-	493,705	588,927
Grants	-	175,347	175,347	208,979
	493,705	175,347	669,052	797,906

4. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted	*Restricted*	*Year 2024*	*Year 2023*
	£	£	£	£
Fundraising participants fees	990	-	990	8,880
	990	-	990	8,880

5. INVESTMENT INCOME

	Unrestricted	*Restricted*	*Year 2024*	*Year 2023*
	£	£	£	£
Deposit account interest	18,194	-	18,194	-
	18,194	-	18,194	-

6. COSTS OF RAISING FUNDS

	Unrestricted	*Restricted*	*Year 2024*	*Year 2023*
	£	£	£	£
Salaries	321,286	-	321,286	313,651
Support costs (note 8)	702,304	-	702,304	711,812
	1,023,590	-	1,023,590	1,025,463

Registered charity number 1157154 (England & Wales) and SCO45076 (Scotland)
Registered company number 08935629

7. EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct Costs	*Support Costs (note 8)*	*Year 2024*	*Year 2023*
	£	£	£	£
Programme Costs				
Smart Futures	692,789	1,080,372	1,773,161	1,968,303
Our Future/ Your Future	143,007	133,720	276,727	162,475
Accelerate/ Step into Business	17,185	20,064	37,249	104,666
Care Programme/BYL	156,808	238,046	394,854	634,457
Other Programme Costs	77,943	172,344	250,287	130,298
	1,087,732	1,644,546	2,732,278	3,000,199

	Direct Costs	*Support Costs*	*Year 2024*	*As restated Year 2023*
Analysed as:	£	£	£	£
Unrestricted	954,748	1,573,403	2,528,151	2,394,556
Restricted	132,984	71,143	204,127	605,643
	1,087,732	1,644,546	2,732,278	3,000,199

- The prior year figures have been restated to increase unrestricted expenditure by £21,860 and reduce restricted expenditure by £21,860 reflecting the reclassification of the restricted funds carried forward to include the Paul Hamlyn Foundation per note 15.

8. SUPPORT COSTS

	Costs of raising funds	*Charitable activities*	*Year 2024*	*Year 2023*
	£	£	£	£
Office running costs total	-	88,143	88,143	25,704
Other Costs	66,014	89,401	155,415	145,214
Marketing costs (excl. salaries)	-	19,740	19,740	35,466
Salaries and on costs	477,394	969,253	1,446,647	1,330,643
Donated services & facilities	158,002	320,793	478,795	763,774
Supporter engagement costs	894	-	894	11,292
Monitoring & evaluation costs	-	58,432	58,432	49,393
Governance costs	-	58,352	58,352	73,692
Technology Investment costs	-	40,432	40,432	5,628
	702,304	1,644,546	2,346,850	2,440,806

9. AUDITOR'S FEES

	Year 2024	*Year 2023*
	£	£
Fees payable to the Charity's auditor for the audit of the annual accounts	28,000	25,000
(No non-audit fees were paid to the auditor)	28,000	25,000

Registered charity number 1157154 (England & Wales) and SCO45076 (Scotland)
Registered company number 08935629

10. TRUSTEES REMUNERATION AND OTHER BENEFITS

Trustees are reimbursed their travel and accommodation expenses only when travelling on EY Foundation business (i.e., to Board meetings). Total expenses paid out to three Trustees totalled £369 (2023: £69). None of the Trustees are remunerated as a Trustee. There were no short-term contracts offered to Trustees in FY24 (2023: £0).

11. STAFF COSTS

Staff are recruited under pay scales that were historically benchmarked against charity pay scales.

	Year 2024	*Year Restated* 2023*
	£	£
Wages and salaries *(*prior year restated)*	1,881,738	1,856,847
Social security costs	205,749	207,525
Other pension costs *(*prior year restated)*	144,649	126,087
Benefits *(*prior year restated)*	172,655	154,778
	2,404,791	2,345,237

Benefits includes other forms of employee benefits and a review has determined that £56,355 of employee benefits were in error not included in the total in 2023 relating to car allowance paid as cash, medical insurance and Group Income Protection. Additionally, a reclassification has been made to reclassify employee pension costs of £96,724 included in error in other pension costs in the prior into wages and salaries.

The average monthly number of staff during the year was as follows:

	2024 Full Time Equivalents	*2024 Headcount*	*2023 Full Time Equivalents*	*2023 Headcount*
Chief executive	1.00	1	1.00	1
Programme	24.00	18	23.00	22
Fundraising support	5.60	6	7.80	8
Marketing	5.00	5	3.00	3
Other support staff	15.60	13	16.80	15
	51.20	43	51.60	49

Key management personnel

The EY Foundation's Leadership Team (its key management personnel) are in charge of: directing, controlling, running and operating the charity on a day to day basis and comprises the 5 posts outlined on page 21 (2023: 3 posts). During the year ended 30 June 2024, these 5 posts were taken up by 6 members of staff due to there being one leaver during the year. The total remuneration (including taxable benefits) of the six key management personnel was £541,702 (2023: £293,438 three key management roles).

Pay is benchmarked for all roles against a recognized benchmarking tool for the Charity sector, from which pay bands have been created. All roles are mapped against them, including the Chief Executive. The remuneration of all employees, including key management personnel, is based on the outcome of this independent, sector-specific, benchmark evaluation. The Remuneration Committee approves and oversees the methodology adopted.

Registered charity number 1157154 (England & Wales) and SCO45076 (Scotland)
Registered company number 08935629

11. STAFF COSTS CONT.

During the year the number of employees who earned between the amounts stated below (including taxable benefits but excluding employer pension and national insurance contributions) were:

	2024	*2023 "restated"*
£60,000 - £70,000	2	2
£70,001 - £80,000	2	1
£80,001 - £90,000	1	3
£90,001 - £100,000	2	1
£100,001 - £110,000	-	-
£110,001 - £120,000	1	-

*The prior year has been restated as the bandings analysis in error did not include all earnings including taxable benefits.

12. INTANGIBLE FIXED ASSETS

	Assets Under Construction £	Website £	Total £
Cost or Valuation			
At 1 July 2023	18,292	40,000	58,292
Additions	-	-	-
At 30 June 2024	18,292	40,000	58,292
At 1 July 2023	-	16,000	16,000
Charge for the year	-	8,000	8,000
At 30 June 2024	-	24,000	24,000
Net Book Value			
At 1 July 2023	18,292	24,000	42,292
At 30 June 2024	18,292	16,000	34,292

The asset under construction refers to a CRM system and new website being developed by the EY Foundation. Both projects are underway and expected to be complete and further enhanced in FY25 These will be amortised from the point in time that the assets are complete.

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	*2023* £
Trade debtors	98,193	250,430
Prepayments	18,265	-
Accrued Income	41,397	53,257
Amounts owed from EY	71,625	11,941
Total debtors	229,480	315,628

Registered charity number 1157154 (England & Wales) and SCO45076 (Scotland)
Registered company number 08935629

Notes to the financial statements cont.
at 30 June 2024

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	*2023*
	£	£
Trade creditors	32,689	30,374
Taxation and social security	106,043	356,277
Accruals	236,342	267,191
Deferred income	72,053	96,155
Amounts owed to EY	65,311	-
	512,438	749,997

15. MOVEMENT IN FUNDS

Year 2024	*Opening Funds As restated*	*Income*	*Expenditure*	*Transfer between funds**	*Net Movement*	*Closing Funds*
	£	£	£	£	£	£
Unrestricted	1,352,121	3,648,670	(3,475,986)	90,000	262,684	1,614,805
Designated	213,000	-	(75,755)	(90,000)	(165,755)	47,245
Restricted	112,300	175,347	(204,127)	-	(28,780)	83,520
	1,677,421	3,824,017	(3,755,868)	-	68,149	1,745,570

*Funds of £90,000 designated for the Beyond Your Limits programme have been released to unrestricted funds as the programme will no longer be delivered as a separate programme.

Restricted funding in 2024:	*Opening Funds*	*Income*	*Expenditure*	*Net Movement*	*Closing Funds*
	£	£	£	£	£
EY LLP (HNWI and Partners fine)	90,440	-	(90,440)	(90,440)	-
Paul Hamlyn Foundation	21,860	-	(21,860)	(21,860)	-
The Gannochy Trust	-	35,792	(4,345)	31,447	31,447
Haberdashers' Benevolent Foundation	-	52,073	-	52,073	52,073
Walcot Foundation	-	9,692	(9,692)	-	-
Chartered Bankers Institute	-	76,360	(76,360)	-	-
Worshipful Company of Security Professionals Charitable Trust	-	1,430	(1,430)	-	-
Total Restricted Funds	112,300	175,347	(204,127)	(28,780)	83,520

Registered charity number 1157154 (England & Wales) and SCO45076 (Scotland)
Registered company number 08935629

15. MOVEMENT IN FUNDS CONT.

Year 2023	*Opening Funds*	*Income*	*Expenditure As restated*	*Transfer between funds restatement*	*Net Movement As restated*	*Closing Funds As restated*
	£	£	£	£	£	£
Unrestricted	948,934	3,604,498	(3,179,451)	(21,860)	403,187	1,352,121
Designated	356,000	-	(143,000)	-	(143,000)	213,000
Restricted	392,353	401,298	(703,211)	21,860	(280,053)	112,300
	1,697,287	4,005,796	(4,025,662)	-	(19,866)	1,677,421

Prior year restatement:
£21,860 should have been included as a restricted fund carried forward from The Paul Hamlyn Foundation from the year ended 30 June 2023. This has been shown as transfer of funds in the table above from unrestricted to restricted funds. The funds have been spent in their entirety in the year ended 30 June 2024 and there is no balance carried forward as at 30 June 2024.

Restated Restricted funding in 2023:	*Opening Funds*	*Income*	*Expenditure*	*Net Movement*	*Closing Funds*
	£	£	£	£	£
EY	207,286	192,319	(309,165)	(116,846)	90,440
Paul Hamlyn Foundation	21,860	-	-	-	21,860
CareTech Foundation	130,749	-	(130,749)	(130,749)	-
The Mercers' Company	49,449	-	(49,449)	(49,449)	-
DYW	4,869	34,266	(39,135)	(4,869)	-
University of Warwick	-	40,000	(40,000)	-	-
LNER grant	-	42,204	(42,204)	-	-
Haberdasher grant	-	56,717	(56,717)	-	-
Gannochy grant	-	35,792	(35,792)	-	-
Total Restricted Funds	414,213	401,298	(703,211)	(301,913)	112,300

Funding from EY is generally unrestricted and is provided by way of a Funding agreement to achieve maximum impact and influence from the resources invested. Funding from grants is used to support the delivery of employability training, work experience, or other programme activity, as specified in the grant terms.

16. RELATED PARTY DISCLOSURES

EY donated the following during the year:

	Year 2024	*Year 2023*
	£	£
Cash donation	2,036,000	2,036,000
Donations in kind (note 2):		
EY Staff	249,330	278,720
Services and buildings	229,465	235,849
Technology	-	249,205
	2,514,795	2,799,774

Registered charity number 1157154 (England & Wales) and SCO45076 (Scotland)
Registered company number 08935629

16. RELATED PARTY DISCLOSURES CONT.

The majority of purchases are paid for directly by EY Foundation. However, several costs are paid for directly by EY and then recharged to EY Foundation on a monthly basis. At the end of the year amounts owed to EY were £65,311 (2023: £0) and balances due from EY were £71,625 (2023: £11,941).

Trustees' remuneration and other benefits have been disclosed in Note 10.

17. ULTIMATE CONTROLLING PARTY

The Charity is controlled by the Board of Trustees. The Trustees consider that the Charity's parent undertaking is Ernst & Young LLP, a limited liability partnership registered in England and Wales. Ernst & Young LLP is the parent undertaking of the largest group that consolidates these financial statements, copies of which are available from its registered office, 1 More London Place, London, SE1 2AF. EY Foundation is a registered charity with registered charity number 1157154 (England and Wales), SC045076 (Scotland).

THE EY FOUNDATION

England & Wales - Charity number 1157154

Accounts

EY Foundation

Annual Report and Financial Statements

For the period ended 30 June 2022

Registered charity number 1157154 (England & Wales) and SC045076 (Scotland)
Registered company number 08935629

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DIRECTORS' AND TRUSTEES' REPORT FOR THE PERIOD ENDED 30 JUNE 2022

The Trustees present the financial statements for the period ended 30 June 2022. The financial statements cover the period 3 July 2021 to 30 June 2022 (the comparative period being from 4 July 2020 to 2 July 2021).

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) (2nd Edition) and the Charities Accounts (Scotland) Regulations 2006 (as amended).

Structure, Governance and Management

Governing Document

The EY Foundation ("EY Foundation" or the "Charity") was incorporated on 12 March 2014 as a private company limited by guarantee, with no share capital. EY Foundation is a registered charity with registered charity number 1157154 (England and Wales) since 21 May 2014, and SC045076 (Scotland) since 26 August 2014.

The objects of the Charity are for the benefit of the public to advance such exclusively charitable purposes as the Trustees may decide from time to time.

The Charity is governed by a Board of Trustees, who are also the directors of the EY Foundation. Trustees set the strategic and policy direction with day-to-day management functions being the responsibility of the leadership team.

The Trustees who served during the year were:

	Appointments	Resignations	Trustee Category[1]	Committee[1]
Fahima Akther		08/12/2021	Independent	YAB[3] (Vice-Chair)
Nafisa Bakkar		11/07/2021	Independent	None
Rosehanna Chowdhury			Independent	A&RC
Patrick Dunne (Chair)			Independent	NomCom
Sara Fowler			Independent	A&RC[4] (Chair)
Sayeh Ghanbari			EY UK&I	NomCom
David Gittleson		08/12/2021	EY	RemCom (Chair)
Mark Hutchinson			Independent	None
Julianna Oladipo			EY Colleague	NomCom, RemCom (Chair)
Dan Richards		08/12/2021	EY Colleague until 30/09/2020, then Independent	NomCom
Rebecca Robins			Independent	NomCom (Chair)
Peter Wallace[2]			EY FS	Treasurer
Joseph Watson		08/12/2021	Independent	YAB (Chair), A&RC
Sally Bartolo	16/03/2022		Independent	None
Rachel Sandby Thomas	16/03/2022		Independent	A&RC
Maria Owusu Mensah	16/03/2022		Independent	YAB (Co-Vice Chair), RemCom
Daniel Ayodeji	16/03/2022		Independent	YAB (Chair)

[1] refer to page 4 and 5 for Trustees' appointment terms and sub committees' remits and objectives

[2] partner from within the Financial Services Group

[3] Youth Advisory Board = YAB

[4] Audit & Risk Committee = A&RC

Directors' and Trustees' report for the period ended 30 June 2022 cont.

Structure, governance and management cont.

The leadership team during the year were:

- Maryanne Matthews, Chief Executive Officer (CEO) (planned absence from 01/03/21; left 21/12/21)
- Lynne Peabody, Acting Chief Executive Officer (from 01/03/21), appointed permanent Chief Executive Officer (01/04/22)
- Mark Smith, Chief Finance Officer (left 31/03/22)
- Nil Neale, Chief Finance Officer (01/09/2021); appointed Joint Interim CEO (02/05/22)
- Michelle Chard, Head of People, Volunteering and D&I (left 31/07/21)
- Jodie McNally, Head of Programmes and Regions (on leadership team from 01/12/20); appointed Joint Interim CEO (02/05/22)

The leadership team were supported throughout the year by their management team. The Senior Management Team (SMT) was created in March 2022 and comprises of:

- Ewan Bennie, Director of Communications
- Jennifer Freeman, Head of Strategy and Planning
- Shaun Gloc, Head of Data and Impact
- Maya Maros O'Brien, Head of Finance, Governance and Assurance
- Anu Law, Diversity, Equity and Inclusion Leader
- Kathryn Eastwood, Head of Income and Strategic Partnerships
- Robert Pope, UK Programmes Operations Manager

Patrons

Our Patrons, who are a diverse group, act as ambassadors of the EY Foundation, influencing and raising awareness of our work. They have a commitment to improving the lives of young people and represent the Charity at events. Patrons are appointed by the Trustees. They have no management or governance responsibilities and are not Trustees, thus have no legal liability. The Charity's patrons throughout the year (July 2021 – June 2022) were Margaret Gibson, Steve Varley, Dame Mary Marsh, Nathaniel Peat, Liz Bingham, Chris Achiampong, Dawid Konotey-Ahulu and Douglas Nisbet.

Related Parties

The Charity's sole member ("the Member") is Ernst & Young LLP ("EY"). EY Foundation's relationship with EY consists of receiving funding amounts through a five-year funding agreement, and EY Foundation's use of their facilities, information systems and professional support.

Recruitment and Appointment of Trustees

The Trustees aim to recruit as diverse a Board as possible, and to maintain an active focus on diversity and inclusion. During the year, Dan Richards was replaced by Julianna Oladipo as the lead diversity and inclusion Trustee on the Board (01/12/21). The emphasis we place on having young people at the head as well as the heart of what we do and the way we work is reflected in our Board through the Chair and Vice Chair of our YAB being Trustees throughout their two-year term on the YAB.

Persons may be appointed to be a Trustee by ordinary resolution or by written notice from the Member to the Charity specifying the name of the person to be appointed as a Trustee and the date of their appointment. The Board, when complete, shall comprise:

- at least three people who are each partners of the Member, two of whom are partners within the UK & Ireland Group and one of whom is a partner within the Financial Services Group ("the EY Trustees");
- at least one person who is a member of staff of the Member ("the EY Colleague Trustee"); and
- at least four independent Trustees, who have no current connection to the Member as employees or partners ("the Independent Trustees").

During a review of our Board of Trustees and Articles of Association, it was identified that recent Board recruitment had left us without the required EY representation of two UK & Ireland partners and one Financial Services partner. A succession plan has been approved by the Board to correct this by February 2023. In December 2022, Trustees agreed to extend the term of both the Chair and Treasurer by one year in order to provide continuity through a potential transition of EY's business. The Articles have been amended temporarily to reflect this.

Directors' and Trustees' report for the period ended 30 June 2022 cont.

Structure, governance and management cont.

Trustees are appointed for a period of three years, which can then be extended by ordinary resolution for another period of three years. The Chair's position may be extended for a third term of up to three years under the Articles. There is no maximum number of Trustees who may be appointed.

No person may be appointed as a Trustee, if, as a result of their appointment, the EY Trustees and the EY Colleague Trustee together exceed the number of independent Trustees. The Chair of the Board must always be independent with no current connection to the Member as an employee or partner.

The recruitment of new Trustees follows an evaluation of the desired skills and experience for the Board, aligned to the Charity's evolving strategy. The skills assessment is overseen by the Nominations Committee. A rigorous selection process is adopted to provide potential candidates with a rounded perspective of the Charity, and the environment in which we work.

On joining the EY Foundation's Board, new Trustees receive a welcome pack with key documents and an induction programme which covers the Charity's values and purpose, and separately, includes information on the financial, governance and operational arrangements for the Charity. During the induction, Trustees meet members of the EY Foundation's leadership team and SMT to help them fully understand their role as a Trustee. In addition, all Trustees are invited to attend programmes and events to see them in action and are asked to take an interest in a particular area of the Charity's work via membership of one of the committees or in one of our champion roles (safeguarding, diversity & inclusion, technology).

Trustees receive ongoing support and up to date guidance to enable them to fulfil their responsibilities to the organisation. They are invited to meet regularly with young people at events and participate in programme activities. Trustees receive insights on the Charity's work at its meetings and regular briefings from the committees, staff, and the leadership team.

The Board meets quarterly with occasional additional meetings as needed. The Trustee role is unremunerated, but Trustees can claim expenses where relevant. Training requirements are considered regularly, and a budget exists for Trustee training. All Trustees undertake training to ensure they are aware of the importance of safeguarding and child protection. During the year, Rosehanna Chowdhury replaced Dan Richards as the lead Trustee for safeguarding.

Trustees' Succession Planning

Dan Richards' (formerly the EY Employee Colleague Trustee and then an independent Trustee) and David Gittleson's (Chair of Remuneration Committee) second terms came to an end in December 2021. Julianna Oladipo was appointed to the EY Colleague vacancy in January 2021 in preparation for succession to Dan Richards and was appointed as Chair of Remuneration Committee from January 2022. Planning for Trustee retirements and other vacancies arising is overseen by the Nominations Committee.

The Chair and Vice Chair of the YAB were appointed to the 2019/2021 Youth Advisory Board Cohort in December 2019 for a two-year period that ended in December 2021. A new Cohort was appointed from January 2022 for a two-year period that ends in December 2024. The new YAB Chair and Vice Chair were appointed as independent Trustees, attending their first meetings from March 2022.

Board Effectiveness Review

Trustees, supported by the Nominations Committee undertakes a review of its effectiveness from time to time. The last independent review being undertaken by Grant Thornton and the recommendations from that review continue to be embedded and further implemented. Trustees planned a follow up effectiveness review which was completed and presented to the Board on 14 September 2022.

The Board has in place a Scheme of Delegation, clarifying the Board's delegation of responsibilities to its committees and to the Chief Executive. This was updated and approved by the Board in March 2022.

Organisational Structure

Trustee Board business meetings are held quarterly, and Trustees attend a further day each year to discuss and review the Charity's strategic direction (the Board Away Day).

Meetings with the Member are held quarterly after each Board meeting and are attended by the Chair, CEO and other managers and Trustees by invitation.

Directors' and Trustees' report for the period ended 30 June 2022 cont.

Organisational Structure cont.

Throughout the reporting period the Board operated an Audit & Risk Committee, Nominations Committee, and a Remuneration Committee. In addition, thematic strategic groups are convened as needed to take a more agile approach to Trustee support and challenge. Examples of their work include providing insight into digital and technology direction, and the development of our influencing work.

The fundamental role of the committees is to focus on work delegated by the Board, to provide added scrutiny and challenge, make recommendations to the Board, and to enhance Board effectiveness and productivity. All committees are governed by terms of reference set by the Board, and which are set out in a Scheme of Delegation and subject to regular reviews.

Audit & Risk Committee

The Committee reviews and considers the Charity's framework of assurance, including internal controls, risk management and policies before they are presented to the Board for approval.

The Committee meets at least four times each year. The Committee is chaired by an independent Trustee. Following a Board appointment process in February 2022, two new members were appointed to the Board, and subsequently, one of those members were appointed to the Committee in March 2022. In February 2022, two co-optee members were appointed following a thorough application process through EY. A member of the YAB was also appointed to the Committee in February 2022 as part of our initiative to enhance youth voice and representation within the organsiation. The Committee agrees an annual cycle of business and reviews its progress against that work plan at each meeting.

Treasurer

Peter Wallace has served as Treasurer since April 2019 to support the Board with its financial management oversight and scrutiny role. The Treasurer meets regularly with the Chief Finance Officer and Head of Finance, Governance and Assurance, and attends the Audit & Risk Committee by invitation if financial matters are to be considered.

Remuneration Committee

The Committee was established to determine and then recommend to the Board the framework for setting the EY Foundation's remuneration principles and for setting senior executive pay. The Committee's Terms of Reference were reviewed and amended to include diversity, equity and inclusion. The Committee is chaired by a Trustee and includes an independent non-Trustee in its membership.

Following a Board appointment process in 2022, one new member was appointed to the Committee in January 2022. The YAB Co-Vice Chair was appointed to the Committee in June 2022. During the year the Committee met to review and approve the approach to role benchmarking and pay banding, including any amendments proposed, and reviewed the gender and race pay gap recommendations within the organisation. The Committee met formally twice during the year.

Nominations Committee

The Nominations Committee's primary purpose is to lead the Board, Committee, Patron, Youth Advisory Board, and senior leadership team appointment processes and to monitor Board effectiveness and Trustee succession planning. The committee is chaired by an independent Trustee.

The Committee met formally four times during the year. Its work during the year focused on the recruitment of independent Trustees, the recruitment of a new YAB cohort, establishing a Trustee/YAB buddy system, Board succession planning for the Chair, Treasurer and Chair of the A&RC, and approving changes to the leadership team structure due to the CEO going on maternity leave (from May 2022). In February 2022, a YAB Representative was appointed to the Committee.

Youth Advisory Board

The Youth Advisory Board (YAB) was established in November 2019 to advise The EY Foundation, its Trustees and leadership team on how best to serve the needs of young people making a transition into further/higher education, the workplace or self-employment. The establishment of a YAB provides an important forum for ensuring our strategic delivery plans serve the needs of young people, identifying issues and opportunities and advising on effective policy and service provision for young people at a strategic level. The second YAB cohort was inducted in January 2022.

The YAB provides opportunities for young people to develop leadership skills and be part of the decision-making process. Further, the Board provides the opportunities for young people to gain experience and knowledge of business and charity

Directors' and Trustees' report for the period ended 30 June 2022 cont.

Organisational Structure cont.

practices. The Chair and Vice-Chair of the YAB serve as EY Foundation Trustees during their two-year period of service on the YAB. The YAB has no delegated decision-making power, it serves only as an advisory function. In FY22, the YAB has supported the EY Foundation in both communications and volunteering capacities, developed working groups on digital and tech and communications and advised the EY Foundation's leadership and Trustees on strategic matters, including:

i. providing input into the EY Foundation's three-year strategy and FY23 business plan;
ii. supporting the team with Trustee recruitment by being on interviewing panels and providing feedback thereafter;
iii. participating in programmes, and internal and external events;
iv. advising on the development of an EY Foundation Diversity, Equity and Inclusion policy; and
v. supporting the team with preparations for the 2022 Impact Awards.

Charity Governance Code

The Board recognises the importance of the Governance Code in promoting good governance in the Charity sector. The Board and Audit & Risk Committee have fully self-assessed the Charity's compliance with the Charity Governance Code and the further guidance issued by the Charity Commission related to charities that are connected to a non-charity. The assessment highlighted a high level of compliance with all aspects of the Code. An action plan was developed and approved to enhance compliance where gaps have been identified.

As part of an ongoing strengthening of our governance and assurance processes, an overall Board Assurance Framework was developed and implemented over the period of review. This includes any further assurance required to evidence full compliance with the Charity Commission's guidance. Trustees continue to keep themselves appraised of developments in the sector and on regulatory and good practice requirements related to governance and charity management via updates from the Governance and Assurance Officer (appointed February 2022). A formal Scheme of Delegation, setting out the mutual responsibilities of the Board, Committees, and the CEO, was reviewed and approved in March 2022.

Key Management Personnel

The Trustees have delegated authority to the Chief Executive for the day-to-day management of the Charity. The EY Foundation's leadership team, effective from 1 September 2021, comprised the CEO, COO, CFO, and Head of Programmes & Regions. Each role has a clear role profile of responsibilities, and a new executive Scheme of Delegation was developed during the year to align core accountabilities to these roles. All roles were filled by members of the leadership team; Lynne Peabody (Acting CEO and COO), Mark Smith (Joint CFO), Nil Neale (Joint CFO) and Jodie McNally (Head of Programmes and Regions).

Michelle Chard (Head of People, Volunteering and D&I) left 31 July 2021 and her role was not replaced as part of the restructure. Maryanne Matthews (CEO) took an extended period of absence and left the Foundation in December 2021. Mark Smith (joint CFO) left the Foundation in March 2022.

Following an open recruitment campaign and an impressive cohort of candidates Lynne Peabody, Acting CEO, was appointed to CEO in April 2022. Lynne Peabody went on Maternity leave in May 2022. Upon approval from the Trustees, Nil Neale and Jodie McNally have taken on the role of joint Interim CEO alongside their other leadership roles. The recruitment for a COO has been paused until January 2023.

Objectives and Activities

The reporting period marks the completion of EY Foundation's eighth year as an independent UK charity. The Charity was founded by EY, the professional services firm, our first corporate investor.

Purpose

Our vision is that every young person in the UK can succeed in the workplace. We believe every employer in the UK regardless of size, or sector has an important role to play in giving young people a better start to their working lives.

Our mission is to reduce the barriers to work young people from a low-income background face, supporting them to successfully transition into higher education, employment, or self-employment.

Public benefit

The Trustees confirm that they have complied with the duty in the Charities Act 2011 to have due regard to guidance on public benefit produced by the Charity Commission and believe the undertaking of these activities fully meets the requirements that all the Charity's aims are for the public benefit.

Directors' and Trustees' report for the period ended 30 June 2022 cont.

Objectives and Activities cont.

The Trustees and management team consider carefully any new initiatives or changes to delivery models to ensure they meet the EY Foundation's primary charitable purpose.

Our strategic aims

Our planned activities and outcomes for FY22 (July 2021 – June 2022) were directed by the following six strategic priorities (under our three-year strategic framework for FY22-24):

1. Enable our current activity to have more impact and a wider reach whilst being more effective, by maximising digital solutions available to us.
2. Grow our focus on employers and regions to support more young people to get closer to the labour market and into work.
3. Expand our income base and maintain a level of reserves that ensures our sustainability. Focus on funding from new sources and assessing new delivery models that might unlock them. Define the financial metrics useful for measuring our efficiency and value.
4. Continue to build on our impact measurement, sharing our results more widely with our stakeholders and beyond. Creating an evidence base and knowledge hub to help wider stakeholders understand the importance of our mission.
5. Develop and maintain a thriving EY Foundation staff and supporter team, equipped with the right skill set to deliver our increase in scale and impact.
6. Increase our activities to share the knowledge and evidence base we build up more widely and regularly to establish ourselves as the knowledge provider, support and motivator for employers and Government to understand the changes needed to support young people from low-income backgrounds into work.

In response to the work undertaken on diversity, equity and inclusion within the organization, including our Race Commitments, an additional strategic priority was added part-way through the year. Strategic Priority 7 – Diversity, Equity and Inclusion stated we would 'develop our targeted support for young people from Black, Asian and other minority ethnic groups, with a focus on young Black people in line with our race commitments.'

In March 2022, a new ten year ambition was approved by Trustees in line with our vision and mission:

> *'Enable **all young people** on Free School Meals to have an employment and earnings potential that is **equitable** to other young people in the UK. We will do so in **collaboration with employers** and key partners, through accredited employability skills **training and targeted programmes.'***

This new ambition has informed our planned activities and outcomes for FY23 as well investments made in Q4 FY22. We have also updated our strategic priorities in order to make steps towards achieving our ambition:

Young people, regions, and employers

1. **Focus** - Targeted focus on employers and regions in areas of high deprivation.
2. **Amplify youth voice** - Listen, collaborate, co-design and amplify the youth perspective, and ensure challenges and opportunities are tailored to the challenges they face.

Digital & Sustainability

3. **Scale** - Significantly scale up our direct programme delivery and digital provision to young people from an FSM background to build credibility and evidence.
4. **Sustainability** - Diversify our income base and maintain a level of reserves that ensures our sustainability.

Impact & Influence

5. **Impact & Influence** - Prioritise a close working relationship with EY, schools/colleges, employers, government (central and local) and Voluntary, Community and Social Enterprise (VCSE) community to unlock systemic change and influence policy at primary and secondary, supported by an evidence-based approach to demonstrate impact of our work.

People

6. **Team** - Build and maintain a diverse, thriving team, equipped with the right skill set to deliver our 10-year ambition, and promote a culture of inclusion and belonging.
7. **Diversity, Equity & Inclusion** - Deliver on our race commitments and expand our commitments to another protected characteristic.

Directors' and Trustees' report for the period ended 30 June 2022 cont.

Objectives and Activities cont.

Approach

Over 2 million 4–18-year-olds, or 1 in 5 young people, are eligible for Free School Meals (FSM) in the UK. The scale of our ambition – enabling all two million young people on FSM to receive skills training – requires the EY Foundation to invest in not only the Foundation's evidence-based, bespoke, high-impact programmes but also activities that deliver collaboration, provide digital solutions, and creates society-wide systemic change in order to scale our impact and support more young people.

Our approach is a combination of interconnected interventions:

- **Programmes** - Our programme delivery will always be the backbone of what we do. Through Smart Futures, Our Future, Your Future and Beyond Your Limits, we will continue to offer accredited skills training to young people all around the country to boost employability skills and ease the transition from school to employment.
- **Digital** - Greater use of technology will enable our programmatic impact to be scaled up through online delivery, meaning we can reach more young people.
- **Collaborate** – Through working with other organisations across the social mobility sector and with employers, we will increase the number of young people we support.
- **Influence** – In our work delivering programmes, we will generate insights that can help shape the policies of employers and government at a national level. Through this we will insure all young people receiving FSM can access accredited skills training.

Our work with young people

Smart Futures

Smart Futures starts as a two-week intensive programme and is followed by 10-months of mentoring. The programme is for young people in Year 12 (England) and Fifth Year (Scotland) of school who have been eligible for free school meals in the past two years or for young people that are eligible for college bursary or Education Maintenance Allowance.

The programme includes up to 2 weeks of employability training and work experience, an opportunity to take part in a programme that is formally recognized and approved by the Institute of Leadership and Management, and mentoring support. Alongside this, the programme offers a series of interactive learning experiences and training, structured paid experiences of work with local employers and a series of networking events. Upon graduation, every young person on the programme joins the alumni network.

Smart Futures offers young people the opportunity to learn more about the choices available to them when making decisions about their future, broadening their insight into a wide variety of industries including professional services, healthcare, tech, or financial services. This year we have run Smart Futures programmes targeted at specific sectors of the economy, such as Tech Futures, focussing on technology, and Secure Futures, on the security sector.

The programme takes place during school holiday periods with the main intakes being at Easter and Summer. During this period, Smart Futures operated from four locations: Scotland (covering Edinburgh and Glasgow), North (covering Manchester, Liverpool, Newcastle and, Leeds), Midlands (covering Birmingham), and South (covering Cambridge, Luton, London, Bristol, Reading and Southampton). Following insight gained from research, we have created three models for delivery: virtual, hybrid and face to face. This flexibility allows us to adapt to the varying needs of young people.

Our Future

Our Future works with young people, aged 16-19, who face significant barriers in entering the labour market and who are at risk of becoming 'NEET' (not in education, employment or training). The programme helps them make a smooth transition from statutory education into the labour market.

The six-month programme includes up to two weeks of paid work experience, one week of paid employability training, one to one support from a mentor, networking events and an opportunity to take part in a programme that is formally recognised and approved by the Institute of Leadership and Management.

Our Future is structured to create local career awareness, provide employability skills training and to offer extended periods of work experience to its participants. During the period of review, Our Future operated in Perth and Kinross,

Directors' and Trustees' report for the period ended 30 June 2022 cont.

Objectives and Activities cont.

London, Luton and Newcastle. In the last year it has moved to a mix of hybrid, face to face and remote, which allows better flexibility to accommodate different learning requirements. We expect to take a more pragmatic approach with Our Future delivery once our three-year partnership with Mercers comes to an end in August 2022. We feel the Your Future programme has more growth potential due to being able to link direct employment outcomes with the programme. We feel this will be more appealing to grant funders and employers, but we currently review each opportunity to consider the best option as to whether to deliver Our Future.

Employability workshops are delivered in schools across England and Scotland. They introduce information about local labour market opportunities and provide a chance to meet employers from across a range of sectors. They also provide students with key employability skills and a greater understanding of the pathways into employment from apprenticeships to graduate roles. For the majority of the year, we delivered to young people in Year 10 and 11 (England), and Third and Fourth Year (Scotland) who have been eligible for free school meals at any time in the last two years.

In 2021 we published our 'Getting In On Report' on the challenges and experiences Black young people face getting into the workplace. It was conducted on 1000 Black young people across the UK and the survey was carried out by Savanta. The first recommendation following the survey was *Improve Access*. From this, we started piloting our employability workshops for YPs in Yr 7 and S1. Our EWs were previously Years 9 upwards.

Your Future

This is a new programme, which launched this year and was previously known as 'Into Work'. Mercers provided funding for the pilot Into Work programme which was developed to become Your Future.

It reflects our ambition of not only supporting young people to 'get ready for work' but also to help them 'get into work'. Your Future targets young people from low-income families leaving school and college without a clear path forward, whether that be further education, training or a job.

In addition to paid employability training and work experience, each participant has a dedicated employment coach for six months.

In April 2022, the programme was delivered for the first time, in partnership with Benchmarx in the Midlands. All participants were subsequently offered an interview for a Kitchen Designer role with the company.
Looking ahead, Your Future will run across our four regional delivery Hubs, with over 50 young people signed up to join the programme in summer 2022.

Beyond Your Limits

The programme is designed to help young people who are care experienced progress into education, employment or training. It provides young people with a range of support, including paid employability skills and financial literacy training, two work experience placements, a bursary, mentorship for up to 10 months, and an employment coach for up to 2 years. During the period, the programme operated in London, Manchester, Coventry and Glasgow. We have partnered with CareTech Charitable Foundation and University of Warwick in delivering these programmes in England, and DYW (Developing the Youth Workforce) in Scotland.

Kickstart

Our participation in this Government scheme came to an end in March 2022. We worked with six cohorts of young people, 39 in total and with 17 different organisations. As an organisation we hosted 8 of these Kickstart participants on six month fixed term contracts. Two of these Kickstart employees were successful in securing permanent contracts within the Foundation.

<u>Our work with social entrepreneurs</u>

Accelerate

Accelerate is a 12-month programme that provides support to social enterprises who work with young people and social entrepreneurs between the ages of 18 and 30. Accelerate expands the pool of young people we have an impact on by supporting the ambitious growth of these social enterprises. Social enterprises are vital to addressing some of the most entrenched social issues in our communities today. But the day-to-day business challenges they face are no different to those of any other entrepreneur – and that includes securing funding and income: vital to becoming a long-

Directors' and Trustees' report for the period ended 30 June 2022 cont.

Objectives and Activities cont.

term force for change. The programme offers tailored workshops, regular webinars, dedicated business coaches and networking opportunities.

Following research into similar programmes in the sector, and harnessing our ten years' experience of running Accelerate, we designed and trialed a shorter and more focused programme this year. The immersive three-month pilot was launched in March 2022 and saw increased impact, value for money and engagement from participants increase. Due to the success of this shorter programme, three-months will become the standard duration of the Accelerate from July 2022 onwards.

Achievements, Performance, and Impact

Our response to Covid-19

The effects of the Covid-19 pandemic continued to have an impact, both positively and negatively, on our performance. Face to face interactions became more common place in our activities from September 2021, with Government restrictions being completely lifted by February 2022. Programme delivery moved to a mix of hybrid, face to face and remote, which allowed better flexibility to accommodate different learning requirements. Our ability to raise funds through traditional fundraising and grant funding continued to be impacted, but corporate partners began to demonstrate confidence in our offering with Easter 2022 seeing our largest number of corporate partners engaged in a single delivery period to date.

Performance against outcome targets

During the period, the EY Foundation continued to make progress in helping young people across the UK reach their full potential. We had set cautious performance targets in the wake of the uncertainty that Covid-19 brought to the UK economy, as we knew that our ability to interact with key stakeholders (young people, social enterprises, volunteers and employers) would still be impacted, but we had set ourselves a level of ambition above and beyond that of the 2021 financial year. Our focus remained relentless on ensuring that our stakeholders had lasting impact from their interactions with us and our programmes, working towards delivering programmes like Your Future that provide longer term outcomes for the participants.

During the period:

- A total of 2,249 young people and entrepreneurs were supported during the FY22 financial year, exceeding our annual target of 2,211 by 2%. This is an 8% decrease on the prior year (FY21: 2,440).

Our programmes supported the following participants:

- 2,205 young people engaged across all of our programmes. All of the 686 young people engaged on our Smart Futures, Our Future, Beyond Your Limits and Your Future programmes, qualified for free school meals. Additionally, we supported 54 young people who are currently in the care system (170% more than FY21);
- 44 social entrepreneurs.
- 2,319 volunteers supported our programmes and fundraising activities. Our performance exceeded our annual target of 2,126 by 9% and represented a decrease of 8% over the prior year (FY21: 2,510).
- 246 employers were engaged in our work. Our performance exceeded our annual target of 187 by 32% and represented a decrease over the prior year of 10% (FY21: 272).

Performance against financial targets

Against our financial target for the year, £885k was raised from fundraising activities and corporate partnerships. This was 9% higher than the financial target set for the year. At the same time our focus was on protecting our higher impact work, our team, and the Charity's financial sustainability. This resulted in a surplus of £496k for the financial year. The reserves position was sufficient to protect the Charity from significant financial risk during the year.

Against this cautious backdrop we therefore exceeded all our financial targets for the year, in terms of income raised, expenditure contained within budget, and the resultant net benefit to the bottom-line surplus for the year.

Directors' and Trustees' report for the period ended 30 June 2022 cont.

Achievements, Performance, and Impact cont.

Impact

Every financial year the EY Foundation publishes an impact report which demonstrates the difference that our programmes have made to the lives of young people and the social enterprises that we have engaged with, this year's report was launched in September 2022.

Our headline activity for the period was that we supported 2,205 young people and 44 social entrepreneurs with the help of 2,319 volunteer and 246 employer partners.

Headline impact across the four principal programmes:

Smart Futures:

By the end of this programme:

- 68% of participants knew what employers were looking for when they were recruiting, 32% more than before the programme.
- 82% had improved their knowledge of how to improve their CV, 28% higher than before the programme.
- 86% felt that they had enhanced their interview skills, 31% higher than before the programme.
- Our corporate partners have also noticed the difference in the young people with one from UiPath stating: "*leading professionals have been so impressed with what the young people have delivered, their questioning, confidence and ability to get things done!*"

Our Future:

By the end of this programme:

- 67% of participants knew what employers were looking for when they were recruiting, 25% more than before the programme.
- 92% had improved their knowledge of how to improve their CV, 67% higher than before the programme.
- 92% felt that they had enhanced their interview skills, 51% higher than before the programme.
- One of the young people that took part in the programme said: *"…it was a great experience for me. I got the chance to work with lots of great colleagues, helping me build my teamworking skills and learn how to work alongside a mix of different people. I learnt soft skills such as patience and listening as well as hot to prioritise work when given a high volume of tasks. I am really grateful for this opportunity and would recommend Our Future to anyone!"* Our Future participant

Beyond Your Limits:

By the end of this programme:

- 62% of participants knew what employers were looking for when they were recruiting, 46% more than before the programme.
- 85% had improved their knowledge of how to improve their CV, 47% higher than before the programme.
- 77% felt that they had enhanced their interview skills, 46% higher than before the programme.
- On gaining feedback from young people, here's what one of them said about the programme: *"The scheme has made me see myself in a completely new way. It has taught the kinds of skills which aren't covered in school but will be so good when I start to apply for jobs! Through the programme I have also met so many fantastic people who have helped me be the best that I can. EY Foundation has also given me friends who I hope to stay in touch with throughout our journeys into adulthood. Doing Beyond Your Limits has made me feel like I can do amazing things!* Beyond Your Limits participant.

Your Future:

By the end of this programme:

- 92% of participants knew what employers were looking for when they were recruiting, 75% more than before the programme.
- 100% had improved their knowledge of how to improve their CV, 67% higher than before the programme.
- 92% felt that they had enhanced their interview skills, 75% higher than before the programme.
- Here is what one of the young people said about the programme: *"The Your Future programme granted me such an extraordinary opportunity to secure an apprenticeship at Benchmarx. During the programme and even now at my placement, I am respected, supported and understood. I'm so grateful for the friendly team at EY Foundation and Benchmarx that allow young people like me to enter the working world with guidance and confidence"* Your Future participant.

Employability Workshops, Young Men's & Women's Networks:

These short workshops provide students with the opportunity to build and enhance their employability skills and gain a greater insight and understanding of the pathways into different careers. After the workshops:

Directors' and Trustees' report for the period ended 30 June 2022 cont.

Achievements, Performance, and Impact cont.

- 97% said that the workshop improved their understanding of what employers are looking for when they recruit new people.
- 96% stated that they now feel more confident networking with people in business.
- 79% improved their confidence when working in a team as a result of the workshop.

Accelerate:

The programme offers tailored workshops, regular webinars, dedicated business coaches and networking opportunities. In FY22, 44 social entrepreneurs took part in the Accelerate Programme, here is what they told us:

- 38% of businesses improved their turnover whilst on the programme.
- 75% of social enterprises felt that having a business coach helped them better understand what they needed to do next in order to achieve future business goals.
- 100% rated the impact of the Accelerate programme on themselves and their enterprises as 'positive' or 'very positive'.

Financial Review

The Charity funds its activities through corporate and individual donations and from fundraising events. Total income raised in the period was £4,134k (2021: £3,496k) of which £410k (2021: £275k) was restricted. Total expenditure was £3,639k (2021: £3,278k).

As a result, the charity produced a surplus of £496k (2021: £218k) and was able to increase unrestricted reserves by £337k (2021: £144k).

In this period our programmatic activity has been funded through donations by EY, other corporate partnerships, and through new grants secured during the year.

We take an incremental lockstep approach to expenditure, increasing programme staffing resources once additional revenue is confirmed. This is a critical part of the Charity's financial risk management process.

Going concern

A budget for FY23 was approved by Trustees, prepared based on contracted or otherwise-secured income sources and new potential grants and contracts. To enable the Charity to be responsive to any further financial impacts, positive or negative, performance against the budget was subject to continuous review to facilitate further reductions or new investments where needed, whilst remaining within the agreed reserves policy. The Charity budgeted for a £281k deficit. With this level of deficit, the Charity's reserves were still projected to be within the agreed policy level, and the cash flow position showed a clear ability to remain a going concern.

Subsequent to setting the FY23 budget, Trustees have continued to monitor the additional savings made and income secured by the Charity and have adjusted forecasts accordingly, continuing to adopt the position of forecasting only secured income, whilst investing resources in the development of new funding opportunities. Trustees continue to consider that the Charity is a going concern and able to meet its debts as they fall due, based on the following analysis:

- Having a five-year funding and master services agreement in place with EY, with funding provided on an unrestricted basis. Under the current funding agreement the level of funding is secured for the next three financial years (FY23-FY25), and is the third funding agreement between the two organisations. EY is proud of its investment in the EY Foundation and refers to its donation and the impact made with the Foundation in its annual impact report. This provides security around the Charity's principal source of funding and, with funding provided quarterly in advance, also reduces cash flow risk.
- Budgets and forecasts for FY23 are based on known and secured sources or with further additional income targets that are considered to be achievable.
- The Charity has no fixed costs and all costs are under the control of the Charity's Trustees and management, enabling responsiveness to any further downturn. The Master Services Agreement in place with EY covers all utilities and property overheads, therefore the Charity is less susceptible to the current inflationary pressures and energy pricing crisis.
- The cash flow forecast for the next 18 months, prepared on the above assumptions, shows a positive cash flow for all months with the minimum cash balance falling to £700k over that period, with the income only received from EY The loss of non EY income over an 18 month period could be up to £1.5m based on the FY23 Budget.

Directors' and Trustees' report for the period ended 30 June 2022 cont.

Financial Review cont.

- The Charity has started to secure long term corporate partnerships beyond a year, providing more income certainty above the amounts secured from EY.

As at the date of signing of these financial statements, the Trustees' forecasts indicate that the EY Foundation will be able to maintain liquidity for a period of at least one year following the date of signing these financial statements and will therefore be able to continue to operate as a going concern. The Trustees consider that no material uncertainty exists in relation to going concern for the EY Foundation.

Reserves policy

A substantial proportion of the Charity's income comes from EY in the form of baseline funding defined within the funding agreement between the two entities. A new funding agreement with EY was agreed in June 2020 covering the period up to 2025. All future income from EY is treated as unrestricted income for the pursuit of our charitable activities.

Trustees agreed a new reserves policy in June 2021, which builds upon the previous risk-based approach. The policy identifies the risk factors for which reserves are retained, the process for estimating the level of reserves required against each risk area, and the circumstances under which reserves may be built above the minimum reserves level for future investment.

In addition to restricted and unrestricted reserves, the policy also includes the establishment and use of designated reserves, at the discretion of Trustees.

Total funds at the period end are £1,801k (2021: £1,306k); unrestricted reserves stood at £1,409k (2021: £1,072k) and restricted reserves at £392k (2021: £234k). Trustees designated £400k (2021: £100k) of unrestricted reserves for investment in an Into Work programme during FY22. In preparing the budget for FY23 the assessment of the minimum unrestricted reserves level required, based on the assessment of risks was £530k to £801k. The level of unrestricted reserves at 1 July 2022 was therefore above the minimum requirement.

Investment policy

The Charity receives funding from EY, the main funder, on a quarterly basis. The EY Foundation has a low tolerance to capital volatility and adopts a cautious attitude to risk. The Board has therefore decided that the Charity's reserves should be maintained in (immediately accessible) cash deposits with low-risk financial institutions.

The policy and guidance are reviewed and updated annually or as necessary to reflect changes in issues of particular interest, best practice and new investment laws, regulations, or advice.

Risk management

The Board and management acknowledge that sound risk management is fundamental to both good governance and good management practice. Risk management forms an essential part of the Charity's decision-making process and is integrated into strategic and operational planning.

Risk assessments are carried out on all activities and projects to ensure they adhere to the Charity's objectives. Risk management is part of the Charity's internal control system and a new Board Assurance Framework was developed and adopted in June 2022. This framework replaced the existing risk register and ensures all key corporate risks are maintained and updated and reviewed by the leadership team and SMT during the year. The Board, Committees and leadership team consider all key activity with a risk mindset and this contributes to the way new initiatives are developed and performance is monitored and reported.

All staff are provided with adequate training on risk management to help them efficiently fulfil their roles and responsibilities. The Audit & Risk Committee reviews the Board Assurance Framework at least twice annually and makes regular reports available to the Board periodically, and in accordance with the nature of any identified risks. The leadership team and SMT reviews the Board Assurance Framework on a quarterly basis.

During the year the Board re-confirmed and monitored the Charity's principal risks and reviewed the ongoing specific risks to the Charity arising from Covid-19. The Board also considered its risk appetite. Risk appetite was made a permanent feature of the Board Assurance Framework, as was an Assurance Rating, with the intention of providing further evidence and clarity to the Board on strategic threats and risk mitigation.

Directors' and Trustees' report for the period ended 30 June 2022 cont.

Financial Review cont.

Risk assessment

The formal risk assessment process involves the identification, analysis, prioritisation, management and monitoring of each risk. This information is then used to populate the risk register (Board Assurance Framework from March 2022) and to carry out subsequent updates.

The register (and latterly the Board Assurance Framework) identifies some key risks associated with each of the following categories: external factors; financial; operational; and compliance with laws and regulations. These are shown together with the strategic threat, potential impact, the action required to manage these risks and the sources of assurance. The input of the Board and management is crucial in ensuring the Board Assurance Framework is tailored to address the specific issues affecting, or that could potentially affect, the Charity's operations. The Board's attitude to risk and the nature of the activities undertaken ultimately determine the risk grading assigned to any risk area.

Principal risks

The EY Foundation adopts a managed approach to risk, overseen by the Audit & Risk Committee. The corporate risk register (Board Assurance Framework from March 2022) is reviewed by the leadership team, SMT and Audit & Risk Committee periodically. Actions to manage operational risks are identified and implemented through the management structure. Strategic risks are reported to the Board and Audit & Risk Committee and mitigating actions discussed regularly.

The five-year funding relationship with EY provides an element of financial risk mitigation but the landscape in which the Charity works, as for all charities, has changed due to the impact of Covid-19, the ensuing economic uncertainty and the rising cost of living. The key strategic risks are therefore considered to be:

- achieving a broad diversification of income in the current economic and social climate;
- attracting, and then retaining, sufficient staff capacity to deliver our strategies and programmes;
- achieving our pledged public race commitments and delivering our diversity and inclusion strategic priority; and
- the ability to work with employers, funders, and other stakeholders, in the complex and highly regulated environment in which we operate.

Fundraising

The Charity funds its activities through corporate and individual donations, grant bodies, and fundraising events and activities. Some fundraising events are controlled and carried out directly by the Charity rather than through third parties. Our treks and challenges are usually carried out by a third party with oversight from the Charity and with the relevant insurance in place. Most of the fundraising activity during the period was targeted at, and generated by, EY partners and staff. Due to the onset of Covid-19, face to face fundraising events ceased from March 2020 and onwards throughout 2021 for public safety. Face to face fundraising events led by the Charity resumed in May 2022.

The EY Foundation subscribes to the Fundraising Regulator and its code of fundraising practice. The regulator assumed responsibility for regulating fundraising from July 2016 and investigates complaints and fundraising that has caused significant public concern. We strive to create a positive donor experience for our supporters, and will continue to make improvements, adhere to new regulations and build engagement and value by ensuring our supporters are at the heart of our work. Our Treasurer oversees fundraising performance and related fundraising policy and practice, and our compliance with the regulatory standards.

We would like to thank all our supporters for the generous funding and donations, which have enabled us to help even more young people in 2021/2022. In addition to our main corporate donor, EY, we are also very grateful for the support and funding from an increasing number of funders and for their flexibility during this challenging year.

Our supporters and volunteers, both internal to EY and external, are key to our charitable activities and fundraising. Outside of the EY donation, we raise funds in several different ways:

- engaging with corporate partners to deliver more programmes to more young people;
- organised challenge events and other traditional fundraising events and activities;
- working with high net worth individuals; and
- securing grant funding.

Our income generation is managed by our trained in-house team. We do not engage in street fundraising or telephone fundraising campaigns and do not outsource any fundraising to third parties. Our mission is to raise funding to support young people and none of our fundraising activities are directed towards seeking funding from those we are here to help.

Directors' and Trustees' report for the period ended 30 June 2022 cont.

Fundraising cont.

We take the responsible use of personal data seriously and assess our level of GDPR compliance as part of a developing framework of assurance. We will only ever contact donors who have explicitly 'opted in' to receive communications from us. Should we fall short of the standards expected by our donors we have a complaints policy (accessible via our website) where their concerns can be submitted.

In the financial period 2022 there were no complaints received about fundraising for the Charity (2021: nil). We are committed as a Charity to outstanding fundraising conduct and believe that over the year, EY Foundation has met the requirements in this domain.

Plans for Future Periods

During the year we have developed some of the strategies that underpin our work, and will take us to achieve our new ten year ambition, seeking investment from our reserves to build out the areas where we are looking to grow and find new ways of working. We have set ourselves new ambitions around the regions, influencing, digital and high net worth individual fundraising. Our FY23 planning has been done based on the successes of our FY22 income plan and a renewed collaborative spirit in the EY relationship as our first investor, but set against an increase in our cost base due to expected rises in the cost of living.

Setting our new ten year ambition provided the opportunity to update our seven strategic priorities (as stated earlier under **Objectives and Activities)** to ensure they fully encompassed our areas of focus – programmes, digital, collaborate and influence. These priorities direct our planned activities and outcomes for future periods. Specifically, for FY23 (July 2022 – June 2023) we will:

1. **Targeted focus on employers and regions in areas of high deprivation**
   Deliver more sector focused programmes and employability workshops with a greater regional focus, specifically piloting activity in a new area recognised for its high need, Bradford. We will broaden the reach of our workshops to included younger age groups. We will work with more employers than before, both as corporate partners and as experience hosts and panelists, exposing our young people to increased employer interactions
2. **Listen, collaborate, co-design and amplify the youth perspective, and ensure challenges and opportunities are tailored to the challenges they face**
   We will consult and co-design with young people and employers on programme development and the value of accreditation through a new Youth Engagement Framework. We ensure that the experience and opinions of our
   Youth Advisory Board are included in our work, and that their voices are strengthened with training and experience.
3. **Significantly scale up our direct programme delivery and digital provision to young people from an FSM background to build credibility and evidence**
   Work directly through our programmes with more than 2800 young people and 2200 volunteers, more than in FY22, resulting in more sector based employability outcomes. We will understand how we can help young people improve their digital skills, getting them ready for the future of work, and pilot programmatic activity in this area. We will review our Accelerate and Beyond Your Limits programmes to ensure they create the impact our participants need.
4. **Diversify our income base and maintain a level of reserves that ensures our sustainability.**
   We will increase our corporate partnership income, focusing on multi-year contracts and new sectors. We will identify, engage and build a network of high net worth individuals with a sector and regional focus. We will implement a comprehensive assurance framework, that provides an overview of risk management, monitored by EY Foundation leadership and the Board. We will ensure our deep relationship with EY underpins all areas of growth, and that we continue to create new alliances and opportunities for collaboration for our two organisations.
5. **Prioritise a close working relationship with EY, schools/colleges, employers, government (central and local) and VCSE community to unlock systemic change and influence policy at primary and secondary, supported by an evidence-based approach to demonstrate impact of our work.**
   Invest in our influencing capability through new team members and commission research in new areas. We will finalise our Impactful Futures approach (addressing the lack of diversity in the third sector) and establish a collaborative 'charity sector' partner working group. We will launch findings of **CEO Forum** (convening to understand and tackle racial equality of Black employees in their orgs) and follow up government engagement. We will use our data insights to not only drive improvements in our programmes but understand how we share these across sector to provide broader understanding and help others deliver impact.

Directors' and Trustees' report for the period ended 30 June 2022 cont.

Plans for Future Periods cont.

6. **Build and maintain a diverse, thriving team, equipped with the right skill set to deliver our 10-year ambition, and promote a culture of inclusion and belonging**
   Complete a full year of our performance management framework resulting in improved performance, productivity and employee engagement and retention rates. We will have a team that feels connected and listened to, and an open and transparent feedback culture. We will also have a detailed understanding of our HR processes and policies with a roadmap of how to move to a future desired state.
7. **Deliver on our race commitments and expand our commitments to another protected characteristic**
   Make signification progress against our five chosen race commitments for focus in FY23, with improved representation across our team and Board. We will have better access to a pool of talented and diverse candidates across all levels of our organisation. We will create better accessibility for Black young people for both our own programmes and EY's pathways. We will also introduce our approach to a second DEI protected characteristic.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Directors' and Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard *102 The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, and Scotland requires The Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including income and expenditure for that period.

In preparing these financial statements, The Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each person who was a Trustee at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow Trustees and the auditor, each Trustee has taken all the steps that he/she is obliged to take as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

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

Auditors

BDO LLP have been appointed as the Charity's auditors during the period.

In preparing this Trustees' report advantage has been taken of the small companies' exemption, including the option not to produce a strategic report.

The Directors' and Trustees' Report on pages 3-17 was signed on behalf of the Directors and Trustees by:



Patrick Dunne (Chair)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER AND TRUSTEES OF THE EY FOUNDATION

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 30 June 2022 and of incoming resources and application of resources for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006, as amended in 2010.

We have audited the financial statements of the EY Foundation ("the Charitable Company") for the period ended 30 June 2022 which comprise the statement of financial activities (incorporating an income and expenditure account), the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

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

Independence

We remain independent of the Charitable Company in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions related to going concern

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The other information comprises the Directors' and Trustees' report for the period ended 30 June 2022. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of Company Law, for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report, which are included in the Trustees' Report, have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER AND TRUSTEES OF THE EY FOUNDATION cont.

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Trustee's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 requires us to report to you if, in our opinion:

- proper and adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

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 and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines 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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

Extent to which the audit was capable of detecting irregularities, including fraud:

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

- We obtained an understanding of the legal and regulatory frameworks through our accumulated knowledge and consideration of sector information that is applicable to the Charitable Company. We determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the financial reporting framework including but not limited to United Kingdom Generally Accepted Accounting Practice, the Charities Act 2011, the Companies Act 2006, Trustee Investment (Scotland) Act 2005, Data Protection Act 2018, Bribery Act 2010 and tax legislation.
- We understood how the Charitable Company is complying with those legal and regulatory frameworks by making enquiries to management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of minutes.
- We assessed the susceptibility of the Charitable Company's financial statements to material misstatement, including how fraud might occur by discussing with management where it is considered there was a susceptibility of fraud relating to management override of controls and improper income recognition. In addressing the risk of fraud, including the management override of controls and improper income recognition, we tested the appropriateness of certain manual journals, reviewed the application of judgements associated with accounting estimates for the indication of potential bias and tested the application of cut-off and revenue recognition.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER AND TRUSTEES OF THE EY FOUNDATION cont.

There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the Charitable Company's Trustees, as a body, in accordance with the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the Charitable Company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company, the Charitable Company's members as a body and the Charitable Company's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Laurence Elliott (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Gatwick, UK

Date:

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

STATEMENT OF FINANCIAL ACTIVITIES (incorporating an Income and Expenditure account)
for the period ended 30 June 2022

	Notes	Unrestricted funds	Restricted funds	Period ended 30 June 2022 Total funds	Unrestricted funds	Restricted funds	Period ended 2 July 2021 Total funds
		£	£	£	£	£	£
INCOME FROM							
Donations	*2*	3,094,149	207,285	3,301,434	2,828,047	144,981	2,973,028
Charitable activities	*3*	629,448	203,163	832,611	392,832	129,900	522,732
Total income		*3,723,597*	*410,448*	*4,134,045*	*3,220,879*	*274,881*	*3,495,760*
EXPENDITURE ON							
Raising funds	*4*	(1,126,112)	(84,935)	(1,211,047)	(1,094,370)	(21,647)	(1,116,017)
Charitable activities	*5*	(2,260,237)	(167,252)	(2,427,489)	(1,956,697)	(205,091)	(2,161,788)
Total expenditure		(3,386,349)	(252,187)	(3,638,536)	(3,051,067)	(226,738)	(3,277,805)
NET INCOME IN FUNDS FOR THE FINANCIAL PERIOD		337,248	158,261	495,509	169,812	48,143	217,955
Transfer Between Funds	*13*			-	*(25,435)*	*25,435*	-
NET MOVEMENT IN FUNDS		*337,248*	*158,261*	495,509	144,377	73,578	217,955
RECONCILIATION OF FUNDS							
Total funds brought forward		*1,071,866*	*234,092*	*1,305,958*	*927,489*	*160,514*	*1,088,003*
TOTAL FUNDS CARRIED FORWARD		*1,409,114*	*392,353*	*1,801,467*	*1,071,866*	*234,092*	*1,305,958*

All income and expenditure relates to continuing activities. The Charity has no recognised gains or losses other than those included in the results above and therefore, no separate statement of total recognised gains and losses has been presented.

The accompanying notes form part of these financial statements on pages 24 – 32.

BALANCE SHEET
at 30 June 2022

Registered Company Number: 08935629

	Notes	Unrestricted funds	Restricted funds	30 June 2022 Total funds	Unrestricted funds	Restricted funds	2July 2021 Total funds
		£	£	£			£
NON-CURRENT ASSETS							
Intangible assets	10	50,292	-	50,292	58,292	-	58,292
		50,292	-	50,292	58,292	-	58,292
CURRENT ASSETS							
Cash at bank and in hand		1,452,500	392,353	1,844,853	1,406,976	234,092	1,641,068
Debtors	*11*	354,980	-	354,980	526,991	-	526,991
		1,807,480	392,353	2,199,833	1,933,967	234,092	2,168,059
CREDITORS							
Amounts falling due within one year	*12*	(448,658)	-	(448,658)	(920,393)	-	(920,393)
NET CURRENT ASSETS		1,358,822	392,353	1,751,175	1,013,574	234,092	1,247,666
NET ASSETS		1,409,114	392,353	1,801,467	1,071,866	234,092	1,305,958
FUNDS							
Unrestricted Funds	*13*			1,409,114			1,071,866
Restricted Funds	*13*			392,353			234,092
TOTAL FUNDS CARRIED FORWARD				1,801,467			1,305,958

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

The financial statements were approved and authorised for issue by the Board of Trustees on 7 December 2022 and were signed on its behalf by:



Patrick Dunne (Chair)

The accompanying notes form part of these financial statements on pages 24 - 32.

STATEMENT OF CASH FLOWS

for the period ended 30 June 2022

	Note	*Period 2022*	*Period 2021*
		£	£
Cash flows from operating activities			
Net cash from operating activities	a)	203,785	291,852
Cash flows generated by (used in) investing activities			
Purchase of intangible assets		-	(16,770)
Change in cash and cash equivalents during the period		203,785	275,082
Cash and cash equivalents at beginning of period		1,641,068	1,365,986
Cash and cash equivalents at end of period		1,844,853	1,641,068

a) Reconciliation of net income to net cash provided by operating activities:	**Period 2022**	**Period 2021**
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	495,509	217,955
Adjustments for:		
Amortisation	8,000	-
Decrease in creditors	(471,735)	(127,742)
Decrease in debtors	172,011	201,639
	(291,724)	73,897
Net cash provided / operating activities	203,785	291,852

The accompanying notes form part of these financial statements on pages 24 – 32.

NOTES TO THE FINANCIAL STATEMENTS

at 30 June 2022

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on the accruals basis of accounting using historical cost basis and fair value basis on certain items as described below; and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing accounts in accordance with the Financial Reporting Standards (FRS 102 SORP) effective October 2019 (2nd Edition) and the Companies Act 2006 and the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

EY Foundation (the "EY Foundation" or the "charity") is incorporated, under the Companies Act 2006, as a private company limited by guarantee, with no share capital. The Charity is domiciled and registered in England and Wales with registered company number 08935629 and in Scotland registered company number 8935629. The registered office address is 1 More London Place, London SE1 2AF. The Charity is a public benefit entity.

The financial statements have been drawn up for the period from 2 July 2021 to 30 June 2022 (the comparative period being from 2 July 2020 to 1 July 2021).

Going concern

A budget for FY23 was approved by Trustees, prepared based on contracted or otherwise-secured income sources and new potential grants and contracts. To enable the Charity to be responsive to any further financial impacts, positive or negative, performance against the budget was subject to continuous review to facilitate further reductions or new investments where needed, whilst remaining in the agreed reserves policy. The Charity budgeted for a £281k deficit. With this level of deficit, the Charity's reserves were still projected to be within the agreed policy level, and the cash flow position showed a clear ability to remain a going concern.

Subsequent to setting the FY23 budget, Trustees have continued to monitor the additional savings made and income secured by the Charity and have adjusted forecasts accordingly, continuing to adopt the position of forecasting only secured income, whilst investing resources in the development of new funding opportunities. Trustees continue to consider that the Charity is a going concern and able to meet its debts as they fall due, based on the following analysis:

- Having a five-year funding and master services agreement in place with EY, with funding provided on an unrestricted basis. Under the current funding agreement the level of funding is secured for the next three financial years (FY23-FY25), and is the third funding agreement between the two organisations. EY is proud of its investment in the EY Foundation and refers to its donation and the impact made with the Foundation in its annual impact report. This provides security around the Charity's principal source of funding and, with funding provided quarterly in advance, also reduces cash flow risk.
- Budgets and forecasts for FY23 are based on known and secured sources or with further additional income targets that are considered to be achievable.
- The Charity has no fixed costs and all costs are under the control of the Charity's Trustees and management, enabling responsiveness to any further downturn. The Master Services Agreement in place with EY covers all utilities and property overheads, therefore the Charity is less susceptible to the current inflationary pressures and energy pricing crisis.
- The cash flow forecast for the next 18 months, prepared on the above assumptions, shows a positive cash flow for all months with the minimum cash balance falling to £700k over that period.
- The maximum loss of income under this stress test is £948k. With this potential loss of income, the net impact on the minimum cash balance would be £1,078k.
- The Charity has started to secure long term corporate partnerships beyond a year, providing more income certainty above the amounts secured from EY.

As at the date of signing of these financial statements, the Trustees' forecasts indicate that the EY Foundation will be able to maintain liquidity for a period of at least one year following the date of signing these financial statements and will therefore be able to continue to operate as a going concern. The Trustees consider that no material uncertainty exists in relation to going concern for the EY Foundation.

Notes to the financial statements cont.
at 30 June 2022

1. ACCOUNTING POLICIES CONT'D.

Income
Donations are recognised when there is entitlement, probability of receipt and the amount can be measured with sufficient reliability, for example an agreement for funding is in place. Gift aid is claimed on all donations which meet the criteria and where a signed declaration is in place from the individual or Partnership. Gift aid income is accrued for where claims will be submitted to HMRC in line with gift aid requirements and the gift aid relates to donations received within the reporting period.

Donated services and facilities are included as income at current market value where the Charity has control over the item. Where a market value is not available, appropriate estimates are made. In the current period the value of donated services and facilities was ascertained from the entities that made the donations. Examples of donated services include secondees, IT support, and premises.

Income from special organised events is categorised as Donations, as any participation fees are recognised in Other Trading Activities. Income is recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability, for example, where an agreement is in place, but deposits or participant fees have not yet been received.

Income from corporate partnerships is categorised as Income from Charitable Activities as is primary purpose trading. As the majority of programme costs are incurred in the delivery weeks we recognise the income evenly over this period. Income is deferred where the donor has specified that the income is to be expended in a future period or where contractual conditions for entitlement will be met in a future period.

Debtors are recognised when a commitment to pay EY Foundation has been made giving entitlement, where the amount owed to us can be calculated and receipt is probable.

Grants receivable are included in the SOFA when the EY Foundation believes it has entitlement, receipt is probable, and the amount can be measured reliably. Grants has been recorded as an income from charitable activities.

Expenditure
Expenditure, including grants payable, is recognised when there is a legal or constructive obligation on the part of the Charity and it is accounted for on an accruals basis. Expenditure has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the time spent on projects. Support costs are those functions that assist the work of the Charity. Governance costs are part of support costs and comprise the costs of compliance with constitutional and statutory requirements.

Support costs include the salaries of those staff which are not directly attributable to a particular programme of charitable work, governance costs, finance, IT, HR, office running costs and consumables and other overheads not specifically attributable to a particular programme of charitable work. Support costs are allocated between cost of raising funds and expenditure on charitable activities based on the proportion of staff time spent on these activities.

Irrecoverable VAT is recognised as expenditure under the same category as the item it relates to.

Cost of raising funds
Costs of raising funds include items relating to special events organised by the EY Foundation to raise awareness of the Charity and its objects, as well as salaries and overhead costs of the staff who undertake fundraising activities and the marketing costs associated with raising the profile of the EY Foundation (but not those which are used in an educational manner in furtherance of the Charity's objects). These and other fundraising costs are regarded as necessary to generate funds that are needed to finance charitable activities.

Expenditure on charitable activities
These costs relate to projects undertaken by EY Foundation and include travel costs, a proportion of support staff salaries and other costs considered to be in the furtherance of the charitable objectives of the Charity.

Taxation
The company is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11

Notes to the financial statements cont.
at 30 June 2022

1. ACCOUNTING POLICIES CONT'D.

of the Corporation Tax Act 2010 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 arose in the period.

Pensions
The EY Foundation participates in a defined contribution pension scheme for its staff. The assets of the scheme are not owned by the EY Foundation. Pension contributions charged in the SOFA represent the contributions payable by the EY Foundation in the year.

Intangible Fixed Assets
Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated, using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives, as follows: Software and Website costs – 5 years.

Where assets are still in development and not in use, these are treated as "Assets Under Construction", where no amortisation charge is incurred until the asset is complete.

Volunteers
Approximately 2,510 volunteers gave their time freely to nurture and develop our young people. The value of this is not recognised in the accounts.

Fund accounting
The funds of the EY Foundation have been segregated as follows:

- Restricted funds consist of EY donations and grants received for which the donor or grant giver has specified the purposes for which resources can be utilised. Expenditure on restricted funds reflect the appropriate expenditure that has been charged to those funds.
- Restricted funds are disclosed by programme in the notes to the financial statements.
- Unrestricted funds consist of all other income that has not been restricted and can be used in accordance with the charitable objectives at the discretion of the Trustees.
- Unrestricted funds which have been set aside by Trustees for specific use are considered designated funds.
- Transfers are made between funds where there is a release of restricted funds to unrestricted funds or charges are made between funds.

Significant management judgements and key sources of estimation and uncertainty
Estimates and assumptions are based on historical evidence and other factors including expectations of future events that are believed to be reasonable within the EY Foundation. The only estimates believed to be significant are Deferred Income on Grants and Corporate Partnerships and the holiday accrual:

Holiday accrual – the calculation of the value of annual leave not taken as at the reporting date includes an assumption that employees have an average holiday carried forward of 3 days and that they would have taken half of their holiday entitlement by the EY Foundation's year end. The value of the holiday accrual as at 30 June 2022 is £43k (FY21: £53k).

Deferred Income on Grants and Corporate partnerships – Income from corporate partnerships is categorised as Income from Charitable Activities as is primary purpose trading. As the majority of programme costs are incurred in the delivery weeks we recognise the income evenly over this period. Income is deferred where the provider has specified that the income is to be expended in a future period or where contractual conditions for entitlement will be met in a future period.

Debtors are recognised when a commitment to pay EY Foundation has been made giving entitlement, where the amount owed to us can be calculated and receipt is probable.

Grants receivable are included in the SOFA when the EY Foundation believes it has entitlement, receipt is probable, and the amount can be measured reliably. Grants has been recorded as an income from charitable activities. Income is deferred where the donor has specified that income is to be expended in a future period or where contractual conditions for entitlement will be met in a future period.

Notes to the financial statements cont.
at 30 June 2022

2. INCOME FROM DONATIONS

	Unrestricted	*Restricted*	*Period 2022*	*Period 2021*
	£	£	£	£
EY donations: cash	1,761,430	134,000	1,895,430	1,637,240
EY donations: staff, services and facilities	1,153,398	-	1,153,398	807,018
Other donations	76,247	73,285	149,532	141,981
Sponsored events	99,997	-	99,997	159,822
Regular giving	-	-	-	184,574
Gift Aid regarding EY donation: cash	3,077	-	3,077	42,393
	3,094,149	207,285	3,301,434	2,973,028

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted	*Restricted*	*Period 2022*	*Period 2021*
	£	£	£	£
Income from corporate partnerships	629,448	-	629,448	342,832
Grants	-	203,163	203,163	179,900
	629,448	203,163	832,611	522,732

4. COSTS OF RAISING FUNDS

	Unrestricted	*Restricted*	*Period 2022*	*Period 2021*
	£	£	£	£
Salaries	296,634	32,701	329,335	226,566
Other direct costs	-	-	-	23,274
Sponsored event costs	-	-	-	92,106
Support costs (note 6)	829,478	52,234	881,712	774,072
	1,126,112	84,935	1,211,047	1,116,017

Notes to the financial statements cont.
at 30 June 2022

5. EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct Costs	*Support Costs (note 6)*	*Period 2022*	*Period 2021*
	£	£	£	£
Programme Costs				
Smart Futures	600,310	911,905	1,512,215	1,471,026
Our Future/ Your Future	38,509	31,307	69,816	170,275
Accelerate	139,256	89,768	229,024	106,154
School to Work	53,430	7,163	60,593	87,533
Care Programme/BYL	53,866	395,077	448,943	182,988
Other Programme Costs	73,994	32,904	106,898	143,812
	959,365	1,468,124	2,427,489	2,161,788

	Direct Costs	*Support Costs*	*Period 2022*	*Period 2021*
Analysed as:	£	£	£	£
Unrestricted	796,538	1,463,699	2,260,237	1,956,697
Restricted	162,827	4,425	167,252	205,091
	959,365	1,468,124	2,427,489	2,161,788

6. SUPPORT COSTS

	Costs of raising funds	*Charitable activities*	*Period 2022*	*Period 2021*
	£	£	£	£
Office running costs total	-	17,591	17,591	45,921
Other Costs	27,366	65,993	93,359	186
Marketing costs (excl. salaries)	-	33,097	33,097	32,910
Salaries and on costs	495,355	712,828	1,208,183	1,043,422
Donated services & facilities	355,665	511,811	867,476	807,018
Supporter engagement costs	3,326	-	3,326	18,937
Monitoring & evaluation costs	-	28,593	28,593	-
Governance costs	-	76,792	76,792	80,763
Technology Investment costs	-	21,420	21,420	-
	881,712	1,468,125	2,349,837	2,029,157

7. AUDITOR'S FEES

	Period 2022	*Period 2021*
	£	£
Fees payable to the Charity's auditor for the audit of the annual accounts	21,000	18,250
Under provision of FY2020 Audit Fee	-	4,500
	21,000	22,750

No non-audit fees were paid to the auditor.

Notes to the financial statements cont.
at 30 June 2022

8. TRUSTEES REMUNERATION AND OTHER BENEFITS

Trustees are reimbursed their travel and accommodation expenses only when travelling on EY Foundation business (i.e. to Board meetings). Total expenses paid out to Trustees totaled £0 (2021: £0). None of the Trustees are remunerated as a Trustee. There were no short-term contracts offered to Trustees in FY22 (0 In FY21).

9. STAFF COSTS

Staff are recruited under pay scales that were historically benchmarked against charity pay scales.

	Period 2022	*Period 2021*
	£	£
Wages and salaries	1,653,449	1,535,203
Social security costs	175,881	165,267
Other pension costs	166,073	172,253
Benefits	85,080	112,074
	2,080,483	1,984,797

The average monthly number of staff during the period was as follows:

	2022 Full Time Equivalents	*2022 Headcount*	*2021 Full Time Equivalents*	*2021 Headcount*
Chief executive	0.75	1.00	0.67	1.00
Programme	19.49	20.00	16.81	26.00
Fundraising support	3.34	4.00	1.73	2.00
Marketing	1.46	1.00	2.49	3.00
Other support staff	20.07	20.00	10.75	14.00
	45.11	46.00	32.45	46.00

Key management personnel
The key management personnel during the period were the Chief Executive, Acting Chief Executive, Head of Programmes and Regions and Chief Financial Officer. Those four members (Active Chief Executive subsequently became Chief Executive in April 2022) of key management received salary and benefits, including any bonus entitlement, of £343,643 in total (2021: seven key management roles listed received £480,429).

A payment of £50,000 during the year was made to the Head of People, D&I and Volunteering in relation to compensation for loss of office. During the prior year a total payment of £83,602 (of which £20k related to pension payment) was made to the Chief Executive, Maryanne Matthews, in relation to compensation for loss of office.

Pay is benchmarked for all roles against a recognized benchmarking tool for the Charity sector, from which pay bands have been created. All roles are mapped against them, including the Chief Executive. The remuneration of all employees, including key management personnel, is based on the outcome of this independent, sector-specific, benchmark evaluation. The Remuneration Committee approves and oversees the methodology adopted.

During the period the number of employees who earned between the amounts stated below (including taxable benefits but excluding employer pension and national insurance contributions) were:

	2022	*2021*
£60,000 - £70,000	3	2
£70,001 - £80,000	2	2
£80,001 - £90,000	1	-
£200,001 - £210,000	-	1

Notes to the financial statements cont.
at 30 June 2022

10. INTANGIBLE FIXED ASSETS

	Assets Under Construction	Website	Total
	£	£	£
Cost or Valuation			
At 02/07/21	58,292	-	58,292
Transfer	(40,000)	40,000	-
At 01/07/22	18,292	40,000	58,292
Amortisation			
At 02/07/21	-	-	-
Charge for the year	-	8,000	8,000
At 01/07/22	-	8,000	8,000
Net Book Value			
At 02/07/21	58,292	-	58,292
At 01/07/22	18,292	32,000	50,292

The asset under construction refers to a CRM system and new website being developed by the EY Foundation. Both projects are underway and expected to be complete and further enhanced in FY23. These will be amortised from the point in time that the assets are complete. Website has brought to use in FY22 therefore some assets under constructions have been released.

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	*2021*
	£	£
Trade debtors	205,113	364,038
Prepayments	44,370	53,632
Accrued Income	42,490	69,944
Other Debtors	-	39,377
Amounts owed from EY	63,007	-
Total debtors	354,980	526,991

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	*2021*
	£	£
Trade Creditors	1,620	31,601
Amounts owed to EY	-	33,575
Taxation and social security	173,846	516,282
Accruals	119,048	127,438
Deferred Income	154,144	210,455
Other Creditors	-	1,042
	448,658	920,393

Notes to the financial statements cont.
at 30 June 2022

13. MOVEMENT IN FUNDS

Period 2022	*Opening Funds*	*Income*	*Expenditure*	*Transfer of funds*	*Net Movement*	*Closing Funds*
	£	£	£	£	£	£
Unrestricted	1,071,866	3,323,597	(3,342,349)	-	(18,752)	1,053,114
Designated	-	400,000	(44,000)	-	356,000	356,000
Restricted	234,092	410,448	(252,187)	-	158,261	392,353
	1,305,958	4,134,045	(3,638,536)	-	451.509	1,801,467

Period 2021	*Opening Funds*	*Income*	*Expenditure*	*Transfer of funds*	*Net Movement*	*Closing Funds*
	£	£	£	£	£	£
Unrestricted	927,489	3,220,879	(3,051,067)	(25,435)	144,377	1,071,866
Restricted	160,514	274,881	(226,738)	25,435	73,578	234,092
	1,088,003	3,495,760	(3,277,805)	-	217,955	1,305,958

Restricted funding in 2022:	*Opening Funds*	*Income*	*Expenditure*	*Transfer of Funds*	*Net Movement*	*Closing Funds*
	£	£	£	£	£	£
EY	-	207,285	-	-	207,285	207,285
CareTech Foundation	159,017	50,459	(78,726)	-	(28,267)	130,749
The Mercers' Company	53,215	57,041	(60,807)	-	(3,766)	49,449
DYW	-	42,456	(37,587)	-	4,869	4,869
The CEC Company	-	14,950	(14,950)	-	-	-
Prospectus - Kickstart	-	38,257	(38,257)	-	-	-
Paul Hamlyn Fund	21,860	-	(21,860)	-	(21,860)	-
Total Restricted funds	234,092	410,448	(252,187)	-	158,261	392,353

Restricted funding in 2021:	*Opening Funds*	*Income*	*Expenditure*	*Transfer of Funds*	*Net Movement*	*Closing Funds*
	£	£	£	£	£	£
EY	85,283	-	(85,283)	-	(85,283)	-
CareTech Foundation	55,054	177,981	(74,018)	-	103,963	159,017
The Mercers' Company	20,177	57,042	(24,004)	-	33,038	53,215
DYW	-	17,014	(17,014)	-	-	-
The CEC Company	-	12,344	(12,344)	-	-	-
The Gannochy Trust	-	7,500	(7,500)	-	-	-
Prospectus - Kickstart	-	3,000	(3,000)	-	-	-
Paul Hamlyn Fund	-	-	(3,575)	25,435	21,860	21,860
Total Restricted funds	160,514	274,881	(226,738)	25,435	73,578	234,092

Funding from EY is unrestricted and is provided by way of a Funding agreement to achieve maximum impact and influence from the resources invested. Funding from grants is used to support the delivery of employability training, work experience, or other programme activity, as specified in the grant terms.

Notes to the financial statements cont.
at 30 June 2022

14. RELATED PARTY DISCLOSURES

EY donated the following during the period:

	Period 2022	*Period 2021*
	£	£
Cash donation	1,761,430	1,637,240
Donations in kind (note 2):		
Staff	214,222	95,365
Services and buildings	653,254	711,652
Technology	285,923	-
	2,914,829	2,444,257

The majority of purchases are paid for directly by EY Foundation and uploaded to the NAV accounting system by EY Absolute for the first six months of the financial year. The remaining six months are done in Xero – a new in-house finance system we implemented at the end of December 2021. However, a number of costs are paid for directly by EY and then recharged to EY Foundation on a quarterly basis. At the end of the period amounts owed to EY were £0 (2021: £33,575) and balances due from EY were £63k (2021: £0).

Trustees' remuneration and other benefits have been disclosed in Note 8.

15. ULTIMATE CONTROLLING PARTY

The Charity is controlled by the Board of Trustees. The Trustees consider that the Charity's parent undertaking is Ernst & Young LLP, a limited liability partnership registered in England and Wales. Ernst & Young LLP is the parent undertaking of the largest group that consolidates these financial statements, copies of which are available from its registered office, 1 More London Place, London, SE1 2AF. EY Foundation is a registered charity with registered charity number 1157154 (England and Wales), SC045076 (Scotland).

REFERENCE AND ADMINISTRATIVE DETAILS

The EY Foundation
Registered charity number 1157154 (England & Wales). Registered charity number SC045076 (Scotland).
Registered company number 08935629

Registered Office
1 More London Place
London
SE1 2AF

Bankers
Barclays Bank plc
1 Churchill Place
London
EC14 5HP

Solicitors
Bates Wells Braithwaite London LLP
10 Queen Street Place
London
EC4R 1BE

External Auditors
BDO LLP
2 City Place
Beehive Ring Road
Gatwick
RH6 0PA

Patrons
Chris Achiampong
Liz Bingham
Margaret Gibson
Dawid Konotey-Ahulu
Dame Mary Marsh
Douglas Nisbet
Nathaniel Peat
Steve Varley

THE EY FOUNDATION

England & Wales - Charity number 1157154

Accounts

EY Foundation

Annual Report and Financial Statements

For the period ended 2 July 2021

Registered charity number 1157154 (England & Wales) and SCO45076 (Scotland)
Registered company number 8935629

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Registered charity number 1157154 (England & Wales) and SCO45076 (Scotland)
Registered company number 8935629

Directors' and Trustees' report for the period ended 2 July 2021

The Trustees present the financial statements for the period ended 2 July 2021. The financial statements cover the period 4 July 2020 to 2 July 2021 (the comparative period being from 29 June 2019 to 3 July 2020).

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) (2nd Edition) and the Charities Accounts (Scotland) Regulations 2006 (as amended).

Structure, governance and management

Governing document

The EY Foundation ("EY Foundation" or the "Charity") was incorporated on 12 March 2014 as a private company limited by guarantee, with no share capital. EY Foundation is a registered charity with registered charity number 1157154 (England and Wales) since 21 May 2014, and SC045076 (Scotland) since 26 August 2014.

The objects of the Charity are for the benefit of the public to advance such exclusively charitable purposes as the Trustees may decide from time to time.

The Charity is governed by a Board of Trustees, who are also the directors of the EY Foundation. Trustees set the strategic and policy direction with day-to-day management functions being the responsibility of the leadership team.

The Trustees who served during the year were:

	Appointments	Resignations	Trustee Category[1]	Committee[1]
Fahima Akther			Independent	YAB[3] (Vice-Chair)
Nafisa Bakkar			Independent	None
Rosehanna Chowdhury			Independent	A&RC
Patrick Dunne (Chair)			Independent	NomCom
Sara Fowler			Independent	A&RC[4] (Chair)
Sayeh Ghanbari			EY	NomCom
David Gittleson			EY	RemCom (Chair)
Mark Hutchinson	17/07/2020		Independent	None
Julianna Oladipo	25/01/2021		EY Colleague	NomCom, RemCom
Dan Richards			EY Colleague until 30/09/2020, then Independent	NomCom
Rebecca Robins			Independent	NomCom (Chair)
Peter Wallace[2]			EY	Treasurer
Joseph Watson			Independent	YAB (Chair), A&RC

[1] refer to page 2 and 3 for Trustees' appointment terms and sub committees' remits and objectives
[2] partner from within the Financial Services Group
[3] Youth Advisory Board = YAB
[4] Audit & Risk Committee = A&RC

The leadership team during the year were:

Maryanne Matthews, Chief Executive Officer (CEO) (planned absence from 01/03/21; left 21/12/21)
Lynne Peabody, Acting Chief Executive Officer (from 01/03/21); Head of Income and Projects Director (04/07/20 – 28/02/21)
Mark Smith, Chief Finance Officer
Michelle Chard, Head of People, Volunteering and D&I (seconded until 11/1/21, then permanent; left 31/07/21)
Jodie McNally, Head of Young People's Services (on leadership team for interim period from 01/12/20)

The leadership team were supported throughout the year by its management team.

Structure, governance and management cont.

Patrons

Our Patrons, who are a diverse group, act as ambassadors of the EY Foundation, influencing and raising awareness of our work. They have a commitment to improving the lives of young people and represent the Charity at some events. Patrons are appointed by the Trustees. They have no management or governance responsibilities and are not Trustees, thus have no legal liability. The Charity's patrons throughout the year were Steve Varley, Dame Mary Marsh, Nathaniel Peat, Liz Bingham, Chris Achiampong, Dawid Konotey-Ahulu and Douglas Nisbet. Margaret Gibson was appointed as a patron in December 2020 when she retired from her position as Deputy Chief Executive/ Scottish Hub Leader.

Related parties

The Charity's sole member ("the Member") is Ernst & Young LLP ("EY"). EY Foundation's relationship with EY consists of receiving funding amounts through a five-year funding agreement, and EY Foundation's use of their facilities, information systems and professional support.

Recruitment and appointment of Trustees

The Trustees aim to recruit as diverse a Board as possible, and to maintain an active focus on diversity and inclusion. During the year, Dan Richards was the lead diversity and inclusion Trustee on the Board. The emphasis we place on having young people at the head as well as the heart of what we do and the way we work is reflected in our Board through the Chair and Vice Chair of our YAB being Trustees throughout their two-year term on the YAB.

Persons may be appointed to be a Trustee by ordinary resolution or by written notice from the Member to the Charity specifying the name of the person to be appointed as a Trustee and the date of their appointment. The Board, when complete, shall comprise:

- at least three people who are each partners of the Member, two of whom are partners within the UK & Ireland Group and one of whom is a partner within the Financial Services Group ("the EY Trustees");
- at least one person who is a member of staff of the Member ("the EY Colleague Trustee"); and
- at least four independent Trustees, who have no current connection to the Member as employees or partners ("the Independent Trustees").

Trustees are appointed for a period of three years, which can then be extended by ordinary resolution for another period of three years. The Chair's position may be extended for a third term of up to three years under the Articles.

There is no maximum number of Trustees who may be appointed.

No person may be appointed as a trustee, if, as a result of their appointment, the EY Trustees and the EY Colleague Trustee together exceed the number of independent Trustees. The Chair of the Board must always be independent with no current connection to the Member as an employee or partner.

The recruitment of new Trustees follows an evaluation of the desired skills and experience for the Board, aligned to the Charity's evolving strategy. The skills assessment is overseen by the Nominations Committee. A rigorous selection process is adopted to provide potential candidates with a rounded perspective of the Charity, and the environment in which we work.

On joining the EY Foundation's Board, new Trustees receive a welcome pack with key documents and an induction programme which covers the Charity's values and purpose, and separately, includes information on the financial, governance and operational arrangements for the Charity. During induction, Trustees meet young people and members of the EY Foundation's management team to help them fully understand their role as a Trustee. In addition, all Trustees are invited to attend programmes and events to see them in action and are asked to take an interest in a particular area of the Charity's work via membership of one of the committees or in one of our champion roles (safeguarding, diversity & inclusion, technology).

Trustees receive ongoing support and up to date guidance to enable them to fulfil their responsibilities to the organisation. They regularly meet with young people at events and participate in programme activities. Trustees receive insights on the Charity's work at its meetings and regular briefings from the committees, staff, and the leadership team.

The Board meets quarterly with occasional additional meetings as needed. The Trustee role is unremunerated, but Trustees can claim expenses where relevant. Training requirements are considered regularly, and a budget exists for Trustee training. All Trustees undertake training to ensure they are aware of the importance of safeguarding and child protection. During the year, Dan Richards was the lead Trustee for safeguarding.

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Structure, governance and management cont.

Trustees' succession planning
Dan Richards' (formerly the EY Employee Colleague Trustee and then an independent Trustee) and David Gittleson's (Chair of Remuneration Committee) second terms came to an end in December 2021. Julianna Oladipo was appointed to the EY Colleague vacancy in January 2021 in preparation for succession to Dan Richards and was appointed as Chair of Remuneration Committee from January 2022. Planning for trustee retirements and other vacancies arising is overseen by the Nominations Committee.

The Chair and Vice Chair of the YAB were appointed as independent trustees in December 2019 for a two-year period that ended in December 2021. Recruitment for a new Youth Advisory Board has been completed and two members of the YAB have been appointed as independent trustees, attending their first meetings from March 2022.

Board effectiveness review
Trustees, supported by the Nominations Committee undertakes a review of its effectiveness from time to time, the last independent review being undertaken by Grant Thornton in FY19. The recommendations from that review continue to be embedded and further implemented. Trustees are planning a further effectiveness review in FY22.

The Board has in place a scheme of delegation, clarifying the board's delegation of responsibilities to its committees and to the Chief Executive. The YAB, facilitated by the leadership team, conducted a review during the year of its own effectiveness in achieving its core purpose.

Organisational structure

Trustee Board business meetings are held quarterly, and Trustees attend a further day each year to discuss and review the Charity's strategic direction.

Meetings with the Member are held quarterly after each Board meeting and are attended by the Chair, CEO and other managers and Trustees by invitation.

Throughout the reporting period the Board operated an Audit & Risk Committee, Nominations Committee, and a Remuneration Committee. In addition, thematic strategic groups are convened as needed to take a more agile approach to Trustee support and challenge. Examples of their work include providing insight into income opportunities, including development of major bids and contracts, the development of our influencing work, and technological/digital direction.

The fundamental role of the committees is to focus on work delegated by the Board, to provide added scrutiny and challenge, make recommendations to the Board, and to enhance Board effectiveness and productivity. All committees are governed by terms of reference set by the Board and which are set out in a Scheme of Delegation and subject to regular reviews.

Audit & Risk Committee
The Committee reviews and considers the Charity's framework of assurance, including internal controls, risk management and policies before they are presented to the Board for approval.

The Committee meets at least four times each year. The Committee is chaired by an independent Trustee. Following an extensive Board appointment process in 2020, new members were appointed to the Board, and subsequently, to the Committee in June 2020. The Committee agrees an annual cycle of business and reviews its progress against that work plan at each meeting.

Treasurer
Peter Wallace has served as Treasurer since April 2019 to support the Board with its financial management oversight and scrutiny role. The Treasurer meets regularly with the Chief Finance Officer and Head of Finance, Assurance and Risk, and attends the Audit & Risk Committee by invitation if financial matters are to be considered.

Remuneration Committee
The Committee was established to determine and then recommend to the Board the framework for setting the EY Foundation's remuneration principles and for setting senior executive pay. The Committee is chaired by a Trustee and includes an independent non-Trustee in its membership.

Following a board appointment process in 2020, new members were appointed to the Committee. During the year the Committee met to review and approve the approach to role benchmarking and pay banding, including any amendments proposed. The Committee also reviewed, specifically, the approach to pay benchmarking for the leadership team.

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Organisational structure cont.

The Committee met formally twice during the year.

Nominations Committee

The Nominations Committee's primary purpose is to lead the Board, Committee, Patron, Youth Advisory Board, and senior leadership appointment processes and to monitor board effectiveness and Trustee succession planning. The committee is chaired by an independent Trustee.

The Committee met formally four times during the year. Its work during the year focused on the recruitment of an independent Trustee, the recruitment of a new EY Colleague Trustee, establishing a Trustee/YAB mentoring programme, Board succession planning, review of the YAB recruitment process, and reviewing and approving changes to the leadership team structure following the retirement of Margaret Gibson, Deputy Chief Executive.

Youth Advisory Board

The Youth Advisory Board (YAB) was established in November 2019 to advise The EY Foundation, its Trustees and executive on how best to serve the needs of young people making a transition into further/higher education, the workplace or self-employment. The establishment of a YAB provides an important forum for ensuring our strategic delivery plans serve the needs of young people, identifying issues and opportunities and advising on effective policy and service provision for young people at a strategic level.

The YAB also provides opportunities for young people to develop leadership skills and be part of the decision-making process. Further, the Board provides the opportunities for young people to gain experience and knowledge of business and charity practices. The Chair and Vice-Chair of the YAB serve as EY Foundation Trustees during their two-year period of service on the YAB. The YAB has no delegated decision-making power, it serves only as an advisory function. In FY21, the YAB has supported the EY Foundation in both communications and volunteering capacities, developed working groups on social media and diversity and inclusion and advised the EY Foundation's leadership and Trustees on strategic matters, including:

i. providing input into the EY Foundation's three-year strategy and FY22 business plan;
ii. supporting the team with Trustee recruitment by being on interviewing panels and providing feedback thereafter;
iii. participating in programmes, and internal and external events;
iv. presenting at the EY Foundation's virtual Impact Awards event;
v. establishing an Ambassador's LinkedIn network/ group;
vi. involved in project work (e.g., Learning and Work Institute's Covid-19 project; and
vii. helping the EY Foundation undertake an extensive review of how the YAB has operated.

The YAB members' two-year term of office completes in December 2021. Evaluation of the first YAB's experiences has informed the process for advertising and recruiting the next board from December 2021.

Charity Governance Code

The Board recognises the importance of the Governance Code in promoting good governance in the Charity sector. The Board and Audit & Risk Committee have fully self-assessed the Charity's compliance with the Charity Governance Code and the further guidance issued by the Charity Commission related to charities that are connected to a non-charity. The assessment highlighted a high level of compliance with all aspects of the Code. An action plan has been developed and approved to enhance compliance where gaps have been identified.

As part of an ongoing strengthening of our governance and assurance processes, an overall assurance framework has been developed and implemented over the period of review. This includes any further assurance required to evidence full compliance with the Charity Commission's guidance. Trustees continue to keep themselves appraised of developments in the sector and on regulatory and good practice requirements related to governance and charity management. A formal scheme of delegation, setting out the mutual responsibilities of the Board, Committees, and the CEO, was approved in FY20 and has now been implemented.

Key management personnel

The Trustees have delegated authority to the Chief Executive for the day-to-day management of the Charity. The EY Foundation's leadership team during the year comprised the CEO/Acting CEO, Deputy Chief Executive (until December 2020), the Chief Finance Officer, the Head of People, Volunteering and D&I, Head of Income and Projects Director, and the Head of Young People's Services.

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Organisational structure cont.

In February 2021, Maryanne Matthews, CEO, requested an extended period of absence for personal reasons. This was granted by the Board and commenced in March 2021. To maintain continuity through this period a member of the leadership team, Lynne Peabody, undertook an Acting CEO role, supported by other members of the leadership team. These arrangements ensured the Charity's work continued to be delivered effectively and the year's results and achievements are set out further in this report.

During the year, a restructuring of the leadership team was approved by trustees and implemented in the summer 2021, with effect from 1 September 2021. This restructure was considered and approved by trustees and is designed to align core leadership roles with the key strategic imperatives set out in the Charity's three-year strategic framework, and to clarify leadership responsibilities and accountabilities.

The leadership team was changed from the substantive 5.6FTE roles of CEO, Deputy CEO (vacant), CFO (part time), Head of Income & Projects Director, Head of Young People's Services, Head of HR, Volunteering & D&I, to the 4.0 core full time roles of CEO, COO, CFO, and Head of Programmes & Regions. Each role has a clear role profile of responsibilities and a new executive scheme of delegation will be developed during FY22 to align core accountabilities to these roles. The net overall change to this structure is a cost saving over time and an enhancement to the effectiveness of the running of the Charity and continuity.

Maryanne Matthews left the Charity in December 2021. An open recruitment campaign for a new CEO has commenced and is expected to be completed by the end of March 2022. The Board would like to thank Maryanne for all she has done to help establish the Foundation.

Objectives and activities

The reporting period marks the completion of EY Foundation's seventh year as an independent UK charity. The Charity was founded by EY, the professional services firm, our first corporate investor.

Purpose

Our vision is that every young person in the UK can succeed in the workplace. We believe every employer in the UK regardless of size, or sector has an important role to play in giving young people a better start to their working lives.

Our mission is to reduce the barriers to work young people from a low-income background face, supporting them to successfully transition into higher education, employment, or self-employment.

Public benefit

The Trustees confirm that they have complied with the duty in the Charities Act 2011 to have due regard to guidance on public benefit produced by the Charity Commission and believe the undertaking of these activities fully meets the requirements that all the Charity's aims are for the public benefit.

The Trustees and management team consider carefully any new initiatives or changes to delivery models to ensure they meet the EY Foundation's primary charitable purpose.

Our strategic aims

In December 2020 Trustees approved a new three-year strategic framework for FY22-24. Under this framework, our six strategic priorities are to:

- Enable our current activity to have more impact and a wider reach whilst being more effective, by maximising digital solutions available to us.
- Grow our focus on employers and regions to support more young people to get closer to the labour market and into work.
- Expand our income base and maintain a level of reserves that ensures our sustainability. Focus on funding from new sources and assessing new delivery models that might unlock them. Define the financial metrics useful for measuring our efficiency and value.
- Continue to build on our impact measurement, sharing our results more widely with our stakeholders and beyond. Creating an evidence base and knowledge hub to help wider stakeholders understand the importance of our mission.
- Develop and maintain a thriving EY Foundation staff and supporter team, equipped with the right skill set to deliver our increase in scale and impact.
- Increase our activities to share the knowledge and evidence base we build up more widely and regularly to establish ourselves as the knowledge provider, support and motivator for employers and Government to understand the changes needed to support young people from low-income backgrounds into work.

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Objectives and activities cont.

Approach
We achieve our strategic aims by working with employers, social and voluntary sector organisations, and local communities across the UK, focusing on the key impact areas that we know make a real difference to young people being work ready.

We work on both sides of the labour market, designing, developing and delivering programmes that help young people be more work-ready and employers to be more young people-ready. By bringing young people and employers together we unlock untapped potential for the benefit of everyone. Working in collaboration with others, we use the learning and insight gained from our programmes to challenge the status quo and support creating change at a national level that is long-term and sustainable.

Our activities include:

- providing employability skills training, work experience and guidance to young people from a low-income background;
- working with employers of all sizes to build an understanding of the opportunities of building a more diverse workforce;
- encouraging and enabling social entrepreneurs to grow their businesses;
- raising funds to grow and develop EY Foundation programmes for young people and social entrepreneurs;
- collaborating with organisations that share our vision to deepen and scale our impact; and
- influencing national decision-makers so that young people's transition into work is better supported.

Our work with young people

Smart Futures

Smart Futures is a 10-month programme for young people in Year 12 (England) and Fifth year (Scotland) of school who have been eligible for free school meals in the past two years or for young people that are eligible for college bursary or Education Maintenance Allowance.

The programme includes up to 2 weeks of employability training and work experience, an opportunity to take part in a programme that is formally recognized and approved by the Institute of Leadership and Management, and mentoring support. Alongside this, the programme offers a series of interactive learning experiences and training, structured paid experiences of work with local employers and a series of networking events. Upon graduation, every young person on the programme joins the alumni network.

Smart Futures offers young people the opportunity to learn more about the choices available to them when making decisions about their future, broadening their insight into a wide variety of industries including professional services, healthcare, tech, or financial services.

The programme takes place during school holiday periods with the main intakes being at Easter and Summer. During this period, Smart Futures operated in 13 locations: Edinburgh, Glasgow, Manchester, Liverpool, Newcastle, Leeds, Birmingham, Cambridge, Luton, London, Bristol, Reading and Southampton.

Our Future

Our Future works with young people, aged 16-19, who face significant barriers in entering the labour market and who are at risk of becoming 'not in education, employment or training' (NEET). The programme helps them make a smooth transition from statutory education into the labour market.

The six-month programme includes up to two weeks of paid work experience, one week of paid employability training, one to one support from a mentor, networking events and an opportunity to take part in a programme that is formally recognized and approved by the Institute of Leadership and Management.

Our Future is structured to create local career awareness, provide employability skills training and to offer extended periods of work experience to its participants. During the period of review, Our Future operated in Perth and Kinross, London, Luton and Newcastle.

Employability workshops

The Charity provides workshops for young people in Year 10 and 11 (England), and third and fourth year (Scotland) who have been eligible for free school meals at any time in the last two years. Our interventions develop employability skills and build awareness of different post-16 career options and pathways. The programme is designed to connect young people with local employers and opportunities.

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Our work with young people cont.

Into Work

As part of the implementation of our strategic framework, we have begun to develop a new programme that will be focused on moving young people directly into work. This programme will launch in the second half of FY22 across all our Hub locations. In addition, this year we launched a new Professional Services programme which aims to reduce the barriers for young people wishing to enter this sector.

Beyond Your Limits

The Charity, with the support of CareTech Foundation, spent almost a year listening to the needs and ambitions of care-experienced young people, their professionals and employers, and co-created a programme for 16-18 year olds.

Beyond Your Limits combines employability skills development and paid work experience, with mentoring, a bursary and holistic support that will be tailored to each young person's needs. The programme provides up to two years of support and is designed to help the young people progress into education, employment or training. During the period, the programme operated in London, Manchester and Glasgow.

Our work with social entrepreneurs

Accelerate

EY Foundation provides business support to social enterprises by offering a 12-month programme enabling them to access skills capital from business coaches, workshops, networking and project support. We want to help social enterprises to grow and thrive so that they can continue to play an important role in stimulating local economies and affecting social change. Our focus is on young social entrepreneurs and those social enterprises focused on the youth sector.

Social enterprises are vital to addressing some of the most entrenched social issues in our communities today. But the day-to-day business challenges they face are no different to those of any other entrepreneur – and that includes securing funding and income: vital to becoming a long-term force for change.

We can help more young people to reach their potential by working with social entrepreneurs. Those young people might run their own social enterprise or be supported by one.

In the period of this review Accelerate actively supported social entrepreneurs in Scotland, London, the North West, and Yorkshire.

Due to the unprecedented nature of Covid-19, we offered the cohort, which began the programme in 2018, an extension of 6 months. This offer was taken up by a significant number of the cohort, and the feedback was that the support was invaluable during that period.

Achievements, Performance, and Impact

Our response to Covid-19

With Covid-19 making face-to-face delivery impossible during the year, we built upon our FY20 innovations to continue to deliver our programmes virtually. As with the prior year, we listened to our young people to ensure we were understanding and addressing their concerns directly and helping them navigate this period of uncertainty.

Virtual delivery enabled the EY Foundation to reach those who previously may not have been physically able to attend due to a decrease in travel or geographical constraints. We know that not everyone has easy access to digital learning, so we worked to ensure we could provide laptops to all young people due to take part in our programmes. Using insights from FY20, we developed and deployed 33 online programmes, including a virtual work experience placement for each student.

We commissioned the Learning and Work Institute to undertake an independent study of the impact of the move to virtual/hybrid delivery, to inform our plans for future programme delivery. The final report was received in August 2021. Key findings were:

- Overall young people who participated in our programmes were seen to be experiencing more challenges in their lives than pre-pandemic cohorts.
- The noted benefits of virtual delivery were that:
    - Programmes were considered more accessible to young people and employers.
    - They better enabled less confident young people to contribute.

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Achievements, Performance and Impact cont.

  - Virtual mentoring was more convenient for both young people and volunteers.
- Challenges faced were:
  - Maintaining engagement from the young people, some of whom were reticent about being visible on screen.
  - Understanding who needed feedback and support.
  - Learning about corporate culture and building networks with peers and employers.
  - Young people's home environments were not always conducive to learning.
- The intended programme outcomes were achieved through virtual delivery and feedback was broadly similar to face-to-face delivery. However, some groups experienced less benefits from online delivery (e.g. young Black people, those from households on benefits, and those who were English for Speakers of Other Languages).
- We should develop flexible models of future delivery.

Covid-19 impacted negatively on our ability to raise external funds through traditional fund raising, particularly through the cancellation or postponement of all domestic and international treks and events. All planned fundraising events in FY21 were cancelled or deferred.

To mitigate this impact, digital fundraising activities were trialled, including our #StepsforSuccess digital active challenge. Grant makers concentrated more on supporting those charities providing immediate crisis provision, which reduced our ability to secure new funding sources in FY21.

Our corporate partners supported our move to virtual delivery through this period. We continued to develop our approach of working with employers on sector-based collaborations, building on the success of existing partnerships.

During the year the EY Foundation started to develop its approach to engaging with individuals of high net worth. Our first event in April 2021 was pivotal in building these relationships and led directly to a new corporate partnership, new introductions, and new volunteers.

Performance against outcome targets

During the period, the EY Foundation continued to make progress in helping young people across the UK reach their full potential. Considering the effects of the Covid-19 pandemic and the uncertainty that this event has brought to the UK economy, it was anticipated that our movement to online programme delivery would reduce our ability to interact with our key stakeholders (young people, social enterprises, volunteers and employers). Therefore, in our 2021 financial year, we took a conservative approach to setting our performance targets as we continued to adjust to a new format of online programme delivery.

During the period:

- Our programmes supported the following participants:
  - 2,440 young people, including 1,163 participants who qualified for Free School Meals and a further 20 young people currently in the care system; and
  - 63 social entrepreneurs.
- A total of 2,503 young people and entrepreneurs were supported during the FY21 financial year, exceeding our annual target of 1,123 by 123%. However, this is a 64% decrease on the prior year (FY20: 6,955).
- 2,510 volunteers supported our programmes and fundraising activities. Our performance exceeded our annual target of 925 by 171% and represented an increase over the prior year of 15% (FY20: 2,176).
- 272 employers were engaged in our work. Our performance exceeded our annual target of 196 by 39% and represented a decrease over the prior year of 20% (FY20: 341).

Performance against financial targets

We took a cautious approach to budgeting for FY21 due to the unquantifiable impact of Covid at the time the budget was prepared. Income targets were based on secured income only, with no assumptions for securing further grant, employer or fundraising income in the year. At the same time our focus was on protecting our higher impact work, our team, and the Charity's financial sustainability. This resulted in a budgeted deficit of £394k for the financial year. The reserves position was sufficient to protect the Charity from significant financial risk during the year.

Against this cautious backdrop we therefore exceeded all our financial targets for the year, in terms of income raised, expenditure contained within budget, and the resultant net benefit to the bottom-line surplus for the year.

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Achievements, Performance and Impact cont.

Impact

In FY21 we supported 2,440 young people and 63 social enterprises. In supporting the young people and social enterprises we created 2,510 volunteer and 272 employer opportunities. 61% of the young people were female and 83% non-white.

We have been innovating since our inception, back in 2014, and the need to continue doing this has never been clearer. From July 2020 to June 2021, we innovated to increase impact in the following ways:

- Programme delivery — all our programmes have been delivered virtually this year. We worked with the Learning and Work Institute to gain a deeper understanding of the impact of virtual training, with full findings published in October 2021.
- Working with more employers — we've targeted fast-growing sectors of the economy and launched several new, sector specific programmes. These include Tech Futures, Secure Futures and a partnership with the Chartered Banker Institute.
- Increasing focus on diversity and inclusion — action has been taken internally and externally. This included publication of 11 race commitments and our joint report with EY 'Getting in and getting on'.
- Governance and sustainability — appointment of new board members, new 5-year funding agreement with EY and approval of a new 3-year strategic framework.

Financial review

The Charity funds its activities through corporate and individual donations and from fundraising events. Total income raised in the period was £3,496k (2020: £3,064k) of which £275k (2020: £949k) was restricted. Total expenditure was £3,278k (2020: £3,323k). As a result, the charity produced a surplus of £218k and was able to increase unrestricted reserves by £144k.

In this period our programmatic activity has been funded through donations by EY, other corporate partnerships, and through new grants secured during the year. We secured a new five-year funding agreement and master services agreement with EY, with effect from July 2020.

We take an incremental lockstep approach to expenditure, increasing programme staffing resources once additional revenue is confirmed. This is a critical part of the Charity's financial risk management process. From March 2020, one of the actions taken in response to Covid-19 was to freeze all recruitment and to eliminate all non-essential spend. Our approach was guided by two principles: to innovate the work we do in order to create maximum impact through virtual delivery, and to protect our staff and the Charity from the impact of Covid-19. This approach strengthened the Charity's resilience at the start of the period, enabling investments to be made during the year.

Covid-19 and going concern

The Charity took early action in March 2020 to recognise, and then mitigate, the financial and operational impact of Covid-19. Immediate steps included pausing or cancelling all staff recruitment, re-forecasting based on the most pessimistic of a range of possible scenarios, mandating virtual working, and moving face to face programme delivery to a virtual model. These actions protected the Charity's cash and reserves position, whilst also protecting services to our beneficiaries through rapid innovation in programme design and delivery.

All Covid-19 risks were reviewed and monitored through a specific risk register, and the financial impacts assessed through scenario planning, business intelligence, and sector knowledge. A budget for FY21 was approved by Trustees, prepared based on contracted or otherwise-secured income sources only. To enable the Charity to be responsive to any further financial impacts, positive or negative, performance against the budget was subject to continuous review to facilitate further reductions or new investments where needed, whilst remaining in the agreed reserves policy. The Charity budgeted for a £394k deficit, of which £145k was a deficit on unrestricted funds. With this level of deficit, the Charity's reserves were still projected to be within the agreed policy level, and the cash flow position showed a clear ability to remain a going concern.

Subsequent to setting the FY21 budget, Trustees have continued to monitor the additional savings made and income secured by the Charity and have adjusted forecasts accordingly, continuing to adopt the position of forecasting only secured income, whilst investing resources in the development of new funding opportunities. Trustees continue to consider that the Charity is a going concern and able to meet its debts as they fall due, based on the following analysis:

- Having a 5-year funding and master services agreement in place with EY, with funding provided on an unrestricted basis. This provides surety on the Charity's principal source of funding and, with funding provided quarterly in advance, also reduces cash flow risk.
- Budgets and forecasts for FY22 are based on known and secured sources or with further additional income targets that are considered to be achievable.
- The Charity has no fixed costs and all costs are under the control of the Charity's Trustees and management, enabling responsiveness to any further downturn.

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Financial review cont.

- The cash flow forecast for the next 12 months, prepared on the above assumptions, shows a positive cash flow for all months with the minimum cash balance falling to £1,285k over that period.
- Cash flow forecasts have been stress-tested, principally to reflect any potential withdrawal or deferral of unsigned contracted income by corporate partners. The maximum loss of income under this stress test is £1,665k. With this potential loss of income, the net impact on the minimum cash balance would be £1,173k.

As at the date of signing of these financial statements, the Trustees' forecasts indicate that the EY Foundation will be able to maintain liquidity for a period of at least one year following the date of signing these financial statements and will therefore be able to continue to operate as a going concern. The Trustees consider that no material uncertainty exists in relation to going concern for the EY Foundation.

Reserves policy

A substantial proportion of the Charity's income comes from EY in the form of baseline funding defined within the funding agreement between the two entities. A new funding agreement with EY was agreed in June 2020 covering the period up to 2025. All future income from EY is treated as unrestricted income for the pursuit of our charitable activities.

Trustees agreed a new reserves policy in June 2021, which builds upon the previous risk-based approach. The policy identifies the risk factors for which reserves are retained, the process for estimating the level of reserves required against each risk area, and the circumstances under which reserves may be built above the minimum reserves level for future investment.

In addition to restricted and unrestricted reserves, the policy also includes the establishment and use of designated reserves, at the discretion of Trustees.

Total funds at the period end are £1,306k (2020: £1,088k); unrestricted reserves stood at £1,072k (2020: £927k) and restricted reserves at £234k (2020: £161k). Trustees designated £100k (2020: nil) of unrestricted reserves for investment in an Into Work programme during FY22. In preparing the budget for FY22 the assessment of the minimum unrestricted reserves level required, based on the assessment of risks was £549k to £815k. The level of unrestricted reserves at 2 July 2021 was therefore above the minimum requirement.

Investment policy

The Charity receives funding from EY, the main funder, on a quarterly basis. The EY Foundation has a low tolerance to capital volatility and adopts a cautious attitude to risk. The Board has therefore decided that the Charity's reserves should be maintained in (immediately accessible) cash deposits with low-risk financial institutions.

The policy and guidance are reviewed and updated annually or as necessary to reflect changes in issues of particular interest, best practice and new investment laws, regulations, or advice.

Risk management

The Board and management acknowledge that sound risk management is fundamental to both good governance and good management practice. Risk management forms an essential part of the Charity's decision-making process and is integrated into strategic and operational planning.

Risk assessments are carried out on all activities and projects to ensure they adhere to the Charity's objectives. Risk management is part of the Charity's internal control system. A risk register covering all key corporate risks is maintained and updated and reviewed by the management team during the year. The Board, Committees and leadership team consider all key activity with a risk mindset and this contributes to the way new initiatives are developed and performance is monitored and reported.

The effectiveness of the risk management framework is regularly reviewed and updated as considered appropriate. All staff are provided with adequate training on risk management to help them efficiently fulfil their roles and responsibilities. The Audit & Risk Committee reviews the risk register at least twice annually and makes regular reports available to the Board periodically, and in accordance with the nature of any identified risks.

During the year the Board re-confirmed and monitored the Charity's principal risks and reviewed the ongoing specific risks to the Charity arising from Covid-19. The Board also considered its risk appetite.

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Financial review cont.

Risk assessment
The formal risk assessment process involves the identification, analysis, prioritisation, management and monitoring of each risk. This information is then used to populate the risk register and to carry out subsequent updates.

The register identifies some key risks associated with each of the following categories: governance; external factors; financial; operational; and compliance with laws and regulations. These are shown together with the potential impact and the action required to manage these risks. The input of the Board and management is crucial in ensuring the register is tailored to address the specific issues affecting, or that could potentially affect, the Charity's operations. The Board's attitude to risk and the nature of the activities undertaken ultimately determine the risk grading assigned to any risk area. The Board consider its risk appetite during the year.

Principal risks

The EY Foundation adopts a managed approach to risk, overseen by the Audit & Risk Committee. The corporate risk register is reviewed by the management team and Audit & Risk Committee periodically, within a broader framework of assurance. Actions to manage operational risks are identified and implemented through the management structure. Strategic corporate risks are reported to the Board and Audit & Risk Committee and mitigation actions discussed regularly.

The 5-year funding relationship with EY provides an element of financial risk mitigation but the landscape in which the Charity works, as for all charities has changed due to the impact of Covid-19 and the ensuing economic uncertainty. The key strategic risks are therefore considered to be:

- achieving a broad diversification of income in the current economic and social climate;
- attracting, and then retaining, sufficient staff capacity to deliver our strategies and programmes; and
- the ability to work with employers, funders, and other stakeholders, in the complex and highly regulated environment in which we operate.

Fundraising

The Charity funds its activities through corporate and individual donations, grant bodies, and fundraising events and activities.

Some fundraising events are controlled and carried out directly by the Charity rather than through third parties. Our treks and challenges are usually carried out by a third party with oversight from the Charity and the relevant insurance in place. Most of the fundraising activity during the period was targeted at, and generated by, EY partners and staff. Due to the onset of Covid-19, face to face fundraising events ceased from March 2020 and onwards throughout FY21 for public safety.

The EY Foundation subscribes to the Funding Regulator and its code of fundraising practice. The regulator assumed responsibility for regulating fundraising from July 2016 and investigates complaints and fundraising that has caused significant public concern. We strive to create a positive donor experience for our supporters, and will continue to make improvements, adhere to new regulations and build engagement and value by ensuring our supporters are at the heart of our work. Our Treasurer oversees fundraising performance and related fundraising policy and practice, and our compliance with the regulatory standards.

We would again like to thank all our supporters for the generous funding and donations, which have enabled us to help even more young people in 2021. In addition to our main corporate donor, EY, we are also very grateful for the support and funding from an increasing number of funders and for their flexibility during this challenging year.

Our supporters and volunteers, both internal to EY and external, are key to our charitable activities and fundraising. Outside of the EY donation, we raise funds in several different ways:

- engaging with corporate partners to deliver more programmes to more young people;
- organised challenge events and other traditional fundraising events and activities;
- working with high net worth individuals; and
- securing grant funding.

Our income generation is managed by our trained in-house team. We do not engage in street fundraising or telephone fundraising campaigns and do not outsource any fundraising to third parties. Our mission is to raise funding to support young people and none of our fundraising activities are directed towards seeking funding from those we are here to help.

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Fundraising cont.

We take the responsible use of personal data seriously and assess our level of GDPR compliance as part of a developing framework of assurance. We will only ever contact donors who have explicitly 'opted in' to receive communications from us. Should we fall short of the standards expected by our donors we have a complaints policy (accessible via our website) where their concerns can be submitted.

In the financial period 2021 there were no complaints received about fundraising for the Charity (2020: nil). We are committed as a Charity to outstanding fundraising conduct and believe that over the year, EY Foundation has met the requirements in this domain.

Plans for future periods

During the reporting period we continued to work proactively to protect our Charity from the on-going consequences from Covid-19 and in response accelerated the innovation of the design and delivery of our programmes. During FY21 the Charity set a new strategic framework for the next three years, building upon and consolidating the work done in the previous reporting period and the learning from this extraordinary year. This has been supported by a forward-looking financial strategy.

The economic context in which we will operate in FY22 is expected to be less arduous than the past year and thus should afford us the opportunity to continue to grow our charity in its reach and deeper impact, consider hybrid programme delivery models and engage in more traditional fundraising activities (depending on safety measures and government guidelines). On this basis we have been more ambitious in our setting of targets and financial planning for the year ahead than in FY21. A key element of our strategic framework is to design and develop a more dynamic approach to our adoption of digital and technology approaches.

The EY Foundation continues to respond to the diversity and inclusion issues highlighted through the Black Lives Movement. Our steering group, Race Forward 21, was set up, and set our 11 public commitments detailing how we will improve racial diversity in our organization at all levels, on our programmes, and the outcomes we strive for through our work. We will continue to strive towards these commitments in the year ahead and thereafter.

Our work in FY22 will be focused on five key areas:

1. Impact and reach

We will continue with our Ready to Work employability programmes (e.g., Smart Futures and Beyond Your Limits) and pilot a new programme: Into Work, which should provide the platform on which we can partner with employers from targeted, growth sectors across the UK to assist young people into the work place. These objectives will be supported by:

i. building and strengthening relationships, partnerships and networks;
ii. implementation of a new CRM and website which will provide both internal efficiencies and external awareness, respectively; and
iii. engaging with young people, data and government on a deeper level to understand the extent of, and strive to resolve, youth unemployment.

2. *Sustainability*

There are three facets to our sustainability model. The first is: Income sources. Following the establishment of our FY22 financial strategy we are aware of the optimal mix and level of income desired and thus can work towards this. Our approach over the coming year will be to:

(i) target trusts and foundations that share our desired Into Work impact outcomes;
(ii) develop new and existing corporate partnerships;
(iii) assess the potential for digital fundraising and the implications of the changing fundraising mechanisms; and
(iv) engage with high net worth individuals and relevant philanthropic funds.

Our second facet to sustainability is: Knowledge. This will include financial upskilling of the wider team to ensure we are making sustainable bids that provide good value for money and return on investment.

Our third and final facet is: Governance, which will balance the need for reserves with the need to put our income to work.

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3. Measuring impact and building an evidence base

We will continue to build on our impact measurement, sharing our results more widely with our stakeholders and beyond. By creating an agile evidence base and knowledge library will help wider stakeholders understand the importance of our mission and enable us to be responsive to changes in young peoples' and employers' needs. To ensure we have continuous development and appropriate measurement milestones we will engage external evaluations of our new programmes.

4. Approach to people

We will invest time into our teams' and volunteers' development of skills to facilitate an environment of growth and learning. This development will enable informed and relevant discussions to be had with, and provided to, employers, young people and our networks. Diversity and inclusion will continue to be key as we drive towards delivering on our race commitments set in the prior year and creating a culture of inclusion and belonging.

5. Sharer and provider of knowledge

We will continue to provide a voice of young people, ensuring that their needs and thoughts are reflected in our work. Through our investment in technology and by working collaboratively with external parties, we would like to reach and engage young people and employers via a sophisticated, relevant, and content rich method of communication in order create change.

We will strive to better understand how our brand enhances our ability to engage both sides of the labour market, how our target audiences respond to it and what changes can be made to increase impact. This going hand in hand with building our relationships with EY to facilitate promotion of volunteering opportunities to support programme delivery.

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Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Directors' and Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard *102 The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, and Scotland requires The Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including income and expenditure for that period.

In preparing these financial statements, The Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- 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
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each person who was a Trustee at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow Trustees and the auditor, each Trustee has taken all the steps that he/she is obliged to take as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

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

Auditors

BDO LLP have been appointed as the Charity's auditors during the period.

In preparing this Trustees' report advantage has been taken of the small companies' exemption, including the option not to produce a strategic report.

The Directors' and Trustees' Report on pages 3-15 was signed on behalf of the Directors and Trustees by:



Patrick Dunne (Chairman)
16 March 2022

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE EY FOUNDATION

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 2 July 2021 and of incoming resources and application of resources for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006, as amended in 2010.

We have audited the financial statements of the EY foundation ("the Charitable Company") for the period ended 2 July 2021 which comprise the statement of financial activities (incorporating an income and expenditure account), the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

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

Independence

We remain independent of the Charitable Company in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions related to going concern

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The other information comprises the Directors' and Trustees' report for the period ended 2 July 2021. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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Other Companies Act 2006 reporting

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

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of Company Law, for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report, which are included in the Trustees' Report, have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Trustee's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 requires us to report to you if, in our opinion;

- proper and adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

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 and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines 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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

Extent to which the audit was capable of detecting irregularities, including fraud

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:

Registered charity number 1157154 (England & Wales) and SCO45076 (Scotland)
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Auditor's responsibilities for the audit of the financial statements cont.

- We obtained an understanding of the legal and regulatory frameworks through our accumulated knowledge and consideration of sector information that is applicable to the Charitable Company. We determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the financial reporting framework including but not limited to United Kingdom Generally Accepted Accounting Practice, the Charities Act 2011, the Companies Act 2006, Trustee Investment (Scotland) Act 2005, Data Protection Act 2018, Bribery Act 2010 and tax legislation.

- We understood how the Charitable Company is complying with those legal and regulatory frameworks by making enquiries to management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of minutes.

- We assessed the susceptibility of the Charitable Company's financial statements to material misstatement, including how fraud might occur by discussing with management where it is considered there was a susceptibility of fraud relating to management override of controls and improper income recognition. In addressing the risk of fraud, including the management override of controls and improper income recognition, we tested the appropriateness of certain manual journals, reviewed the application of judgements associated with accounting estimates for the indication of potential bias and tested the application of cut-off and revenue recognition.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the Charitable Company's trustees, as a body, in accordance with the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the Charitable Company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company, the Charitable Company's members as a body and the Charitable Company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Laurence Elliott
C9A7C7386A35456...

Laurence Elliott (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Gatwick, UK

Date: 23 March 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Statement of financial activities (incorporating an Income and Expenditure account)

for the period ended 2 July 2021

	Notes	Unrestricted funds	Restricted funds	Period ended 2 July 2021 Total funds	Unrestricted funds	Restricted funds	Period ended 3 July 2020 Total funds
		£	£	£	£	£	£
INCOME FROM							
Donations	2	2,828,047	144,981	2,973,028	1,904,541	703,090	2,607,631
Charitable activities	3	392,832	129,900	522,732	187,964	246,353	434,317
Other trading activities	4	-	-	-	22,168	-	22,168
Total income		*3,220,879*	*274,881*	*3,495,760*	*2,114,673*	*949,443*	*3,064,116*
EXPENDITURE ON							
Raising funds	5	(1,094,370)	(21,647)	(1,116,017)	(621,088)	(227,596)	(848,684)
Charitable activities	6	(1,956,697)	(205,091)	(2,161,788)	(1,083,066)	(1,390,764)	(2,473,830)
Total expenditure		(3,051,067)	(226,738)	(3,277,805)	(1,704,154)	(1,618,360)	(3,322,514)
NET INCOME AND NET EXPENDITURE IN FUNDS FOR THE FINANCIAL PERIOD		169,812	48,143	217,955	410,519	(668,917)	(258,398)
Transfer Between Funds	14	*(25,435)*	*25,435*	-	-	-	-
NET MOVEMENT IN FUNDS		144,377	73,578	217,955	*410,519*	*(668,917)*	(258,398)
RECONCILIATION OF FUNDS							
Total funds brought forward		*927,489*	*160,514*	*1,088,003*	*516,970*	*829,431*	*1,346,401*
TOTAL FUNDS CARRIED FORWARD		*1,071,866*	*234,092*	*1,305,958*	*927,489*	*160,514*	*1,088,003*

All income and expenditure relates to continuing activities. The Charity has no recognised gains or losses other than those included in the results above and therefore, no separate statement of total recognised gains and losses has been presented.

The accompanying notes form part of these financial statements on pages 23 - 32.

Registered charity number 1157154 (England & Wales) and SCO45076 (Scotland)
Registered company number 8935629

Balance sheet

at 2 July 2021

Registered Company Number: 08935629

	Notes	Unrestricted funds	Restricted funds	2 July 2021 Total funds	Unrestricted funds	Restricted funds	3 July 2020 Total funds
		£	£	£			£
NON-CURRENT ASSETS							
Intangible assets	11	58,292	-	58,292	41,522	-	41,522
		58,292	-	58,292	41,522	-	41,522
CURRENT ASSETS							
Cash at bank and in hand		1,406,976	234,092	1,641,068	1,237,113	128,873	1,365,986
Debtors	12	526,991	-	526,991	679,693	48,937	728,630
		1,933,967	234,092	2,168,059	1,916,806	177,810	2,094,616
CREDITORS							
Amounts falling due within one year	13	(920,393)	-	(920,393)	(1,030,839)	(17,296)	(1,048,135)
NET CURRENT ASSETS		1,013,574	234,092	1,247,666	885,967	160,514	1,046,481
NET ASSETS		1,071,866	234,092	1,305,958	927,489	160,514	1,088,003
FUNDS							
Unrestricted Funds	14			1,071,866			927,489
Restricted Funds	14			234,092			160,514
TOTAL FUNDS CARRIED FORWARD				1,305,958			1,088,003

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

The financial statements were approved and authorised for issue by the Board of Trustees on 16 March 2022 and were signed on its behalf by:



Patrick Dunne (Chair)
16 March 2022

The accompanying notes form part of these financial statements on pages 23 - 32.

Registered charity number 1157154 (England & Wales) and SCO45076 (Scotland)
Registered company number 8935629

Statement of cash flows

for the period ended 2 July 2021

	Note	Period 2021	Period 2020
		£	£
Cash flows from / (used in) operating activities			
Net cash from/(used in) operating activities	a)	291,852	(354,102)
Cash flows used in investing activities			
Purchase of intangible assets		(16,770)	(41,522)
Change in cash and cash equivalents during the period		275,082	(395,624)
Cash and cash equivalents at beginning of period		1,365,986	1,761,610
Cash and cash equivalents at end of period		1,641,068	1,365,986

a) Reconciliation of net income to net cash provided by / (used in) operating activities:

	Period 2021	Period 2020
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	217,955	(258,398)
Adjustments for:		
(Decrease) / Increase in creditors	(127,742)	421,713
Decrease / (Increase) in debtors	201,639	(517,417)
	73,897	(95,704)
Net cash provided / (used in) operating activities	291,852	(354,102)

The accompanying notes form part of these financial statements on pages 23 - 32.

Registered charity number 1157154 (England & Wales) and SCO45076 (Scotland)
Registered company number 8935629

Notes to the financial statements

at 2 July 2021

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on the accruals basis of accounting using historical cost basis and fair value basis on certain items as described below; and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing accounts in accordance with the Financial Reporting Standards (FRS 102 SORP 2015) effective October 2019 (2nd Edition) and the Companies Act 2006 and the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

EY Foundation (the "EY Foundation" or the "charity") is incorporated, under the Companies Act 2006, as a private company limited by guarantee, with no share capital. The Charity is domiciled and registered in England and Wales with registered company number 08935629. The registered office address is 1 More London Place, London SE1 2AF. The Charity is a public benefit entity.

The financial statements have been drawn up for the period from 4 July 2020 to 2 July 2021 (the comparative period being from 29 June 2019 to 3 July 2020).

Going concern

The Charity took early action in March 2020 to recognise, and then mitigate, the financial and operational impact of Covid-19. Immediate steps included pausing or cancelling all staff recruitment, re-forecasting based on the most pessimistic of a range of possible scenarios, mandating virtual working, and moving face to face programme delivery to a virtual model. These actions protected the Charity's cash and reserves position, whilst also protecting services to our beneficiaries through rapid innovation in programme design and delivery.

All Covid-19 risks were reviewed and monitored through a specific risk register, and the financial impacts assessed through scenario planning, business intelligence, and sector knowledge. A budget for FY21 was approved by Trustees, prepared based on contracted or otherwise-secured income sources only. To enable the Charity to be responsive to any further financial impacts, positive or negative, performance against the budget was subject to continuous review to facilitate further reductions or new investments where needed, whilst remaining in the agreed reserves policy. The Charity budgeted for a £394k deficit, of which £145k was a deficit on unrestricted funds. With this level of deficit, the Charity's reserves were still projected to be within the agreed policy level, and the cash flow position showed a clear ability to remain a going concern.

Subsequent to setting the FY21 budget, Trustees have continued to monitor the additional savings made and income secured by the Charity and have adjusted forecasts accordingly, continuing to adopt the position of forecasting only secured income, whilst investing resources in the development of new funding opportunities. Trustees continue to consider that the Charity is a going concern and able to meet its debts as they fall due, based on the following analysis:

- Having a 5-year funding and master services agreement in place with EY, with funding provided on an unrestricted basis. This provides surety on the Charity's principal source of funding and, with funding provided quarterly in advance, also reduces cash flow risk.
- Budgets and forecasts for FY22 are based on known and secured sources or with further additional income targets that are considered to be achievable.
- The Charity has no fixed costs and all costs are under the control of the Charity's Trustees and management, enabling responsiveness to any further downturn.
- The cash flow forecast for the next 12 months, prepared on the above assumptions, shows a positive cash flow for all months with the minimum cash balance falling to £1,285k over that period.
- Cash flow forecasts have been stress-tested, principally to reflect any potential withdrawal or deferral of unsigned contracted income by corporate partners. The maximum loss of income under this stress test is £1,665k. With this potential loss of income, the net impact on the minimum cash balance would be £1,173k.

As at the date of signing of these financial statements, the Trustees' forecasts indicate that the EY Foundation will be able to maintain liquidity for a period of at least one year following the date of signing these financial statements and will therefore be able to continue to operate as a going concern. The Trustees consider that no material uncertainty exists in relation to going concern for the EY Foundation.

Notes to the financial statements cont.
at 2 July 2021

1. ACCOUNTING POLICIES CONT'D.

Income

Donations are recognised when there is entitlement, probability of receipt and the amount can be measured with sufficient reliability, for example an agreement for funding is in place. Gift aid is claimed on all donations which meet the criteria and where a signed declaration is in place from the individual or Partnership. Gift aid income is accrued for where claims will be submitted to HMRC in line with gift aid requirements and the gift aid relates to donations received within the reporting period.

Donated services and facilities are included as income at current market value where the Charity has control over the item. Where a market value is not available, appropriate estimates are made. In the current period the value of donated services and facilities was ascertained from the entities that made the donations. Examples of donated services include secondees, IT support, and premises.

Income from special organised events is categorised as Donations, as any participation fees are recognised in Other Trading Activities. Income is recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability, for example, where an agreement is in place, but deposits or participant fees have not yet been received.

Income from corporate partnerships is categorised as Income from Charitable Activities as is primary purpose trading. As the majority of programme costs are incurred in the delivery weeks we recognise the income evenly over this period. Income is deferred where the donor has specified that the income is to be expended in a future period or where contractual conditions for entitlement will be met in a future period.

Debtors are recognised when a commitment to pay EY Foundation has been made giving entitlement, where the amount owed to us can be calculated and receipt is probable.

Grants receivable are included in the SOFA when the EY Foundation believes it has entitlement, receipt is probable, and the amount can be measured reliably. Grants has been recorded as an income from charitable activities.

Expenditure

Expenditure, including grants payable, is recognised when there is a legal or constructive obligation on the part of the Charity and it is accounted for on an accruals basis. Expenditure has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the time spent on projects. Support costs are those functions that assist the work of the Charity. Governance costs are part of support costs and comprise the costs of compliance with constitutional and statutory requirements.

Support costs include the salaries of those staff which are not directly attributable to a particular programme of charitable work, governance costs, finance, IT, HR, office running costs and consumables and other overheads not specifically attributable to a particular programme of charitable work. Support costs are allocated between cost of raising funds and expenditure on charitable activities based on the proportion of staff time spent on these activities.

Irrecoverable VAT is recognised as expenditure under the same category as the item it relates to.

Cost of raising funds

Costs of raising funds include items relating to special events organised by the EY Foundation to raise awareness of the Charity and its objects, as well as salaries and overhead costs of the staff who undertake fundraising activities and the marketing costs associated with raising the profile of the EY Foundation (but not those which are used in an educational manner in furtherance of the Charity's objects). These and other fundraising costs are regarded as necessary to generate funds that are needed to finance charitable activities.

Expenditure on charitable activities

These costs relate to projects undertaken by EY Foundation and include travel costs, a proportion of support staff salaries and other costs considered to be in the furtherance of the charitable objectives of the Charity.

Registered charity number 1157154 (England & Wales) and SCO45076 (Scotland)
Registered company number 8935629

Notes to the financial statements cont.
at 2 July 2021

1. ACCOUNTING POLICIES CONT'D.

Taxation

The company is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 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 arose in the period.

Pensions

The EY Foundation participates in a defined contribution pension scheme for its staff. The assets of the scheme are not owned by the EY Foundation. Pension contributions charged in the SOFA represent the contributions payable by the EY Foundation in the year.

Intangible Fixed Assets

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated, using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives, as follows: Software and Website costs – 5 years

Where assets are still in development and not in use, these are treated as "Assets Under Construction", where no amortisation charge is incurred until the asset is complete.

Volunteers

Approximately 2,510 volunteers gave their time freely to nurture and develop our young people. The value of this is not recognised in the accounts.

Fund accounting

The funds of the EY Foundation have been segregated as follows:

Restricted funds consist of EY donations and grants received for which the donor or grant giver has specified the purposes for which resources can be utilised. Expenditure on restricted funds reflect the appropriate expenditure that has been charged to those funds.

Restricted funds are disclosed by programme in the notes to the financial statements.

Unrestricted funds consist of all other income that has not been restricted and can be used in accordance with the charitable objectives at the discretion of the Trustees.

Unrestricted funds which have been set aside by Trustees for specific use are considered designated funds.

Transfers are made between funds where there is a release of restricted funds to unrestricted funds or charges are made between funds.

Registered charity number 1157154 (England & Wales) and SCO45076 (Scotland)
Registered company number 8935629

Notes to the financial statements cont.
at 2 July 2021

1. ACCOUNTING POLICIES CONT'D.

Significant management judgements and key sources of estimation and uncertainty

Estimates and assumptions are based on historical evidence and other factors including expectations of future events that are believed to be reasonable within the EY Foundation. The only estimates believed to be significant are Deferred Income on Grants and Corporate Partnerships and the holiday accrual:

Holiday accrual – the calculation of the value of annual leave not taken as at the reporting date includes an assumption that employees have an average holiday carried forward of 3 days and that they would have taken half of their holiday entitlement by the EY Foundation's year end. The value of the holiday accrual as at 2 July 2021 is £53k (FY20: £37k).

Deferred Income on Grants and Corporate partnerships – Income from corporate partnerships is categorised as Income from Charitable Activities as is primary purpose trading. As the majority of programme costs are incurred in the delivery weeks we recognise the income evenly over this period. Income is deferred where the provider has specified that the income is to be expended in a future period or where contractual conditions for entitlement will be met in a future period.

Debtors are recognised when a commitment to pay EY Foundation has been made giving entitlement, where the amount owed to us can be calculated and receipt is probable.

Grants receivable are included in the SOFA when the EY Foundation believes it has entitlement, receipt is probable, and the amount can be measured reliably. Grants has been recorded as an income from charitable activities. Income is deferred where the donor has specified that income is to be expended in a future period or where contractual conditions for entitlement will be met in a future period.

2. INCOME FROM DONATIONS

	Unrestricted	*Restricted*	*Period 2021*	*Period 2020*
	£	£	£	£
EY donations: cash	1,637,240	-	1,637,240	1,678,536
EY donations: staff, services and facilities	807,018	-	807,018	532,862
Other donations	-	141,981	141,981	140,000
Sponsored events	156,822	3,000	159,822	75,037
Regular giving	184,574	-	184,574	69,101
Gift Aid regarding EY donation: cash	42,393	-	42,393	112,095
	2,828,047	144,981	2,973,028	2,607,631

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted	*Restricted*	*Period 2021*	*Period 2020*
	£	£	£	£
Income from corporate partnerships	342,832	-	342,832	137,964
Grants	50,000	129,900	179,900	296,353
	392,832	129,900	522,732	434,317

Registered charity number 1157154 (England & Wales) and SCO45076 (Scotland)
Registered company number 8935629

Notes to the financial statements cont.
at 2 July 2021

4. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted	*Restricted*	*Period 2021*	*Period 2020*
	£	£	£	£
Fundraising participants fees	-	-	-	22,168
	-	-	-	22,168

5. COSTS OF RAISING FUNDS

	Unrestricted	*Restricted*	*Period 2021*	*Period 2020*
	£	£	£	£
Salaries	226,566	-	226,566	291,214
Other direct costs	1,627	21,647	23,274	42,504
Sponsored event costs	92,106	-	92,106	89,909
Support costs (note 7)	774,071	-	774,071	425,057
	1,094,370	21,647	1,116,018	848,684

6. EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct Costs	*Support Costs (note 7)*	*Period 2021*	*Period 2020*
	£	£	£	£
Programme Costs				
Smart Futures	631,200	839,826	1,471,026	1,062,392
Our Future	57,991	112,284	170,275	284,275
Accelerate	36,441	69,713	106,154	238,905
School to Work	80,601	6,932	87,533	318,036
Care Programme	54,255	128,733	182,988	113,796
Other Programme Costs	46,214	97,598	143,812	456,426
	906,702	1,255,086	2,161,788	2,473,830

	Direct Costs	*Support Costs*	*Period 2021*	*Period 2020*
Analysed as:	£	£	£	£
Unrestricted	701,611	1,255,086	1,956,697	1,083,066
Restricted	205,091	-	205,091	1,390,764
	906,702	1,255,086	2,161,788	2,473,830

Registered charity number 1157154 (England & Wales) and SCO45076 (Scotland)
Registered company number 8935629

7. SUPPORT COSTS

	Costs of raising funds	*Charitable activities*	*Period 2021*	*Period 2020*
	£	£	£	£
Office running costs total	15,698	30,223	45,921	383,815
Travel costs	-	-	-	8,299
Other Costs	73	113	186	6,770
Marketing costs (excl. salaries)	-	32,910	32,910	41,341
Salaries and on costs	406,120	637,302	1,043,422	1,011,478
Donated services & facilities	314,107	492,911	807,018	64,004
Supporter engagement costs	18,411	526	18,937	32,806
Monitoring & evaluation costs	-	-	-	20,412
Governance costs	19,662	61,101	80,763	60,337
	774,071	1,255,086	2,029,157	1,629,262

8. AUDITOR'S FEES

	Period 2021	*Period 2020*
	£	£
Fees payable to the Charity's auditor for the audit of the annual accounts	18,250	17,825
Under provision of FY2020 Audit Fee	4,500	-
	22,750	17,825

No non-audit fees were paid to the auditor.

9. TRUSTEES REMUNERATION AND OTHER BENEFITS

Trustees are reimbursed their travel and accommodation expenses only when travelling on EY Foundation business (i.e. to Board meetings). Total expenses paid out to three Trustees totaled £0 (2020: £752 to three Trustees). None of the Trustees are remunerated as a Trustee. There were no short-term contracts offered to Trustees in FY21 (0 In FY20).

10. STAFF COSTS

Staff are recruited under pay scales that were historically benchmarked against charity pay scales.

	Period 2021	*Period 2020*
	£	£
Wages and salaries	1,535,203	1,871,504
Social security costs	165,267	159,578
Other pension costs	172,253	101,571
Benefits	112,074	79,459
	1,984,797	2,212,112

Registered charity number 1157154 (England & Wales) and SCO45076 (Scotland)
Registered company number 8935629

10. STAFF COSTS CONT.

The average monthly number of staff during the period was as follows:

	2021 Full Time Equivalents	*2021 Headcount*	*2020 Full Time Equivalents*	*2020 Headcount*
Chief executive	0.67	1.00	0.80	0.80
Programme	16.81	26.00	31.64	30.20
Fundraising support	1.73	2.00	3.39	4.00
Marketing	2.49	3.00	3.94	4.40
Other support staff	10.75	14.00	2.09	3.00
	32.45	46.00	41.86	42.40

Key management personnel

The key management personnel during the period (not all for the full year) were the Chief Executive, Deputy Chief Executive, Head of People, D&I and Volunteering, Head of Programmes, Head of Income and Projects Director, and Chief Financial Officer. Those six members of key management received salary and benefits, including any bonus entitlement, of £480,429 in total (2020: four key management roles listed received £354,508).

The total payment of £83,602 (of which £20k related to pension payment) was made to the Chief Executive, Maryanne Matthews, in relation to compensation for loss of office.

Pay is benchmarked for all roles against a recognized benchmarking tool for the Charity sector, from which pay bands have been created. All roles are mapped against them, including the Chief Executive. The remuneration of all employees, including key management personnel, is based on the outcome of this independent, sector-specific, benchmark evaluation. The Remuneration Committee approves and oversees the methodology adopted.

During the period the number of employees who earned between the amounts stated below (including taxable benefits but excluding employer pension and national insurance contributions) were:

	2021	*2020*
£60,000 - £70,000	2	4
£70,001 - £80,000	2	3
£150,000 - £160,000	-	1
£200,001 - £210,000	1	-

Registered charity number 1157154 (England & Wales) and SCO45076 (Scotland)
Registered company number 8935629

Notes to the financial statements cont.
at 2 July 2021

11. INTANGIBLE FIXED ASSETS

	Assets Under Construction £	Total £
Cost or Valuation		
At 03/07/20	41,522	41,522
Additions	16,770	16,770
At 02/07/21	58,292	58,292
Accumulated Amortisation		
At 03/07/20	-	-
Charge for the year	-	-
At 02/07/21	-	-
Net Book Value		
At 03/07/20	41,522	41,522
At 02/07/21	58,292	58,292

The asset under construction refers to a CRM system and new website being developed by the EY Foundation. Both projects are underway and expected to be complete in FY22. These will be amortised from the point in time that the assets are complete.

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	*2020* £
Trade debtors	364,038	64,200
Prepayments	53,632	59,302
Accrued Income	69,944	182,205
Other Debtors	39,377	12,195
Amounts owed from EY	-	410,728
Total debtors	526,991	728,630

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	*2020* £
Trade Creditors	31,601	6,460
Amounts owed to EY	33,575	29,968
Taxation and social security	516,282	200,606
Accruals	127,438	119,593
Deferred Income	210,455	690,467
Other Creditors	1,042	1,041
	920,393	1,048,135

Registered charity number 1157154 (England & Wales) and SCO45076 (Scotland)
Registered company number 8935629

14. MOVEMENT IN FUNDS

Period 2021	*Opening Funds*	*Income*	*Expenditure*	*Transfer of funds*	*Net Movement*	*Closing Funds*
	£	£	£	£	£	£
Unrestricted	927,489	3,220,879	(3,051,067)	(25,435)	144,377	1,071,866
Restricted	160,514	274,881	(226,738)	25,435	73,578	234,092
	1,088,003	3,495,760	(3,277,805)	-	219,955	1,305,958

PERIOD 2020	*Opening Funds*	*Income*	*Expenditure*	*Transfer of funds*	*Net Movement*	*Closing Funds*
	£	£	£	£	£	£
Unrestricted	516,970	2,114,673	(1,704,154)	-	410,519	927,489
Restricted	829,431	949,443	(1,618,360)	-	(668,917)	160,514
	1,346,401	3,064,116	(3,322,514)	-	(258,398)	1,088,003

Restricted funding in 2021:	Opening Funds	Income	Expenditure	Transfer of Funds	Net Movement	Closing Funds
	£	£	£		£	£
EY	85,283	-	(85,283)	-	(85,283)	-
CareTech Foundation	55,054	177,981	(74,018)	-	103,963	159,017
The Mercers' Company	20,177	57,042	(24,004)	-	33,038	53,215
DYW	-	17,014	(17,014)	-	-	-
The CEC Company	-	12,344	(12,344)	-	-	-
The Gannochy Trust	-	7,500	(7,500)	-	-	-
Prospectus - Kickstart	-	3,000	(3,000)	-	-	-
Paul Hamlyn Fund	-	-	(3,575)	25,435	21,860	21,860
Total Restricted funds	160,514	274,881	(226,738)	25,435	73,578	234,092

Restricted funding in 2020:	Opening Funds	Income	Expenditure	Transfer of Funds	Net Movement	Closing Funds
	£	£	£		£	£
EY	722,237	563,090	(1,200,044)	-	(636,954)	85,283
CareTech Foundation	-	168,850	(113,796)	-	55,054	55,054
The Mercers' Company	107,194	109,771	(196,788)	-	(87,017)	20,177
The CEC Company	-	32,335	(32,335)	-	-	-
Paul Hamlyn fund	-	50,000	(50,000)	-	-	-
Other	-	25,397	(25,397)	-	-	-
Total Restricted funds	829,431	949,443	(1,618,360)		(668,917)	160,514

Funding from EY is unrestricted and is provided by way of a Funding agreement to achieve maximum impact and influence from the resources invested. Funding from grants is used to support the delivery of employability training, work experience, or other programme activity, as specified in the grant terms.

Registered charity number 1157154 (England & Wales) and SCO45076 (Scotland)
Registered company number 8935629

15. RELATED PARTY DISCLOSURES

EY donated the following during the period:

	Period 2021	*Period 2020*
	£	£
Cash donation	1,637,240	1,678,536
Donations in kind (note 2):		
Staff	95,365	235,039
Services and buildings	711,652	297,823
	2,444,257	2,211,398

The majority of purchases are paid for directly by EY Foundation and uploaded to the NAV accounting system by EY Absolute. However a number of costs are paid for directly by EY and then recharged to EY Foundation on a quarterly basis. At the end of the period amounts owed to EY were £33,575 (2020: £29,967) and balances due from EY were £0 (2020: £410,728).

Trustees' remuneration and other benefits have been disclosed in Note 9.

16. ULTIMATE CONTROLLING PARTY

The Charity is controlled by the Board of Trustees. The Trustees consider that the Charity's parent undertaking is Ernst & Young LLP, a limited liability partnership registered in England and Wales. Ernst & Young LLP is the parent undertaking of the largest group that consolidates these financial statements, copies of which are available from its registered office, 1 More London Place, London, SE1 2AF. EY Foundation is a registered charity with registered charity number 1157154 (England and Wales), SC045076 (Scotland).

Reference and Administrative details

The EY Foundation
Registered charity number 1157154 (England & Wales). Registered charity number SC045076 (Scotland).
Registered company number 08935629

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